The parties agree that all qualities, material, and workmanship shall be of Seller's standard and choice unless otherwise expressly agreed in writing. Standard may vary by community. Seller reserves the right to change Seller's standard from time to time.

COMMUNICATION

In an effort to most efficiently serve our buyers, all communication should be directed to your salesperson. _All agreements **must be in writing**, no verbal agreements are permitted. All meetings and walkthroughs are to be attended by parties to the contract only.

SELECTIONS

Selections are pre-made at slab stage. Buyer's ability to customize interior selections may be limited depending on stage of construction. Selection opportunities will be determined on the date of your design meeting, not the date of contract, with no guarantees. **Pre-ordered selections cannot be changed.** Buyers have a (2) hour complimentary meeting with the designer. Additional time will be charged at \$75 per hour. **There will be no selections available after insulation.**

- Buyer shall make selections permitted by Seller from options offered by Seller only. Selections are limited limited selections are one factor which permits Seller to offer its competitive prices. Buyer is responsible for
 maintaining complete records of all selections. In the event any selection is not in stock, you must make a
 different selection within 2 days after you are notified. If you do not make the selection within 2 days, Seller
 may install such selection of Seller's choosing. Selections by Buyer of any 12"x12" material may, at Seller's
 sole discretion, automatically be upgraded to 16"x16" or 18"x18".
- No credit will be given for any deletions. Seller reserves the right to collect additional nonrefundable payment
 on certain selections. Buyer agrees to pay for any upgrades at the time of selection. Unused allowances will
 not be refunded to the Buyer.
- Exterior selections are not allowed unless offered and approved by Seller.
- Cabinets cannot be changed once they are ordered. Cabinet configuration may vary from plan to plan and from home to home.

PLAN AND LOT

- Floor plan brochures may not reflect changes per building permit process.
- All square footages for floor plans and lots are best estimates only.
- Utilities may be located on your lot. These include, but not limited to: electrical poles, meter racks, cable and phone hubs, and fire hydrants. Every effort will be made to landscape around them.

CONSTRUCTION EXPECTATIONS

Seller reserves the right to substitute equally performing materials during construction.

QUALITY OF WORKMANSHIP

Your home is hand built. While we strive to build a defect free home we may make mistakes, and when we do
we will correct them in a manner consistent with the limited warranty agreement that you will receive at
closing. Workmanship will be comparable to model home in your community.

FOUNDATION

• Our foundations are engineered and inspected. The foundation type will be determined by soil samples and engineering, therefore may vary by location.

FRAMING

• Garage ceiling height may differ from the ceiling height of the house.

- Structural engineering dictates framing. Horizontal and vertical fur-downs may be added to accommodate
 mechanical equipment. Seller reserves the right for the placement of: A/C chases, A/C condenser and
 equipment, electrical box and fixtures, plumbing fixtures, HVAC grills and registers. Location of any or all of the
 foregoing may vary from home to home.
- Bonus room on top floor (if applicable) arrangement and size is conceptual and may vary per engineering design. Structural members will dictate actual ceiling lines and fur-downs.

STUCCO

- Stucco, like any other masonry surface, may develop cracks from various sources such as shrinkage, expansion, or normal settlement. Proper maintenance is required. It is recommended that the stucco surfaces and sealants of your home be inspected yearly to determine if the surface or sealants is in need of cleaning or repairs.
- Probably the most important factor in maintaining stucco is the paint. Your home is completed with an elastomeric (rubberized) style of paint. This is used to help seal the stucco and make it more weather resistant from moisture intrusion. This paint will need to be reapplied periodically in order to help keep your stucco in its best condition.

WOOD

- Seller may have treated the Property for termites, other insects or pests but Seller shall have no liability
 to Buyer with respect to any insect-related matters. Buyer is responsible for yearly pest inspections and
 any treatments after closing.
- [Moisture in wood]
- ALL EXTERIOR WOOD, INCLUDING, WITHOUT LIMITATION, WINDOWS, DOORS, TRIM, SIDING AND EXTERIOR
 SHUTTERS REQUIRE REGULAR MAINTENANCE BY BUYER INCLUDING, CLEANING, PAINTING AND CAULKING,
 ETC. WOOD GARAGE DOORS REQUIRE REGULAR MAINTENANCE TO ENSURE THEIR LONGEVITY AND BEAUTY.
 AFTER THE CLOSING, SELLER SHALL HAVE NO RESPONSIBILITY TO PERFORM ANY WORK ON ANY INTERIOR OR
 EXTERIOR WOOD INCLUDING, BUT NOT LIMITED TO, REPAIRS RELATING TO PAINT, WOOD ROT, MILDEW,
 CAULKING AND SHRINKAGE, ETC.

