THE STATE OF SOUTH CAROLINA
In The Court of Appeals

APPEAL FROM BERKELEY COUNTY
Court of Common Pleas

J.C. Nicholson, Jr., Circuit Court Judge

Appellate Case, No. 2016-2339
Case No. 2014-CP-08-2424

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SC Court of Appeals

Patricia Damico and Lenna Lucas, Individually and on behalf of all others similarly situated, Joshua and Brettany Beutow, Edward and Sylvia Dengg, Jonathan and Theresa Douglass, Anthony and Stacey Ray, Danny and Ellen Davis Morrow, Czara and Chad England, Bryan and Cynthia Camara, and Matthew Collins,
Respondents,

v.

Lennar Carolinas, LLC, Spring Grove Plantation Development, Inc., Manale Landscaping, LLC, Super Concrete of SC, Inc., Southern Green, Inc., TJB Trucking/Leasing, LLC, Paragon Site Constructors, Inc., Civil Site Environmental and Rick Bryant, Individually,
Defendants,

Of which Spring Grove Plantation Development, Inc., Manale Landscaping, LLC, Super Concrete of SC, Inc., Southern Green, Inc., TJB Trucking/Leasing, LLC, and Civil Site Environmental are Respondents.

And

Lennar Carolinas, LLC, Appellant,

v.

The Earthworks Group, Inc., Volkmar Consulting Services, LLC, Geometrics Consulting, LLC, Land/Site Services, Inc., Myers Landscaping, Inc., A.C. & A. Concrete, Inc., Knight's Concrete Products, Inc., Knight's Redi-Mix, Inc., Coastal Concrete Southeast, LLC, Costal Concrete Southeast II, LLC, Guaranteed Framing, LLC, Ozzy Construction, LLC, Construction Applicators Charleston, LLC, LA New Enterprises, LLC, Décor Corporation, DVS, Inc., Raul Martinez Masonry, LLC, Alpha Omega Construction Group, Inc., South Carolina Exteriors, LLC, Builders Firstsource-Southeast Group, LLC, and Low Country Renovations and Siding LLP, Third-Party Defendants,

Of which Volkmar Consulting Services, LLC, Land/Site Services, Inc., Myers Landscaping, Inc., A.C. & A. Concrete, Inc., Knight's Concrete Products, Inc., Knight's Redi-Mix, Inc., Coastal Concrete Southeast, LLC, Coastal Concrete Southeast II, LLC, Guaranteed Framing, LLC, Ozzy Construction, LLC, Construction Applicators Charleston, LLC, LA New Enterprises, LLC, Decor Corporation, DVS, Inc., Raul Martinez Masonry, LLC, Alpha Omega Construction Group, Inc., South Carolina Exteriors, LLC, Builders Firstsource-Southeast Group, LLC, are also Respondents.

and

Decor Corporation, Fourth Party Plaintiff,

v.

Baranov Flooring, LLC, DJ Construction Services, LLC, Creative Wood Floors, LLC, Geraldo Cunha, Ebenezer Flooring, LLC, Emmanuel Flooring and Siding, LLC, Eusi Flooring and Covering, LLC, Nicolas Flores, Alexander Martinez, Isidru Mejia, Juan Perez, Ernesto M. Perez, N&B Construction, LLC, Jose Dias Rodrigues, Livia Sousa, Jose Betio Pereira, Jose Paz Castro Hernandez, Divinio Aperecido Corgosinho, Ricardo Chiche, CEBS Construction, Bayshore Siding and Flooring, Sebastio Luiz de Araujo, and John Does 1-4, Fourth-Party Defendants.

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INDEX

Orders **Page**

Order Denying Lennar's Motion to Alter or Amend, Filed October 26, 2016 3

Order Denying Lennar's Motion to Compel Arbitration, Filed September 21, 2016 4

Pleadings

Plaintiffs' Summons and Complaint, Filed December 12, 2014 24

Lennar's Answer, Cross-Claims, and Third-Party Complaint, Filed February 17, 2015 42

Plaintiffs' First Amended Summons and Complaint, Filed November 23, 2015 75

Lennar's Third Party Summons, Answer to Plaintiffs' First Amended Complaint, Cross-Claims and Third Party Complaint, Filed November 25, 2015 109

Décor's Answer and Fourth-Party Complaint, Filed February 1, 2016 165

Alpha Omega Construction Group's Answer Filed January 13, 2016 177

Transcript

Transcript of April 11, 2016 hearing on Lennar's Motion to Compel Arbitration. 203

Other Materials or Documents

Lennar's Motion to Compel Arbitration (without Exhibits) Filed June 1, 2015 257

Lennar's Amended Motion to Compel Arbitration with all Exhibits and Attachments, Filed March 30, 2016 262

- Affidavit of Robert Mauch 271
- Coastal Concrete Supplier Base Agreement 1035
- Knights Redi-Mix, Inc. Business Partner Agreement 1288

Plaintiffs' Memorandum in Opposition to Lennar's Motion to Compel Arbitration Filed April 7, 2016 2434

Lennar's Reply to Plaintiff's Memorandum in Opposition to Lennar's Amended Motion to Compel Arbitration, Filed April 8, 2016 2531

Lennar's Motion to Reconsider Order Denying its Motion to Compel Arbitration, Filed October 3, 2016 2553

DVS, Inc.'s Memorandum in Opposition to Motion to Compel Arbitration Filed May 16, 2016 2573

Spring Grove's Memorandum in Opposition to Lennar's Motion to Compel Arbitration Filed April 11, 2016 2587

Spring Grove's Motion to Alter or Amend Judgment and Joinder in Rule 59 Motion Filed October 3, 2016 2594

Affidavit of Helen Dray, with Exhibits, Dated April 8, 2016 and Filed April 11, 2016 2600

Third-Party Defendant Guaranteed Framing, LLC's Memorandum of Law in Response to Lennar's Amended Motion to Compel Arbitration, Filed April 11, 2016 2810

Third-Party Defendant Guaranteed Framing, LLC's Supplemental Memorandum of Law in Response to Lennar's Amended Motion to Compel Arbitration, Filed April 28, 2016 2817

Guaranteed Framing, LLC's Motion to Alter or Amend, Filed October 3, 2016 2823

Affidavit of Mark Wetula, Filed April 4, 2016 2828

Super Concrete of SC, Inc.'s Memorandum of Law in Opposition to Lennar Carolina, LLC's Amended Motion to Compel Arbitration filed April 11, 2016 2831

Third-Party Defendant South Carolina Exteriors, LLC's Memorandum in Opposition to Lennar's Amended Motion to Compel Arbitration, Filed April 11, 2016 2837

South Carolina Exteriors, LLC's Motion to Alter or Amend, Filed October 4, 2016 2844

Affidavit of Barbara Chalfant Dated April 8, 2016 and Filed April 11, 2016 2860

Alpha Omega Motion to Alter or Amend, Filed Oct. 3, 2016 2882

Affidavit of Chris Stafford, Dated April 8, 2016 2908

A.C. & A. Concrete, Inc.'s Joinder in Rule 59 Motion, Filed October 3, 2016 2936

Certificate of Appellant 2941

FORM 4

STATE OF SOUTH CAROLINA
COUNTY OF BERKELEY
IN THE COURT OF COMMON PLEAS

JUDGMENT IN A CIVIL CASE

CASE NO. 2014-CP-08-2424

Patricia Damico, et al	Lennar Carolinas, et al
PLAINTIFF(S)	DEFENDANT(S)

Submitted by:	Attorney for : ☐ Plaintiff ☐ Defendant or ☐ Self-Represented Litigant

DISPOSITION TYPE (CHECK ONE)

☐ **JURY VERDICT.** This action came before the court for a trial by jury. The issues have been tried and a verdict rendered.

☒ **DECISION BY THE COURT.** This action came to trial or hearing before the court. The issues have been tried or heard and a decision rendered.

☐ **ACTION DISMISSED** (*CHECK REASON*): ☐ Rule 12(b), SCRCP; ☐ Rule 41(a), SCRCP (Vol. Nonsuit); ☐ Rule 43(k), SCRCP (Settled); ☐ Other

☐ **ACTION STRICKEN** (*CHECK REASON*): ☐ Rule 40(j), SCRCP; ☐ Bankruptcy; ☐ Binding arbitration, subject to right to restore to confirm, vacate or modify arbitration award; ☐ Other

☐ **DISPOSITION OF APPEAL TO THE CIRCUIT COURT** (*CHECK APPLICABLE BOX*): ☐ Affirmed; ☐ Reversed; ☐ Remanded; ☐ Other

NOTE: ATTORNEYS ARE RESPONSIBLE FOR NOTIFYING LOWER COURT, TRIBUNAL, OR ADMINISTRATIVE AGENCY OF THE CIRCUIT COURT RULING IN THIS APPEAL.

BERKELEY COUNTY, S.C.
CLERK OF COURT
16 OCT 26 PM 2:30
FILED

IT IS ORDERED AND ADJUDGED: ☐ See attached order (formal order to follow) ☒ Statement of Judgment by the Court: Defendant's Motion to Reconsider the Court's September 21, 2016 Order denying the Motion to Compel Arbitration is respectfully **denied** without a rehearing. This Order also **denies** all Joining Motions to Reconsider filed in response to the Court's September 21, 2016 Order.

ORDER INFORMATION

This order ☐ ends ☒ does not end the case.
Additional Information for the Clerk :

INFORMATION FOR THE PUBLIC INDEX

Complete this section below when the judgment affects title to real or personal property or if any amount should be enrolled. If there is no judgment information, indicate "N/A" in one of the boxes below.

