

MEMORANDUM

To: All Option Members, Member Organizations and ROTs

From: Market Watch

Date: July 27, 2007

Subject: Affordable Residential Communities (ARC) - (Changes to - Name, Option/Ticker Symbol, Cusip Number)

The Philadelphia Stock Exchange (PHLX) has been advised that Affordable Residential Communities (ARC) Common Stock will have the following changes made, on the date shown below:

Effective Date of Change:	Wednesday, August 1, 2007
Issue Name:	Changed to Hilltop Holdings Inc.
Stock Symbol:	ARC becomes HTH
Option Symbol:	ARC becomes HTH
Leap Symbols:	No Change
Primary Exchange:	No Change
Cusip Number:	008-273-104 becomes 432-748-101

Affordable Residential Communities (ARC) (Before 8/1/2007)					Hilltop Holdings Inc. (HTH) (Beginning 8/1/2007)				
			Calls	Puts				Calls	Puts
ARC	AUG	10	HB	TB	HTH	AUG	10	HB	TB
ARC	AUG	12 1/2	HV	TV	HTH	AUG	12 1/2	HV	TV
ARC	AUG	15	HC	TC	HTH	AUG	15	HC	TC
ARC	SEP	10	IB	UB	HTH	SEP	10	IB	UB
ARC	SEP	12 1/2	IV	UV	HTH	SEP	12 1/2	IV	UV
ARC	SEP	15	IC	UC	HTH	SEP	15	IC	UC
ARC	OCT	10	JB	VB	HTH	OCT	10	JB	VB
ARC	OCT	12 1/2	JV	VV	HTH	OCT	12 1/2	JV	VV
ARC	OCT	15	JC	VC	HTH	OCT	15	JC	VC
ARC	JAN	7 1/2	AU	MU	HTH	JAN	7 1/2	AU	MU
ARC	JAN	10	AB	MB	HTH	JAN	10	AB	MB
ARC	JAN	12 1/2	AV	MV	HTH	JAN	12 1/2	AV	MV

Customers should be advised that all Good-til-Cancelled (GTC) orders not on AUTOM must be cancelled and re-entered prior to the effective date. GTC AUTOM orders will be deleted by PHLX Service Desk/AUTOM personnel.

Questions regarding this release may be directed to Market Watch at 1-800-THE-PHLX, choice #2, or (215) 496-1508.