INTERIOR TRIM AND DOORS

- Only operable doors will have hardware installed.
- 8 foot exterior doors will be harder to open and operate than 6 foot 8 inch doors.

PAINT

- Minor imperfection in sheetrock texturing is to be expected and considered normal.
- Selection of dark colors is NOT permitted.
- All wall colors are latex and no eggshell paints are allowed. Paint color may vary with dye lots.
- Gutters are factory painted. Steel lintels will be primed and painted with acrylic gloss enamel.

TILE

- All showers will have a ceiling height of approximately 7'6" with tile installed on the walls.
- Ceramic tile will go up approximately 7' from floor behind secondary tubs.
- Special tile borders, inserts, and designs are available at an additional cost.
- Color of tile may vary from dye lot to dye lot.
- Tile will require regular maintenance by Buyer including cleaning and caulking, etc.

MARBLE AND GRANITE

- Marble has no warranty on suitability, performance, durability or appearance and may require special sealants for proper protection.
- Seams in countertops are to be expected depending on the width, length, and shape of countertops.
- Certain colored marble tiles and marbles with factory applied reinforcing require epoxy setting systems at an additional charge.

- Buyer is advised that color and surface variations are inherent in stone, granite, and other products made
 from natural materials (like brick) and that breaks may occur subsequent to closing. Such conditions along
 with unique and dissimilar veining, luster and textures are not the responsibility of the Seller and will not
 form the basis of request for corrective work.
- Geological flaws, irregular markings, voids, fissures, cracks, lines and/or minor separations are also characteristics of quarried natural stones. It is a standard practice by the manufacturer to repair these separations by waxing, filling, or reinforcements with non-stone products. Such practice will not impair the function or wear of the stones. All of these variations and characteristics are common and present to some degree. However, part of the beauty of having natural stone is the characteristics. Tumbled marble, stone and tile will have holes on the surface and edges. If tile needs to be repaired or patched, the new lot may have shade variation compared to the original lot.
- Properties of mosaics may not appear to lay perfectly straight due to difference in size and thickness as well as unevenness of the mesh sheets. Therefore, deco liners and borders will have a rustic look which appear uneven and not usually in a straight line.
- Grout joints can vary up to 1/8" due to squareness of tile. Grout joints are not resistant to stain or dirt. Keeping grout clean is the responsibility of the homeowner.

FLOORING

• A regulated temperature and humidity level is necessary to maintain hardwood floors. Variations can cause wood floors to raise or even buckle. It is important that the HVAC system be used daily to maintain a consistent temperature and humidity range within the home.

FLATWORK

- Actual design of steps may vary depending on final grade of yard.
- Seller is not responsible for repairing city curbs or streets.

GARAGE

- If the garage is attached, it will be finished w/ sheet rock and one coat latex paint but no texture; no builtins or cabinets included.
- If the garage is detached, it will be framed on the inside without sheet rock or paint.
- Pre painted standard color steel overhead door with garage door opener and two remote transmitters included. Garage door to have maximum width of 16 feet.
- Seller is not responsible for transition or incline from the street to garage floor elevation for the clearance of vehicle's undercarriage. Buyer needs to field verify the size of the garage.

HEATING AND COOLING

- The air conditioning system is designed to cool relative to the outside temperature. Temperature should not be set less than 72°F.
- The temperature differential between all floors of the home should be less that 5°F.
- The heating and cooling system should not be turned off and the cooling temperature should not be set over 85°F.
- The exhaust fan in the bathrooms and utility rooms should be operated during use.
- The HVAC system requires regular maintenance and inspection.

MISCELLANEOUS

- Buyer agrees not to direct subcontractors in work performed. Seller reserves the right to charge Buyer for any delays due to such intervention.
- Roof decks are not designed to support excessive weight such as hot tubs, solid concrete planters, and other heavy items. Roof decks are not to be altered in any way.
- Broken windows, leaks, sheetrock damage, construction debris and trash are usual occurrences during the construction process. All will be addressed at appropriate point of time before closing.
- Windows will leak in excessively heavy wind and rain.
- We do not provide window screens and they are not allowed during development. All screens and installation of such are subject to your HOA approval after development.