Judgment in Favor of (List name(s) below)	Judgment Against (List name(s) below)	Judgment Amount To be Enrolled (List amount(s) below)
N/A		$

If applicable, describe the property, including tax map information and address, referenced in the order:
N/A

The judgment information above has been provided by the submitting party. Disputes concerning the amounts contained in this form may be addressed by way of motion pursuant to the SC Rules of Civil Procedure. Amounts to be computed such as interest or additional taxable costs not available at the time the form and final order are submitted to the judge may be provided to the clerk. **Note: Title abstractors and researchers should refer to the official court order for judgment details.**

Circuit Court Judge	2117 Judge Code	10-24-16 Date

SCRCP Form 4C

STATE OF SOUTH CAROLINA	)	IN THE COURT OF COMMON PLEAS
	)	NINTH JUDICIAL CIRCUIT
COUNTY OF BERKELEY	)	CASE NO: 2014-CP-08-02424
Patricia Damico, Joshua and Brettany Buetow, Edward and Sylvia Dengg, Jonathan and Theresa Douglass, Anthony and Stacey Ray, Danny and Ellen Davis Morrow, and Matthew Collins, Individually and Derivatively as acting on behalf of the Spring Grove Plantation Homeowners Association, Plaintiffs, vs. Lennar Carolinas, LLC, Spring Grove Plantation Development, Inc., Volkmar Consulting Services, LLC, and Manale Landscaping, LLC, Defendants.	)	**ORDER DENYING DEFENDANT LENNAR'S MOTION TO COMPEL ARBITRATION**
Lennar Carolinas, LLC Third-Party Plaintiff, vs. Super Concrete of SC, Inc. Southern Green, Inc., and TJB Trucking/Leasing, LLC, Third-Party Defendants.	)	

2016 SEP 21 AM 11:39
BERKELEY, S.C.

THIS MATTER came before the Court on April 11, 2016 upon Defendant Lennar Carolinas, LLC's Amended Motion to Compel Arbitration. Following oral argument, the Court took Lennar's Motion under advisement. After consideration of the parties' memoranda, oral arguments and applicable law, this Court denies Lennar's Motion to Compel Arbitration and finds further, as follows:

FACTUAL SUMMARY AND PROCEDURAL BACKGROUND

This is a defective construction suit by the Homeowners at The Abbey located in Spring Grove Plantation, individually and on behalf of others similarly situated. The Abbey consists of approximately Sixty-Nine (69) homes in the Spring Grove Plantation neighborhood located in Berkeley County. Upon information and belief, the houses were constructed from 2010 to present. Plaintiffs' have alleged that construction defects exist which have resulted in water intrusion, component and structural degradation, and extensive consequential damages.

On October 30, 2014, Plaintiffs commenced this action by Complaint which asserted a number of claims including negligence/gross negligence, breach of warranty, and strict liability against Lennar Defendants. Lennar answered the Complaint on February 17, 2015.

On June 1, 2015, Lennar filed the instant Motion requesting the Court Compel Arbitration pursuant to the Federal Arbitration Act (FAA), 9 USC Section 1, et. seq., or alternatively, the South Carolina Uniform Arbitration Act (SCUAA), SC Code Ann 15-48-10, et. seq. based upon provisions contained in a number of Exhibits submitted to the Court, including but not limited to, the Lennar Purchase and Sale Agreement and Lennar Limited Warranty.

STANDARD OF REVIEW

The question of the arbitrability of a claim is an issue for judicial determination. *Oxford Health Plans, LLC v. Sutter,* 569 U.S. _ (2013) (noting questions of arbitrability are presumptively left for the court to decide); *Granite Rock Co. v. Int'l Bhd Of Teamsters,* 561 U.S. 287, 296 (2010); *AT & T Techs., Inc. v. Communications Workers of America,* 475 U.S. 643, 106 S.Ct. 1415, 89 L.Ed.2d 648 (1986) (noting same); *Partain v. Upstate Automotive Group,* 386 S.C. 488, 689 S.E.2d 602 (2010).

General contract defenses such as fraud, duress and unconscionability apply to a court's evaluation of the enforceability of an arbitration clause governed under either the SCUAA or the FAA. 9 U.S.C. § 2 (providing written arbitration agreements may be invalid, revocable and unenforceable based upon "such grounds as exist at law or in equity for the revocation of any contract."); See also § 15-48-10(a) containing similar language to that of the FAA. Thus, this Court may address "arbitrability" based upon general contract defenses recognized in this State.[1] Therefore, if this Court finds any clause of a contract unconscionable, including an arbitration clause, the Court may refuse to enforce the clause or otherwise limit its application so as to avoid an unconscionable result. S.C. Code§ 36-3-302(1) 2003.

In construing a contract, the primary objective is to ascertain and give effect to the intention of the parties. *Williams v. Teran, Inc.*, 266 S.C. 55, 221 S.E.2d 526 (1976); *RentCo., a Div. of Fruehauf Corp. v. Tamway Corp.*, 283 S.C. 265, 321 S.E.2d 199 (Ct.App.1984). Ambiguous language in a contract should be construed liberally and interpreted strongly in favor of the non-drafting party. *Myrtle Beach Lumber Co., Inc. v. Willoughby*, 276 S.C. 3, 274 S.E.2d 423 (1981). "After all, the drafting party has the greater opportunity to prevent mistakes in meaning. It is responsible for any ambiguity and should be the one to suffer from its shortcomings." *Bazzle v. Green Tree Financial Corp.*, 351 S.C. 244, 262, 569 S.E.2d 349, 358 (2002), *vacated on other grounds*, 123 S.Ct. 2402, 156 L.Ed.2d 414 (2003). A contract is ambiguous when its terms are reasonably susceptible of more than one interpretation. *Hawkins v. Greenwood Dev. Corp.*, 328 S.C. 585, 493 S.E.2d 875 (Ct.App.1997); *see also Carolina Ceramics, Inc. v. Carolina Pipeline Co.*, 251 S.C. 151, 155-56, 161 S.E.2d 179, 181 (1968)

[1] As aptly noted by Justices Breyer, Ginsburg, Sotomayor and Kagan in their dissenting opinion to *AT&T Mobility, LLC v. Concepcion:* "even though contract defenses, *e.g.*, duress and unconscionability, slow down the dispute resolution process, *federal arbitration law normally leaves such matters to the States.*" 131 S.Ct. 1740, 1760 (2011) (emphasis added); *Rent-A-Center*, 130 S.Ct. at 2775 (2010) (arbitration agreements "may be invalidated by 'generally applicable contract defenses'"); *Munoz v. Green Tree Financial Corp.*, 343 S.C. 531, 539, 542 S.E.2d 360, 363-64 (200 I) ("General contract principles of state law apply to arbitration clauses governed by the FAA").

("[A]n ambiguous contract is one capable of being understood in more senses than one, an agreement obscure in meaning, through indefiniteness of expression, or having a double meaning.") (citation omitted).Whether a contract's language is ambiguous is a question of law. *South Carolina Dep't of Natural Resources v. Town of McClellanville*, 345 S.C. 617, 550 S.E.2d 299 (2001). Once the court decides the language is ambiguous, evidence may be admitted to show the intent of the parties. *Id.; see also Charles v. B & B Theatres, Inc.*, 234 S.C. 15, 18, 106 S.E.2d 455, 456 (1959).

Questions as to whether a transaction involves intrastate or interstate commerce, and thus, implicates the application of the South Carolina Uniform Arbitration Act ("SCUAA") or the Federal Arbitration Act ("FAA"), are reserved for the trial court. To ascertain whether a transaction involves commerce within the meaning of either the SCUAA or the FAA, the court must examine the agreement, the complaint, and the surrounding facts.

In cases involving home purchase agreements, such as here, South Carolina courts make clear that the SCUAA applies because such contracts involve intrastate commerce as opposed to interstate commerce. *Bradley v. Brentwood Homes, Inc.*, 398 S.C. 447, 456, 730 S.E.2d 312, 317 (2012). Under the SCUAA, an arbitration provision must be properly disclaimed, and failure to do so, renders the arbitration provision unenforceable under the Act's express provisions. S.C. Code § 15-48-10.[2]

ANALYSIS

I. ARBITRATION PROVISIONS AND THE *PRIMA PAINT* DOCTRINE

Lennar argues that there are "four, separate arbitration provisions that cover Plaintiff's claims in the present litigation: (1) the Purchase and Sale Agreement; (2) Lennar's Limited

[2] Although SCUAA's disclaimer requirements may be preempted by the FAA, such preemption only occurs in cases where the transaction at issue involves interstate versus intrastate commerce. *Munoz v. Green Tree Fin. Corp.*, 343 S.C. 531, 539, 542 S.E.2d 360, 364 (200 I).

Warranty; (3) Amended and Restated Declaration of Covenants, Conditions, Restrictions, Easements, Charges, and Liens for Spring Grove Plantation Community (the "Covenants"); and (4) the Deed(s).

Although Lennar argues that these are separate arbitration agreements, the Court finds that they must be read in conjunction with each other and that collectively, they contain the arbitration provisions at issue. The U.S. Supreme Court has held that courts may consider only the threshold question of whether the arbitration agreement is fraudulently induced and thus invalid, not whether the contract as a whole is invalid. *Prima Paint Corp. v. Flood & Conklin Manufacturing Co.*, 388 U.S. 395, 406 (1967). The Supreme Court of South Carolina, in the recent opinion of *Smith v. D.R.Horton*, reiterated that "in conducting an unconscionability inquiry, courts may only consider those provisions of the arbitration agreement itself, and not those of the whole contract." *Smith v. D.R.Horton*, S.Ct. Opinion No. 27645 (Filed July 6, 2016); See also *S.C. Public Serv. Auth. V. Great W. Coal (Ky.), Inc.*, 312 S.C. 559, 437 S.E.2d 22 (1993).

