

THE RYLAND GROUP, INC.

NOMINATING AND GOVERNANCE COMMITTEE

Charter

Organization

This Charter governs the functions of the Nominating and Governance Committee. The Committee is comprised of independent, non-employee directors of the Board of Directors of The Ryland Group, Inc. The Committee recommends candidates to fill vacancies on the Board, recommends the chair and membership of the Committees of the Board, monitors the role and effectiveness of the Board and its committees, and oversees the Corporation's governance process.

Responsibility/Authority

The Committee has the responsibility and authority to supervise and review the affairs of the Corporation as they relate to nominations of directors and corporate governance, including the authority to retain and terminate director search firms, special counsel and other experts and consultants. The Committee is authorized to:

- Seek out appropriate candidates to serve as directors of the Corporation and encourage and receive recommendations for director candidates from all sources.
- Monitor the Corporation's procedures for the receipt and consideration of director nominations by stockholders.
- Interview and otherwise examine director candidates and make recommendations to the Board regarding candidate selection.
- Recommend to the Board the chair and membership of all committees of the Board.
- Establish and monitor procedures for the receipt of stockholder communications directed to the Board.
- Monitor the role and effectiveness of the Board and its committees and oversee the Board's evaluation of itself as well as Board Committee evaluations.
- Develop and recommend to the Board of Directors a set of corporate governance guidelines for the Corporation.
- Perform such other advisory functions with respect to Board directors and issues of corporate governance as are deemed appropriate by the Committee or the Board.

Operating Procedures

Formal actions to be taken by the Committee shall be by unanimous written consent or by a majority of the persons present (in person or by conference telephone) at a meeting at which a quorum is present. A quorum shall consist of at least 50% of the members of the Committee.