- Seller will not be responsible for the survival of any trees during or after construction.
- Each home is constructed with positive drainage that allows water to runoff from home and property. It is the homeowner's responsibility to maintain drainage patterns. Use caution when adding pools or landscaping that may affect drainage. Gutters and downspouts should be inspected regularly for blockage and cleared.
- The closing date is **TENTATIVE** and is only an **ESTIMATE**. This date should NOT be relied upon to turn in lease, lock in interest rates, or schedule moving and deliveries.
- The surface of all upstairs balconies and roof decks will be Thermoplastic Polyolefin (TPO) flat roof protective liner with a composite wood deck on top of the liner. Buyer must NOT cut, tear, or penetrate the liner, otherwise water leakage may occur and Seller is not responsible. Drainage on a roof deck should be kept clear of obstructions that would impair water run-off.
- Nichiha fiber cement sidings/panels are used on exterior of homes.
- The amount of water pressure is controlled by the City or utility district in the Homeowner's area and the Builder has no control over how much water is supplied to the home. Water pressure may vary from community to community or home to home. The height of the home will impact the amount of water pressure and the Homeowner should expect lower pressures with taller built homes. The Builder is not responsible for water pressure variations originating from the water supply source.
- Seller will request the utilities to be disconnected within 3 business days after closing. Buyer is responsible for setting up utilities in their name timely to avoid interruption of services and reconnection fees.

SAFETY

Construction sites are NOT safe places to visit during construction. If you choose to enter these areas at any time, <u>it</u> <u>will be at your own risk</u>. Please take precautions and wear appropriate shoes, ie: no flip flops, high heels, open toe shoes; and hard hat. Watch for loose railings and debris overhead and on the ground. If an accident occurs, the seller is not responsible for bodily harm to you or damage to your vehicle. Please, no children or pets.

FLOODPLAINS, LOW LYING AREAS, DETENTION LAKES AND OVERFLOW AREAS

Our homes are designed with precipitation concerns in mind and we follow city, state and federal requirements for such concerns. Properties in a floodplain or low lying area may experience rising water or water intrusion into a home's garage or crawl space; or standing water in shared streets and driveways.

Properties that may not be in a floodplain may have detention ponds and overflow areas. These features are designed to hold a specific amount of water. During abnormal rainfall these areas may experience temporary flooding. In some cases, shared streets, drives and other areas may be designed to be detention area. There are also City and EPA requirements for developments with regards to drainage during ongoing construction that must be followed by developer and home owners.

HOME MAINTENANCE

A home is a hand built product and although we use quality materials and workmanship in your home, this does not mean it will be free from care and maintenance. A home requires care and attention. General home maintenance is essential to retaining a quality home.

- Special attention should be given to: 1) Exterior and interior painting; especially re-sealing and re-painting exterior windows and doors, 2) caulking, 3) tile grouting, 4) mahogany front doors need to be re-coated and/or re-stained, 5) replacing A/C filters as recommended.
- Your home will experience paint shrinkage and separation. This is normal and occurs due to drying out of the materials. The Buyer is responsible for any paint touch up or caulking resulting from shrinkage after closing.
- Your homes appliances, water heater, electrical, and HVAC system need regular maintenance. Be sure to check the manufacturer's booklets and websites for information about the specific tasks recommended and their schedule.

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WARRANTY

- A sample of your warranty has been provided to you. The original warranty will be given to you at closing. Please become familiar with this document and refer to it prior to sending in a warranty request.
- Please log all warranty requests on our website. Your request will be acknowledged by phone or email in approximately 2 business days to advise you of the anticipated service schedule.
- In the case of an emergency, please contact the emergency contact numbers directly. Emergency
 contact numbers will be provided to you prior to closing at your final walkthrough. In the case of nonemergency items please aggregate your list to optimize service calls and your time to wait for such
 service calls.
- There will be no charge for service calls under warranty. However; you will be subject to service call fees should the service call be for a non-warranted item.
- Warranty service is not designed to handle "cosmetic" or normal maintenance items. All cosmetic items are deemed accepted at closing and maintenance items are the responsibility of the owner after closing.
- Warranty does not cover repair, loss or damage due to **extreme** weather conditions. Your homeowner insurance policy or flood policy should cover these claims.
- Water leaks may take time to determine the source of the leak.

HOA & COMMUNITY AMENITIES

Developments with HOA may have a one-time cap fee. This fee is contributed to the HOA reserve account used in case of a community expenditure shortfall.

Community amenities may not be complete prior to your move in. Homeowner assessments will be collected in full from and after closing (prorated from your closing date). There will not be any refunds or credits for incomplete amenities. Community amenities will vary by community.

PARKING In gated communities, residents are required to park inside of their garages. Guest parking is reserved for guests only. All additional parking must be outside of the community. Please refer to the HOA Covenants and Restrictions for your community regarding parking restrictions.
Acknowledged and agreed to by buyer(s).