Similar to the *Smith* case and in line with the *Prima Paint* Doctrine, this Court finds that the arbitration provisions as set forth below in all four documents, including the entire Lennar Limited Warranty, must be read as a whole to comprise the arbitration "agreement" due to the "cross-references to one another" and "intertwining" paragraphs. *Id.* For ease in analysis, the Court provides the specific sections and excerpts which support this reading as set forth below.

II. THE ARBITRATION PROVISIONS:

The Purchase and Sale Agreement states in Section 3[3] and 30[4] that the Agreement consists of the Agreement, Riders and Addenda, and Documents as defined in Rider B. Section 3

[3] Section 3: Legally Binding Agreement. (...) NO WARRANTIES OR REPRESENTATIONS, OTHER THAN THOSE SPECIFIED IN THIS AGREEMENT, ARE EXPRESSED OR IMPLIED. ORAL REPRESENTATIONS CANNOT BE RELIED UPON AS CORRECTLY STATING THE REPRESENTATIONS OF SELLER. FOR

refers to the inclusion of "warranties." Section 28[5] states that "disclaimers are incorporated." Rider B incorporates by reference Lennar's Limited Warranty in its' entirety within Section 5[6], stating that "THE EXPRESS LIMITED *WARRANTY AND REMEDIES* PROVIDED BY SELLER CONSTITUTE *EXCLUSIVE WARRANTY AND REMEDIES* TO BE MADE AVAILABLE BY SELLER." (Emphasis added). This Court views Rider B, Section 5 as tying Lennar's warranty and remedies together, and thus their interpretation should be viewed in conjunction with each other.

CORRECT WARRANTIES AND REPRESENTATIONS, REFERENCE SHOULD BE MADE TO THIS AGREEMENT, INCLUDING THE RIDERS AND ADDENDA ATTACHED HERETO, AND THE "DOCUMENTS" (AS SUCH TERM IS DEFINED IN RIDER B) PROVIDED TO BUYER, IF ANY. (Emphasis added).

[4] 30. Entire Agreement. BUYER CERTIFIES THAT BUYER HAS READ EVERY PROVISION OF THIS AGREEMENT, WHICH INCLUDES EACH RIDER AND ADDENDUM ATTACHED HERETO AND THAT THIS AGREEMENT, TOGETHER WITH EACH SUCH RIDER AND ADDENDUM, CONSTITUTES THE ENTIRE AGREEMENT BETWEEN BUYER AND SELLER. PRIOR AGREEMENTS, REPRESENTATIONS, UNDERSTANDINGS, AND ORAL STATEMENTS NOT REFLECTED IN THIS AGREEMENT HAVE NO EFFECT AND ARE NOT BINDING ON SELLER. BUYER ACKNOWLEDGES THAT BUYER HAS NOT RELIED ON ANY REPRESENTATIONS, NEWSPAPERS, RADIO OR TELEVISION ADVERTISEMENTS, WARRANTIES, STATEMENTS, OR ESTIMATES OF ANY NATURE WHATSOEVER, WHETHER WRITTEN OR ORAL, MADE BY SELLER, SALES PERSONS, AGENTS, OFFICERS, EMPLOYEES, CO-OPERATING BROKERS (IF ANY) OR OTHERWISE EXCEPT AS HEREIN SPECIFICALLY REPRESENTED. BUYER HAS BASED HIS/HER/THEIR DECISION TO PURCHASE THE PROPERTY ON PERSONAL INVESTIGATION, OBSERVATION AND THE DOCUMENTS. (Emphasis added).

[5] 28. Incorporation and Severability. The explanations and disclaimers set forth in the Documents are incorporated into this Agreement. In the event that any clause or provision of this Agreement shall be void or unenforceable, such clause or provision shall be deemed deleted so that the balance of this Agreement is enforceable. (Emphasis added).

[6] RIDER B, 5. Warranties. Buyer understands and agrees that Seller is making only those express limited warranties set forth in the homeowner's warranty (the "Limited Warranty"). The Limited Warranty, incorporated herein, shall be delivered to Buyer at Closing and a copy of which is attached hereto **OR** a copy of which is available for examination at Seller's office and will, at Buyer's request, be attached as an exhibit to this Agreement. THE EXPRESS LIMITED WARRANTY AND REMEDIES PROVIDED BY SELLER CONSTITUTE EXCLUSIVE WARRANTY AND REMEDIES TO BE MADE AVAILABLE BY SELLER AND, EXCEPT WHERE ADDITIONAL WARRANTIES ARE REQUIRED BY APPLICABLE LAW OR REGULATION, ARE IN PLACE OF ALL OTHER GUARANTIES OR WARRANTIES, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO WARRANTIES OF WORKMANSHIP, MERCHANTABILITY, HABITABILITY, SUITABILITY AND FITNESS, WHICH ARE HEREBY EXPRESSLY DISCLAIMED BY SELLER AND WAIVED BY BUYER. TO THE EXTENT OF ANY CONFLICT BETWEEN ANY PROVISION OF THIS AGREEMENT RELATED TO WARRANTIES AND THE LIMITED WARRANTY, THE PROVISIONS OF THE LIMITED WARRANTY SHALL CONTROL. All of the terms of this Section 6 shall survive Closing and the delivery of the Deed. BUYER AND SELLER ACKNOWLEDGE THAT THEY HAVE EXPRESSLY NEGOTIATED AND BARGAINED FOR THE WAIVER OF THE IMPLIED WARRANTY OF HABITABILITY, AND BUYER ACKNOWLEDGES THE SUFFICIENCY AND RECEIPT OF VALUABLE CONSIDERATION FOR SUCH WAIVER IN THE AMOUNT OF $0, WHICH AMOUNT SHALL BE CREDITED TOWARD THE PURCHASE PRICE AT CLOSING. THE CONSIDERATION AGREED UPON ABOVE HAS BEEN SPECIFICALLY NEGOTIATED BETWEEN BUYER AND SELLER.

Rider B further defines "documents" in section 6 as those contained in the "Document Book for the Community" which contains "some of the documents of record affecting the Property and the Community" which the Court infers would contain the Restrictions offered as Exhibit M to Lennar's Motion. Section 6 further refers to taking title of the property, referencing the deed. The Restrictions make note to the deed.

Section 16[7] and 17[8] of the Purchase and Sales Agreement also constitute the dispute resolution sections of the Purchase and Sales Agreement, and therefore, should be read together when assessing the arbitration provisions with Lennar. Section 16.1 defines disputes to include "contract, *warranty*, tort, or otherwise," and makes reference again to claims arising under "warranties." (Emphasis added).

Further, the Lennar Limited Warranty contains a section entitled "Mediation/Arbitration of Disputes" with a subsection "Other Dispute Resolutions." The language in this section of the

[7] 16. Mediation/ Arbitration of Disputes. 16.1 The parties to this Agreement specifically agree that this transaction involves interstate commerce and that any Dispute (as hereinafter defined) shall first be submitted to mediation and, if not settled during mediation, shall thereafter be submitted to binding arbitration as provided by the Federal Arbitration Act (9 U.S.C. §§ 1 et seq.) and not by or in a court oflaw or equity. "Disputes" (whether contract, warranty, tort, statutory or otherwise), shall include, but are not limited to, any and all controversies, disputes or claims (1) arising under, or related to, this Agreement, the Property, the Community or any dealings between Buyer and Seller; (2) arising by virtue of any representations, promises or warranties alleged to have been made by Seller or Seller's representative; and (3) relating to personal injury or property damage alleged to have been sustained by Buyer, Buyer's children or other occupants of the Property, or in the Community. Buyer has executed this Agreement on behalf of his or her children and other occupants of the Property with the intent that all such parties be bound hereby. Any Dispute shall be submitted for binding arbitration within a reasonable time after such Dispute has arisen. Nothing herein shall extend the time period by which a claim or cause of action may be asserted under the applicable statute of limitations or statute of repose, and in no event shall the Dispute be submitted for arbitration after the date when institution of a legal or equitable proceeding based on the underlying claims in such Dispute would be barred by the applicable statute of limitations or statute of repose. (Only excerpts included).

[8] 17. Other Dispute Resolutions. Notwithstanding the parties' obligation to submit any Dispute to mediation and arbitration, in the event that a particular dispute is not subject to the mediation or the arbitration provisions of Section 16, then the parties agree to the following provisions: BUYER ACKNOWLEDGES THAT JUSTICE WILL BEST BE SERVED IF ISSUES REGARDING THIS AGREEMENT ARE HEARD BY A JUDGE IN A COURT PROCEEDING, AND NOT A JURY. BUYER AND SELLER AGREE THAT ANY DISPUTE, CLAIM, DEMAND, ACTION, OR CAUSE OF ACTION SHALL BE HEARD BY A JUDGE IN A COURT PROCEEDING AND NOT A JURY. BUYER AND SELLER HEREBY WAIVE THEIR RESPECTIVE RIGHT TO A JURY TRIAL. SELLER HEREBY SUGGESTS THAT BUYER CONTACT AN ATTORNEY OF BUYER'S CHOICE IF BUYER DOES NOT UNDERSTAND THE LEGAL CONSEQUENCES OF EXECUTING THIS AGREEMENT. All of the terms of this Section 17 shall survive Closing and the delivery of the Deed.

Lennar Warranty is almost verbatim to Sections 16 and 17 of the Purchase Agreement, and offers further proof that the Dispute Resolutions sections and warranty should be read together.

In determining whether the arbitration agreement is unconscionable, the Court has considered the arbitration provisions in each of these documents pursuant to *Prima Paint Corp. v. Flood & Conklin Manufacturing Co.*, 388 US 395, 406 (1967) (holding that courts may only consider the threshold question of whether the arbitration agreement is fraudulently induced and thus invalid, not whether the contract as a whole is invalid.) South Carolina has adopted a broad interpretation of *Prima Paint* and has held that "a party cannot avoid arbitration through rescission of the whole contract when there is no independent challenge to the arbitration clause." See S.C. Pub. Serv. Auth. V. Great W. Coal (ky.), Inc, 312 SC 559,562-63. 437 S.E.2d 22, 24 (1993).

II. THE MOTION TO COMPEL ARBITRATION IS DENIED DUE TO THE UNCONSCIONABILITY OF THE COLLECTIVE ARBITRATION PROVISIONS AS A WHOLE.

Lennar argues that the Purchase and Sale Agreement, the Limited Warranty, the Covenants and Restriction, and the deed all contain separate arbitration provisions. Plaintiffs assert a number of state-specific grounds challenging the legitimacy of Lennar's arbitration provisions. This Court agrees with the Plaintiffs.

A.) South Carolina Law and Prevailing Equitable Principles Invalidate Lennar's Arbitration Provisions

In South Carolina, a party may effectively challenge the arbitrability of a given claim based upon general contract defenses including fraud, duress and unconscionability. *See Munoz v. Green Tree Fin. Corp.*, 343 S.C. 531, 539, 542 S.E.2d 360, 363-64 (2001) (noting general contract principles of state law apply in a court's evaluation of the enforceability of an arbitration clause governed by the FAA).

When such questions of arbitrability arise, the trial court, not the arbitrator, decides whether a matter should be resolved through arbitration. *See Oxford Health Plans, LLC v. Sutter,* 569 U.S. _ (2013) This determination involves a two-step inquiry: (1) whether a valid arbitration agreement exists; and (2) whether the specific dispute falls within the substantive scope of the arbitration agreement. *See Simpson v. MSA of Myrtle Beach, Inc.,* 373 S.C. 14, 644 S.E.2d 663 (2007) (noting where one party denies the existence of an arbitration agreement raised by an opposing party, a court must immediately determine whether the agreement exists in the first place.) When deciding a motion to compel arbitration under the SCUAA or the FAA, the court should look to the state law that ordinarily governs the formation of contracts in determining whether a valid arbitration agreement arose between the parties..." *Smith v. D.R. Horton, Inc.,* 403 S.C. 10, 742 S.E.2d 37 (Ct. App. 2013)), affirmed by S. Ct. Opinion No. 27645 (Filed July 6, 2016); *see also* S.C. Code § 15-48-20 (a) (providing arbitration will be denied if a court determines no agreement to arbitrate existed).

B.) <u>The Court finds that Lennar's Warranty Provisions are Unconscionable, and thus Unenforceable.</u>

Unconscionability is defined as "the absence of meaningful choice on the part of one party due to one-sided contract provisions, together with terms that are so oppressive that no reasonable person would make them and no fair and honest person would accept them." *Simpson v. MSA of Myrtle Beach,* 373 S.C. 14, 25 644 S.E.2d 663, 668-69 (2007)(citing *Carolina Care Plan, Inc. v. United Health Care Servs., Inc.,* 361 S.C. 544, 554, 606 S.E.2d 752, 757 (2004)) Unconscionability must be evaluated under both prongs: (1) lack of meaningful choice; and (2) oppressive terms.

1.) Absence of Meaningful Choice

"Absence of meaningful choice on the part of one party generally speaks to the fundamental fairness of the bargaining process in the contract at issue." *Id.* (citations omitted).

"In determining whether a contract was 'tainted by an absence of meaningful choice,' courts should take into account the nature of the injuries suffered by the plaintiff; whether the plaintiff is a substantial business concern; the relative disparity in the parties' bargaining power; the parties' relative sophistication; whether there is an element of surprise in the inclusion of the challenged clause; and the conspicuousness of the clause." *Simpson,* 373 S.C. at 25, 644 S.E.2d at 669 (citations omitted). "[U]nder general principles of state contract law, an adhesion contract is a standard form contract offered on a 'take-it-or-leave-it' basis with terms that are not negotiable." *Id.* at 373 S.C at 26-27, 644 S.E.2d at 669.

In circumstances involving adhesion contracts, an absence of meaningful choice is readily apparent based upon the lack of bargaining power. Accordingly, adhesion contracts, such as commercial sales agreements and manufacturer warranties, are subject to "considerable skepticism" due to the disparity in bargaining positions of the parties. *Id.* at 27, 644 S.E.2d at 669. Consequently, "the presumption in favor of arbitration is substantially weaker when there are strong indications that the contract at issue is an adhesion contract, and the arbitration clause itself appears to be adhesive in nature. In this situation, there arises considerable doubt that any true agreement ever existed to submit disputes to arbitration."*Id.* at 26, 644 S.E.2d at 669 (citations omitted).

Recently the Supreme Court issued an Order affirming the denial of a Motion to Compel Arbitration and finding the arbitration provisions unconscionable in *Smith v. D.R. Horton*, S. Ct. Opinion No.27645 (July 6, 2016). In the analysis of the lack of meaningful choice, the Supreme Court highlighted that they had previously "taken judicial cognizance of the fact that the modern buyer of new residential housing is normally in an unequal bargaining position as against the seller." *Id.* (citing Kennedy v. Columbia Lumber & Mfg. Co., 299 S.C. 335, 343, 384 S.E. 2d 730, 735-36 (1989) (other internal citations omitted). Here, as in *Smith*, "there is no indication

(...) that the [Plaintiffs] enjoyed a substantially stronger bargaining position against [Lennar] than the average homebuyer, or that they were represented by independent counsel." *Id.*

It does appear that Plaintiffs had no choice and zero input as to any aspect of Lennar's Purchase and Sales Agreement, Warranty, Covenants, or Deed, as for each Agreement entered into by the Plaintiffs, they all contain the same sections and same language, including the arbitration and legal remedies provisions.

Lennar argues that the Covenants bolster their arbitration clause; however, the Court disagrees. The Covenants were filed with the register of deeds, according to Lennar, "prior to the sale of the residences"; therefore, Plaintiffs could have no input into those restrictions. Plaintiffs were never consulted and were never provided the opportunity to negotiate those terms. Given Plaintiffs are not business entities, are unsophisticated, and lacking in bargaining power, it only supports the supposition that Plaintiffs were presented with Lennar's Purchase and Sales Agreement, Warranty, and Restrictions on a take it or leave it basis and that clearly there was an absence of meaningful choice. *Simpson,* 373 S.C. at 27, 644 S.E.2d at 670; *Lackey v. Green Tree Fin. Corp.,* 330 S.C. 388, 394, 498 S.E.2d 898, 901 (Ct. App. 1998).

As such, this Court cannot ignore the "adhesive" nature of these provisions – nonnegotiable provisions which were drafted by Lennar, and which functioned to contract away certain significant rights and remedies otherwise lawfully available to Plaintiffs. *Simpson,* 373 S.C. at 25, 644 S.E.2d at 668-69

2.) Oppressive/One-Sided Terms

Specifically as to oppressive terms, the South Carolina Supreme Court in affirming the earlier rulings by the Court of Appeals and trial court in *Smith v. D.R. Horton*, found that "attempts to disclaim implied warranty claims and prohibit monetary damages are clearly one-sided and oppressive."

The trial court in *Smith*, originally confronted with a motion to compel arbitration brought by D.R. Horton, viewed the warranties and arbitration section of the purchase contract *as a whole,* finding it "referenced that certain disputes are to be resolved by mandatory binding arbitration along with an entire host of attempted waivers of important legal remedies." *Id.* Per its review, the trial court held the sections' collective attempt to disclaim implied warranty claims was oppressive and unconscionable. *Id.* The trial court further found "perhaps even more stark [were] the provisions in the Limitations of Liability ..." in which D.R. Horton claimed it could not be liable for monetary damages of any kind. *Id.* Based upon the foregoing, the trial court concluded, and our Court of Appeals and Supreme Court subsequently affirmed, that the arbitration provision was wholly unconscionable and unenforceable based on the cumulative effect of a number of oppressive and one-sided provisions. *Id.*

This Court's review of Lennar's Warranty reveals strikingly similar warranty limitations and disclaimers to those addressed, and ultimately rejected, by the *Smith* Court. As seen above, the Warranty eliminates most remedies after the structure is two years old. Lennar's arbitration and remedial-related provisions result in (a) the loss of the right to a jury trial; (b) the loss of the ability to maintain a class action; and (c) the loss of other certain remedies otherwise allowed by South Carolina law including the recovery of monetary damages. Lennar further attempts to disclaim all implied warranties.

Under our state law principles of contract interpretation, such limitations offered through an adhesion contract, and which effectively deprive substantial rights and eviscerate all means of recovering any damages, are oppressive.

As applied to The Abbey, Lennar's Warranty provisions create an internal inconsistency within the Warranty itself by negating all meaningful warranty coverage for the primary risk associated with said Warranty - damage arising out of or to the residences that Lennar built. Like

the defendants in both *Smith* and *Simpson,* Lennar takes the position its Warranty relieves *Lennar of all liability for this very damage under any conceivable set of circumstances.* Clearly, this renders the arbitration provisions, and thus the entire Warranty (a) void of its essential purpose; (b) lacking in mutuality; and (c) procedurally and substantively unconscionable.[9]

Irrespective of whether the FAA or SCUAA apply, this Court finds that the collective arbitration provisions are oppressive and that the Plaintiffs had no meaningful choice when entering into the adhesion contracts. *Id. citing* S.C. Code§ 36-2-302(1) (2003) ("If a court as a matter of law finds any clause of a contract to have been unconscionable at the time it was made, the court may refuse to enforce the unconscionable clause, or so limit its application so as to avoid any unconscionable result....").

3.) The Warranty Provisions are Not Severable

While Courts are permitted to "sever" unconscionable, contractual provisions, the purported agreement between Plaintiffs and Lennar is not a proper candidate for the application of this remedy. South Carolina courts, and a host of other courts throughout the nation, "recognize severability is not always an appropriate remedy for an unconscionable provision ... '[i]f illegality pervades the agreement such that only a disintegrated fragment would remain after hacking away the unenforceable parts... "'*Simpson,* 373 S.C. at 34, 542 S.E.2d at 673; *D.R. Horton, supra,* ("We conclude the arbitration clause in this case should not be severed from the numerous unconscionable provisions and particularly [D.R.] Horton's attempt to waive any seller

[9] The South Carolina Court of Appeals in *Isle of Palms Pest Control Company versus Monticello Insurance Company,* directly confronted the issue of an "internal inconsistency", concluding as follows:

> [T]he internal inconsistency created by [a policy exclusion] which *purports to bar coverage for claims arising out of the very operation sought* to be insured renders [the policy] *ambiguous in favor of coverage.*

Isle of Palms, 319 S.C. 12, 19, 459 S.E.2d 318, 321 (Ct. App. 1994), *reh'g denied,* (Aug. 4, 1995 (emphasis added); *see alsoHooters of Augusta, Inc. v. American Global Ins. Co.*, 272 F. Supp.2d 1365, 1378 (S.D. Ga. 2003) (noting "[i]nsurers must not deceive insurance purchasers into believing they have coverage only to have an exclusionary provision entirely nullify it").

liability for monetary damages of any kind, including secondary, consequential, punitive, general, special or indirect damages.") (internal citations omitted) (emphasis added); *see also, Ingle v. Circuit City Stores, Inc.*, 328 F.3d 1165, 1180 (9th Cir. 2003) (finding arbitration agreement wholly unenforceable because of an "insidious pattern" of unconscionable provisions, and therefore "any earnest attempt to ameliorate the unconscionable aspects of [the] arbitration agreement would require [the] court to assume the role of contract author rather than interpreter"); *In re Cotton Yarn Antitrust Litig.*, 406 F.Supp.2d 585, 604 (M.D.N.C. 2005)("[W]here, as here, multiple provisions of the arbitration clauses are inconsistent with Plaintiffs' ability to effectively vindicate their statutory rights ... the Court finds that the better course of action in this case is to excise the arbitration clauses altogether.").

Similar to *Simpson* and *D.R. Horton*, Lennar's arbitration clause is "made unconscionable" by oppressive provisions which pervade each of the arbitration provisions within the Documents, thereby rendering "severability" impractical, if not impossible. Thus, in line with South Carolina jurisprudence, each arbitration provisions contained in Lennar's Purchase and Sales Agreement (§§16 and 17, and Rider B), Lennar's Limited Warranty in its entirety, Arbitration provision in the Covenants and Restriction and Deed, are "excise(d) (...) altogether," and are ultimately rejected by this Court. *Id.*

III. THE COURT FINDS THAT THE ARBITRATION AGREEMENTS ARE UNCONSCIONABLE; HOWEVER, IN THE ALTERNATIVE, THE COURT FINDS THAT THE ARBITRATION PROVISIONS ARE AMBIGUOUS.

Lennar argues that the Purchase and Sale Agreement, the Limited Warranty, the Covenants and Restriction, and the deed all contain arbitration provisions which are governed by the Federal Arbitration Act, 9 U.S.C. § I, *et seq*, or in the alternative the South Carolina Uniform Arbitration Act, but that under either Act, the arbitration provisions are proper and enforceable. Plaintiff argues that the arbitration provisions should be governed by the SCUAA and not the

FAA, and that the arbitrations provisions thus do not comply with the SCUAA's notice requirements. The Court has found that the arbitration provisions are unconscionable, and thus unenforceable.

In the alternative, the Court also finds that the arbitration provisions are ambiguous. Ambiguities are to be more strictly construed against the drafter of a document. Therefore, the Court has analyzed whether the agreements are subject to interstate or intrastate commerce. The Court finds that the SCUAA applies to the arbitration provision and that notice is not in compliance with the statute. For these alternative reasons, the Court also denies to Lennar's Motion to Enforce the arbitration provisions.

Where an arbitration agreement selects the FAA or a state arbitration statute as the applicable law, that law governs regardless of whether the contract involves intrastate or interstate commerce, This principle has repeatedly been recognized by the United States Supreme Court and the South Carolina Supreme Court. In *Volt Information Sciences, Inc.* v. *Board of Trustees of Leland Stanford Jr. University,* the United States Supreme Court addressed the impact of parties' choice-of-law in their contract on the question of whether the arbitration required by the contract was governed by the FAA or state law. *Volt,* 489 U.S. 468 (1989). The Court found determinative the fact that the FAA's purpose is only to require courts to enforce "agreements to arbitrate, like other contracts, in accordance with their terms." *Id.* at 478. The Court thus held that courts must enforce contractual provisions specifying the law governing contractually required arbitration of disputes. *Id.* at 479. The court recently reiterated this point in *DIRECTV, Inc.* v. *Imburgia,* providing that "parties to an arbitration contract [have] considerable latitude to choose what law governs some or all of its provisions." *Imburgia,* 136 S. C. 463, 468 (2015). The South Carolina Supreme Court applied these principles to hold that where an arbitration agreement provides that it is governed by the FAA, the FAA applies

irrespective of whether there is interstate commerce. *Munoz* v. *Green Tree Financial Corp.*, 343 S.C. 531, 538, 542 S.E.2d 360, 363 (2001).

In reviewing the arbitration provisions at issue, the Court finds that ambiguous terms as to the choice of law are within each of the agreements Lennar claims to contain arbitration provisions.

The Purchase and Sales Agreement states on the front of the document that the arbitration notice is being provided pursuant to the South Carolina Code of Laws and pursuant to Section15-48-10. However, Section 16 later states that the "parties to this Agreement specifically agree that this transaction involves interstate commerce and that any Dispute (as hereinafter defined) shall first be submitted to mediation and, if not settled during mediation, shall thereafter be submitted to binding arbitration as provided by the Federal Arbitration Act (9 U.S.C. §§ 1 et seq.).

Lennar's Limited Warranty provides the same sentence as in Section 16 of the Purchase Agreement and states that the FAA applies; however, on page 14, the warranty specifies that the agreement is subject to arbitration pursuant to the Uniform Arbitration Act, Section 15-48-10 (sic), et. seq. Code of Laws of South Carolina, 1976, as Amended. The Disclaimer of Implied warranties on page 11 of the Warranty refers to and states and intention to comply "with the laws of the state in which the Home is located."

On the front page of the Amended and Restated Declaration of Covenants, the words "**THIS AGREEMENT IS SUBJECT TO BINDING ARBITRATION PURSUANT TO THE SOUTH CAROLINA UNIFORM ARBITRATION ACT (S. C. CODE ANN §15-48-10 ET. SEQ., AS AMENDED**." The Covenants go on to state that the "developer expressly reserves the right to amend or restate this declaration without the consent of an owner." The Deed refers to the Covenants and incorporates the same, but the Deed does not have a separate

arbitration provision. Lennar admits that the Covenants were recorded in 2007, years prior to the construction and sale of Plaintiffs residences.

Therefore, the Court finds that the terms when viewed collectively are ambiguous as they refer to both the FAA and the SCUAA as written. The Court has already found that the contract is one of adhesion with oppressive terms, the Covenant is an even more extreme case of adhesion, as it was written, agreed to, recorded and may be changed by Lennar without notice. It is not the Court's prerogative to re-write the arbitration provisions, but the agreements contain ambiguities on the choice of law.

Therefore the Court must examine whether the contract involves interstate or intrastate commerce. The Plaintiffs contend that the sales transactions for the homes located at Spring Grove did not involve interstate commerce; and therefore, that the arbitration clause does not properly invoke application of the Federal Arbitration Act, but rather the South Carolina Uniform Arbitration Act. The Court agrees finds that the subject-matter sales transactions involve intrastate commerce, as opposed to interstate commerce.

The Supreme Court of South Carolina has held that "to ascertain whether a transaction involves commerce within the meaning of the FAA, the court must examine the agreement, the complaint, and the surrounding facts." *Zabinski* at 117, 553 S.E.2d at 594 *citing Towles v. United Healthcare Corp.*, 338 S.C. 29, 524 S.E.2d 839 (Ct. App. 1999). The United States Supreme Court utilizes a "commerce in fact" test to determine if the transaction involves interstate commerce for the FAA to apply. *Zabinski,* at 115, 553 S.E.2d at 591 *quoting Allied- Bruce Terminix Cos., Inc. v. Dobson,* 513 U.S. 265, 274 (1995). The transaction must turn out, in fact, to have involved interstate commerce. *Id. citing Roberson v. Money Tree of Ala., Inc.,* 954 F.Supp. 1519 (M.D. Ala. 1997). "Despite this expansive interpretation of the FAA, the FAA does

not reflect a congressional intent to occupy the entire field of arbitration." *Id.* at 115-6, 553 S.E.2d at 591 *citing Volt Info. Scis. Inc. v. Bd. ofTrs.*, 489 U.S1 • 468 (1989).

As it applies to cases involving real estate, the Supreme Court of South Carolina has held that "interstate commerce was not involved in a contract for the sale of a commercial building located in South Carolina to out-of-state parties even though, incidental to the sale, the parties utilized the services of a North Carolina engineer and procured financing from a Pennsylvania lender." *Bradley,* at 456, 730 S.E.2d at 317 (2012) *citing Mathews v. Fluor Corp.,* 312 S.C. 404, 407, 440 S.E.2d 880, 881 (1994).

Thus, while interstate commerce may be implicated in certain transactions,[10] our Supreme Court adheres to the view that real estate purchase contracts only implicate intrastate commerce because "the development of land within South Carolina's borders is the quintessential example of a purely intrastate activity." *Bradley v. Brentwood Homes, Inc.,* 398 S.C. 447, 456, 730 S.E.2d 312, 317 (2012) *quoting Zabinski,* 346 S.C. at 595, 553 S.E.2d at 117-18. The Court further confirmed its prior rulings that the sale of a residence is inherently *intrastate. Id.*

The Court finds that the Plaintiffs' Agreements for Sale evidence that they purchased homes in Berkeley County, South Carolina. The homes were sold by Lennar, who was/is located at 1941 Savage Road, Suite 100C, Charleston, SC 29407. The General Contractor for the project, Lennar Carolinas, LLC, is a corporation organized in the State of South Carolina. Each of the above evidences intrastate commerce. Defendants have not satisfied their burden of proof to negate the well-established South Carolina precedent respecting the inherent *intrastate* nature

[10] The Supreme Court of South Carolina has stated that a transaction involving construction on Hilton Head Island did, in fact, involve interstate commerce as contemplated by the FAA because the South Carolina partnership utilized out-of-state materials, contractors, and investors. *Zabinski,* at 595, 553 S.E.2d at 118. Furthermore, the Supreme Court of South Carolina has recently broadened the definition of interstate commerce as it applies to residency agreements in nursing homes by overturning *Timms v. Greene. Dean v. Heritage Healthcare of Ridgeway, LLC,* 408 S.C. 371, 371, 759, S.E.2d 727, 733 (2014).,

of the sale of a home. Based on the above, the Federal Arbitration Act does not apply to the transaction or this matter.

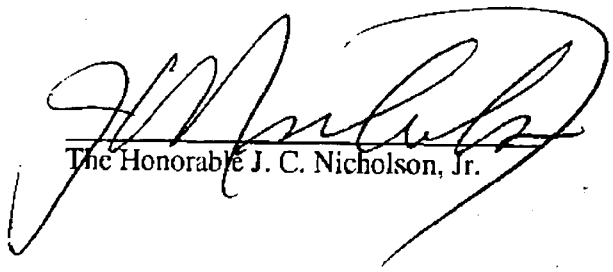
This Court has reviewed the arbitration provisions as a whole, and found them unconscionable. In the alternative, this Court finds that the arbitration provisions do not comply with the SCUAA, as "Notice that a contract is subject to arbitration pursuant to this chapter shall be typed in underlined capital letters, or rubber-stamped prominently, on the first page of the contract and unless such notice is displayed thereon the contract shall not be subject to arbitration." The arbitration provisions in the Purchase and Sales agreement, the Warranty, not the deed are underlined. The arbitration provision in the Warranty and Deed does not appear on the first page, and is not in capital letters. The Covenants document does comply with the SCUAA; however, the Court finds the adhesive nature of the document and the fact that it was not presented to each homeowner to be persuasive and against public policy. Under the SCUAA, an arbitration provision must be properly disclaimed, and failure to do so, renders the arbitration provision unenforceable under the Act's express provisions. S.C. Code § 15-48-10.[11] Therefore, the Court finds that the Arbitration provisions are unenforceable under the SCUAA.

CONCLUSION

In conclusion, this denies Lennar's Motion to Compel Arbitration based on the unconscionable provisions of the arbitration provisions. The Court concludes in the alternative, that the arbitration provisions ambiguously refer to both the FAA and the SCUAA, but that the SCUAA applies under the intrastate commerce rule. Therefore, the arbitration provisions are alternatively unenforceable based on noncompliance with the notice requirements in SCUAA.

[11] Although SCUAA's disclaimer requirements may be preempted by the FAA, such preemption only occurs in cases where the transaction at issue involves interstate versus intrastate commerce. *Munoz v. Green Tree Fin. Corp.*, 343 S.C. 531, 539, 542 S.E.2d 360, 364 (2001).

AND IT IS SO ORDERED.



The Honorable J. C. Nicholson, Jr.

September 19, 2016
Charleston, South Carolina

STATE OF SOUTH CAROLINA

COUNTY OF BERKELEY

IN THE COURT OF COMMON PLEAS
FOR THE NINTH JUDICIAL CIRCUIT
Case No.: 2014-CP-08-0424

PATRICIA DAMICO, JOSHUA and BRETTANY BUETOW, EDWARD and SYLVIA DENGG, JONATHAN and THERESA DOUGLASS, ANTHONY and STACEY RAY, DANNY and ELLEN DAVIS MORROW, & MATTHEW COLLINS, Individually and Derivatively as acting on behalf of SPRING GROVE PLANTATION HOMEOWNERS ASSOCIATION

Plaintiffs,

vs.

LENNAR CAROLINAS, LLC, SPRING GROVE PLANTATION DEVELOPMENT INC., VOLKMAR CONSULTING SERVICES, LLC & MANALE LANDSCAPING, LLC

Defendants.

SUMMONS

TSM

FILED
2014 OCT 30 AM 10:21
MARY P. BROWN
CLERK OF COURT
BERKELEY COUNTY, SC

TO THE DEFENDANT ABOVE NAMED:

YOU ARE HEREBY SUMMONED and required to answer the Complaint in this action, a copy of which is herewith served upon you, and to serve a copy of your Answer upon the subscribers, at their offices at 118 S. Goose Creek Blvd., P.O. Box 1028, Goose Creek, South Carolina 29445 within thirty (30) days after the service thereof, exclusive of the day of such service; and if you fail to answer the Complaint within the time aforesaid judgment by default will be rendered against you for the relief demanded in the Complaint.

[SIGNATURE PAGE TO FOLLOW]

150.00
MJS

Michael J. Jordan
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October 30, 2014
Goose Creek, South Carolina

STATE OF SOUTH CAROLINA

COUNTY OF BERKELEY

IN THE COURT OF COMMON PLEAS
FOR THE NINTH JUDICIAL CIRCUIT
Case No.: 2014-CP-08-2484

PATRICIA DAMICO, JOSHUA and BRETTANY BUETOW, EDWARD and SYLVIA DENGG, JONATHAN and THERESA DOUGLASS, ANTHONY and STACEY RAY, DANNY and ELLEN DAVIS MORROW, & MATTHEW COLLINS, Individually and Derivatively as acting on behalf of the Spring Grove Plantation Homeowners Association

Plaintiffs,

vs.

LENNAR CAROLINAS, L.L.C., SPRING GROVE PLANTATION DEVELOPMENT INC., VOLKMAR CONSULTING SERVICES, L.L.C. & MANALE LANDSCAPING, L.L.C.

Defendants.

COMPLAINT

(Negligence, Negligent Misrepresentation, Breach of Implied Warranty of Habitability, Breach of Implied Warranty of Good and Workmanlike Service, Breach of Plans and Specifications, Breach of Fiduciary Duty, Constructive Trust, and Unfair Trade Practices)

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MARY P. BROWN
CLERK OF COURT
BERKELEY COUNTY, SC

The Plaintiffs, complaining of the Defendants above named, would allege and show unto this Honorable Court as follows:

FACTUAL ALLEGATIONS

1. Plaintiffs are owners of single family homes at The Abbey at Spring Grove Plantation (hereinafter The Abbey), a housing development located on Maywood Drive, Moncks Corner, Berkeley County, South Carolina, and are proceeding on their own behalf and derivatively on behalf of the other homeowners within The Abbey at Spring Grove Plantation.

2. The Defendant, Lennar Carolinas, L.L.C. (hereinafter Lennar), upon information and belief, is a corporation organized and existing under the laws of the State of South Carolina and is authorized to conduct business in this State; this Defendant is the developer and seller of the

neighborhood and the single family homes at The Abbey and has been in control of the Spring Grove Plantation Homeowners Association for said neighborhood.

3. The Defendant, Spring Grove Plantation Development, Inc. (hereinafter SGPD), upon information and belief, is a corporation organized and existing under the laws of the State of South Carolina and is authorized to conduct business in this State; upon information and belief, this Defendant was the initial developer and seller of the neighborhood and the single family homes at The Abbey until selling and turning over control of The Abbey to Lennar.

4. The Defendant, Volkmar Consulting Services, L.L.C. (hereinafter Volkmar), upon information and belief, is a corporation organized and existing under the laws of the State of South Carolina and is authorized to conduct business in this State; this Defendant is an engineering consulting firm that served in the design of The Abbey.

5. The Defendant, Manale Landscaping, L.L.C. (hereinafter Manale), upon information and belief, is a corporation organized and existing under the laws of the State of South Carolina and is authorized to conduct business in this State; this Defendant is a landscaping business that provided landscaping and grading at The Abbey.

6. At the time of the incidents giving rise to the Plaintiffs' Complaints, Defendants Lennar, SGPD, Manale, and Volkmar acted by and through its agents, contractors, and employees for the purpose of carrying on its business and therefore, is liable for the negligent acts of its agents, contractors, and employees under the theory of *respondeat superior*.

7. Defendant Lennar commenced to design, construct, develop, and sell the single family homes in The Abbey to, among others, the Plaintiffs in this action, and are continuing to market and sell units in The Abbey despite the fact that they have been put on notice of the numerous construction and design defects within the subject neighborhood and without

disclosing these defects to the any of the homeowners, including the Plaintiffs as well as new homeowners.

8. The Abbey is a neighborhood development started in 2011 by Defendant SGPD; it was then sold to Defendant Lennar, who then took control over the development of the neighborhood, hired contractors and controlled the homeowners association.

9. By investigation of the subject structures, premises, roads, and property, the homeowners and/or Plaintiffs learned that said subject structures, premises, roads, and property have been deficiently designed and have significant construction defects, particularly the soil grading which was improperly performed and will have to be completely removed and replaced; In addition, the other construction, design and grading deficiencies to the subject structures and property include, but are not limited to, the following:

a. Water accumulation on the property of the Plaintiffs and homeowners;
b. Improper grading of the property of the Plaintiffs and homeowners;
c. Improper installation of drainage pipes; and,
d. Deterioration of the subject structures due to the drainage issues.

10. As a direct and proximate result and consequence of the numerous construction, design, installation, and implementation of the above defects, the Plaintiffs have and will continue to spend substantial sums of money for the repairs and reconstruction of the structures, property, and roads and will be subject to loss of use, enjoyment, and depreciation of value of their property.

11. In addition to the construction, design, and installation defects, Defendant Lennar, in their capacity as head of the Spring Grove Plantation Homeowners Association has:

a. Failed and omitted to act in a fiduciary capacity towards the owners of the property and structures within The Abbey;
b. Negligently maintained the property;
c. Failed to act as competent managers;

d. Acted at all times in their own interests and in contravention of their fiduciary duty towards the homeowners;
e. Covered up and concealed defects and damage from the homeowners; and ,
f. Acted in violation of all fiduciary duty concepts.

12. Due to the actions of the Defendants, as stated above, the Plaintiffs are facing significant damage repairs, deteriorating property, significant and immediate expenses for investigation, destructive testing, and an analysis of construction defects, repairs defects, grading defects, drainage problems, damages, deterioration, and a generally overall dilapidated condition which is the direct and proximate result of defective construction, management, maintenance, and abandonment of generally accepted fiduciary principles on the part of the Defendants.

FOR A FIRST CAUSE OF ACTION
(Negligence – Developers)

13. The Plaintiffs repeat and reallege their allegations in all of the paragraphs set forth above as if set forth herein verbatim.

14. The damages and injuries caused to the Plaintiffs, their property, and derivatively on behalf of Spring Grove Plantation Homeowners Association, are the direct and proximate result of the negligence, willfulness, wantonness, carelessness and recklessness of the Defendants SGPD and Lennar in one or more of the following particulars to wit:

a. In their capacity as developers in defectively overseeing the construction of the subject structures;
b. In failing to properly inspect, repair, and maintain the structures;
c. In negligently effecting repairs to the structures, premises, property and roads;
d. In failing and omitting to exercise that degree of care and caution of a reasonably prudent manager of a homeowners association;
e. In failing and omitting to retain proper experts and to effectively inspect and repair the structures, premises, property, and roads; and
f. In placing their interests ahead of the owners thereby breaching their fiduciary duty.

15. As a direct and proximate result of the above stated negligent actions on behalf of Defendants SGPD and Lennar, the Plaintiffs and similarly situated homeowners will have to

spend substantial sums of money for the repairs and reconstruction of their property and structures and will be subject to loss of use, enjoyment, and depreciation of value of property.

FOR A SECOND CAUSE OF ACTION
(Negligence - Contractors)

16. The Plaintiffs repeat and reallege their allegations in all of the paragraphs set forth above as if set forth herein verbatim.

17. The construction of the subject structures, premises, property, and roads by Defendants, Lennar and Manale, deviated from the normal standards of good and workmanlike practice in the construction field in the following particulars, to-wit:

a. In failing and omitting to construct the subject structures, premises, property, and roads in conformity with the plans and specifications and construction documents;
b. In failing and omitting to construct the subject structures pursuant to good and workmanlike construction practices;
c. In failing and omitting to properly install drainage solutions to ensure that water intrusion would not occur;
d. In failing and omitting to properly seal the subject structure to prevent water infiltration and intrusion; and
e. By additional improper construction practices, including but not limited to, that outlined above.

18. As a direct, foreseeable, and proximate result of the negligence of Lennar and Manale, the Plaintiffs have suffered damages in the amount equal to the extraordinary repair, maintenance, and reconstruction costs required and to be required over the expected life of the structure; diminution in value of the single family units; and for loss of use.

FOR A THIRD CAUSE OF ACTION
(Negligent Misrepresentation - Developers)

19. The Plaintiffs repeat and reallege their allegations in all of the paragraphs set forth above as if set forth herein verbatim

20. Defendants SGPD and/or Lennar through advertisements, website advertisements, sales brochures and other marketing literature, and by statements and actions of their agents, made numerous representations to the Plaintiffs, including, but not limited to, the quality of the development and design of the single family homes in The Abbey.

21. The above-described representations made by Defendants SGPD and/or Lennar and their agents to the Plaintiffs were untrue and were negligent misrepresentations of material facts.

22. Defendants SGPD and/or Lennar made the above-described representations in a business or commercial capacity.

23. Defendants SGPD and/or Lennar made the above-described statements at a time when, in the exercise of reasonable and ordinary care, they should have known that they were false, and the Defendants knew or should have known that reasonably foreseeable purchasers of the single family home units would rely on their representations made in their advertising and sales and marketing literature, and by their agents; Defendants SGPD and/or Lennar, therefore, failed to exercise reasonable care or competence in making the above-described statements.

24. The Plaintiffs relied on this false information supplied by Defendants SGPD and/or Lennar when they purchased their property units at The Abbey.

25. Such reliance by the Plaintiffs was reasonable and justifiable based on the knowledge available to them and the circumstances at the time.

26. Defendants SGPD and/or Lennar breached their duties by failing to exercise due care when making these representations.

27. The Plaintiffs reasonably and justifiably relied on Defendants SGPD and/or Lennar's representations to their detriment.

28. As a direct, foreseeable, and proximate result of Defendants SGPD and/or Lennar's negligent misrepresentations, the Plaintiffs have suffered physical damage to their single family home units, premises, and property as well as loss of use and diminution in value.

29. Defendants SGPD and/or Lennar's breach of their duty to exercise due care in making representations about the single family home units, premises, and property constitutes gross negligence, entitling Plaintiffs to recover punitive damages.

FOR A FOURTH CAUSE OF ACTION
(Gross Negligence – Developers)

30. The Plaintiffs repeat and reallege the allegations contained in all of the paragraphs set forth above as if set forth herein verbatim.

31. During all times material to the claims herein, the Defendants', SGPD and Lennar, acts and omissions amounted to gross negligence, recklessness, and a willful and wanton disregard for the safety, well-being, and property of the Plaintiffs. The damages and injuries caused to the Plaintiffs, their property, and derivatively to the Spring Grove Plantation Homeowners Association, are the direct and proximate result of the negligence, willfulness, wantonness, carelessness and recklessness of the Defendants SGPD and Lennar in one or more of the following particulars to wit:

a. In their capacity as developers in defectively overseeing the construction of the subject structures;
b. In failing to properly inspect, repair, and maintain the structures;
c. In negligently effecting repairs to the structures, premises, property and roads;
d. In failing and omitting to exercise that degree of care and caution of a reasonably prudent manager of a homeowners association;
e. In failing and omitting to retain proper experts and to effectively inspect and repair the structures, premises, property, and roads; and

f. In placing their interests ahead of the owners thereby breaching their fiduciary duty.

32. As a direct and proximate result of the above stated grossly negligent actions on behalf of Defendants SGPD and Lennar, the Plaintiffs and similarly situated homeowners will have to spend substantial sums of money for the repairs and reconstruction of their property and structures and will be subject to loss of use, enjoyment, and depreciation of value of property.

33. Plaintiffs are entitled to recover punitive damages from the Defendants SGPD and Lennar in an amount as to be determined by the Court.

FOR A FIFTH CAUSE OF ACTION
(Breach of Implied Warranty of Habitability - Developers and Contractors)

34. The Plaintiffs repeat and reallege the allegations contained in all of the paragraphs set forth above as if set forth herein verbatim.

35. The Defendants impliedly warranted as a matter of law that the subject structures, property, premises, and roads at The Abbey, which they developed and built, were habitable and fit for the intended use.

36. This implied warranty was breached by the Defendants in that the work performed by Lennar was in a manner below ordinary workmanship and the subject structures at The Abbey were neither habitable nor fit for their intended use, causing damage to Plaintiffs.

37. As a direct, foreseeable, and proximate result of the Defendants breach of implied warranty of habitability, the Plaintiffs have suffered physical damage to their single family home units as well as loss of use and diminution in value.

FOR A SIXTH CAUSE OF ACTION
(Breach of Implied Warranty of Good and Workmanlike Service – Developers and Contractors)

38. The Plaintiffs repeat and reallege the allegations contained in all of the paragraphs set forth above as if set forth herein verbatim.

39. In undertaking to complete its construction work on the subject structures at The Abbey, the Defendants Lennar, SGPD, Volkmar and Manale impliedly warranted that all work would be of good quality, free from faults and defects, of good and workmanlike quality, and in conformance with the contract documents and industry standards.

40. The Defendants breached this implied warranty of good and workmanlike service in that the work was performed in a manner below ordinary workmanlike quality, causing damage to the Plaintiffs.

41. As a direct and proximate result of the breach of implied warranty of good and workmanlike service, the Plaintiffs have suffered physical damage to their single family home units as well as loss of use and diminution in value.

FOR A SEVENTH CAUSE OF ACTION
(Negligence – Volkmar)

42. The Plaintiffs repeat and reallege the allegations contained in all of the paragraphs set forth above as if set forth herein verbatim.

43. Volkmar agreed to provide professional architectural and engineering services for the design of The Abbey, specifically including, but not limited to, the issuance of the plans and specifications for construction; these documents and/or instruments of service were required to be in compliance with all applicable ordinances, codes, regulations, statutes, and industry standards; upon information and belief, Defendant Volkmar agreed to make periodic visits to the project during construction to observe whether the construction was in accordance with the plans and specifications and all applicable building codes.

44. It was foreseeable that the Plaintiffs, as the ultimate purchasers of the homes, property and structures within The Abbey, would be damaged if Volkmar breached the above duties.

45. Volkmar breached its duty of care as follows:

a. By failing to properly design and prepare specifications for The Abbey which were compliant with all applicable building codes and professional standards;
b. Failing to specify its designs were in compliance with applicable building codes for a neighborhood development project in Berkeley County;
c. Failing to design and specify the drainage system of the neighborhood as a whole would adequately prevent water from intruding into the interior of the single family home units;
d. Failing to properly administer, observe, and inspect the construction of The Abbey for compliance with the plans and specifications and applicable building codes; and
e. Such other breaches of the standard of care which are determined during the ongoing investigation of design deficiencies at The Abbey project.

46. As a result of Volkmar's breach of its standard of care, the Plaintiffs and similarly situated homeowners have suffered damages in that they have and in the future will be forced to expend funds to repair damage that has already occurred, are subject to future assessments from the Spring Grove Plantation Homeowners Association to pay for professional fees to investigate the full extent of the problems, to design remediation plans and specifications to correct the design and construction deficiencies, and to implement the remediation plan to their single family homes, property, premises, and structures.

47. Additionally, the Plaintiffs will suffer loss of use and enjoyment of their single family homes, property, premises and structures during the time in which construction repairs are undertaken, and diminution in the value of their property.

48. The Plaintiffs are entitled to a judgment against Volkmar in an amount to be determined at the trial of the case.

FOR AN EIGHTH CAUSE OF ACTION
(Breach of Implied Warranty of Workmanlike Service as to Volkmar)

49. Plaintiffs repeat and reallege the allegations contained in all of the paragraphs set forth above as if set forth herein verbatim.

50. By performing design services for the construction of The Abbey, Volkmar impliedly warranted that its work product would be of good quality, equal to or greater than industry standards.

51. Volkmar breached its duty to provide workmanlike service as follows:

a. By failing to properly design and prepare specifications for The Abbey which were compliant with all applicable building codes and professional standards;
b. Failing to specify its designs were in compliance with applicable building codes for a neighborhood development project in Berkeley County;
c. Failing to design and specify the drainage system of the neighborhood as a whole would adequately prevent water from intruding into the interior of the single family home units;
d. Failing to properly administer, observe, and inspect the construction of The Abbey for compliance with the plans and specifications and applicable building codes; and
e. Such other breaches of the standard of care which are determined during the ongoing investigation of design deficiencies at The Abbey project.

52. As a direct and proximate cause of the breach of the implied warranty, the Plaintiffs have suffered damages in that they have and in the future will be forced to expend funds to repair damage that has already occurred, are subject to future assessments from the Spring Grove Plantation Homeowners Association to pay for professional fees to investigate the full extent of the problems, to design remediation plans and specifications to correct the design and construction deficiencies and to implement the remediation plan to their units and to the building.

53. Additionally, the Plaintiffs will suffer loss of use and enjoyment of their single family homes, property, premises, and structures during the time in which construction repairs are undertaken, and diminution in the value of their property.

54. Plaintiffs are entitled to a judgment against Volkmar, in an amount to be determined at trial, as a result of the breach of its implied warranty.

FOR A NINTH CAUSE OF ACTION
(Breach of Warranty of Plans and Specifications as to Volkmar)

55. Plaintiffs repeat and reallege the allegations contained in all of the paragraphs set forth above as if set forth herein verbatim.

56. Volkmar warranted the sufficiency of the design, plans, and specifications for The Abbey; and, the Plaintiffs, as the ultimate purchasers of their individual homes at The Abbey, were the foreseeable beneficiaries of this implied warranty.

57. By failing to properly design the building and prepare appropriate plans and specifications, Volkmar breached its warranty as follows:

a. By failing to properly design and prepare specifications for The Abbey which were compliant with all applicable building codes and professional standards;
b. Failing to specify its designs were in compliance with applicable building codes for a neighborhood development project in Berkeley County;
c. Failing to design and specify the drainage system of the neighborhood as a whole would adequately prevent water from intruding into the interior of the single family home units;
d. Failing to properly administer, observe, and inspect the construction of The Abbey for compliance with the plans and specifications and applicable building codes; and
e. Such other breaches of the standard of care which are determined during the ongoing investigation of design deficiencies at The Abbey project.

58. The Plaintiffs have been damaged as a result of Volkmar's breach of its warranty in that they have and in the future will be forced to expend funds to repair damage that has already occurred, are subject to future assessments from the Spring Grove Plantation Homeowners Association to pay for professional fees to investigate the full extent of the problems, to design remediation plans and specifications to correct the design and construction deficiencies and to implement the remediation plan to their units and to the building.

59. Additionally, the Plaintiffs will suffer loss of use and enjoyment of their single family homes, property, premises and structures during the time in which construction repairs are undertaken, and diminution in the value of their property.

60. Plaintiffs and members of the class are entitled to a judgment against Volkmar, in an amount to be determined at trial, as a result of the breach of its warranty

FOR A TENTH CAUSE OF ACTION
(Breach of Fiduciary Duty-Developers)

61. The Plaintiffs repeat and reallege the allegations contained in all of the paragraphs as set forth above as if set forth herein verbatim.

62. In their capacity as developers of the condominium project at The Abbey and as head of the Spring Grove Plantation Homeowners Association, the Defendants SGPD and/or Lennar, as a matter of law, undertook a fiduciary duty towards the Plaintiffs and said homeowners association.

63. Defendants SGPD and/or Lennar in their capacity set forth above, breached their duty as fiduciaries towards the Plaintiffs and towards the Spring Grove Plantation Homeowners Association in failing to act in a reasonably prudent manner, and in placing their interests ahead of the interests of those to whom they owed a clear fiduciary duty; rather than acting in the highest possible degree of good faith and fair dealing concerning the Plaintiffs and the Spring Grove Plantation Homeowners Association, Defendants SGPD and/or Lennar acted exactly to the contrary in acting in their own interests at all times, in all aspects of the development, maintenance and sales of the single family units, premises, and property and showed lack of concern of the construction defects and failed to disclose these construction defects to new homeowners.

64. As a direct and proximate result of these breaches of fiduciary duty, the Plaintiffs and the Spring Grove Plantation Homeowners Association have suffered damages in the amount equal to the extraordinary repair, maintenance, and reconstruction costs required and to be required over the expected life of the structure, diminution in value of the condominium units, and loss of use.

FOR AN ELEVENTH CAUSE OF ACTION
(Constructive Trust- Developers)

65. The Plaintiffs repeat and reallege the allegations contained in all of the paragraphs as set forth above as if set forth herein verbatim.

66. The activities of Defendants SGPD and/or Lennar herein in failing to properly manage and maintain the subject Property and in failing to properly manage the Spring Grove Plantation Homeowners Association have placed the Plaintiffs and the homeowners association in a precarious position, requiring an immediate change in management.

67. As a result of Defendants SGPD and/or Lennar's failure to manage properly, their breach of fiduciary duty, and the ongoing lack of management and maintenance, the Plaintiffs and the Spring Grove Plantation Homeowners Association are entitled to this Court's placing a constructive trust over and Receiver in place of the current Defendant Lennar as manager of the Spring Grove Plantation Homeowners Association.

FOR A TWELFTH CAUSE OF ACTION
(Unfair Trade Practices - Developers)

68. The Plaintiffs repeat and reallege the allegations contained in all paragraphs as set forth above as if repeated verbatim herein.

69. The Plaintiffs, Lennar, SGPD, Manale and Volkmar are "persons" within the meaning of S.C. Code Ann. § 39-5-10 (a) (2014).

70. Defendants SGPD and/or Lennar by developing, selling, and marketing the single family home units at The Abbey, were engaged in commerce within the meaning of S.C Code Ann. § 39-5- 10 (b).

71. Defendants SGPD and/or Lennar's actions, described hereinabove, constitute unfair and deceptive practices within the meaning of S.C. Code Ann. § 39-5-20 (a).

72. Defendants SGPD and/or Lennar's acts are capable of repetition, and, upon information and belief, have been repeated.

73. Defendants SGPD and/or Lennar's conduct affects the public interest of South Carolina.

74. Defendants SGPD and/or Lennar, knew, or reasonably should have known, that their conduct violated the Unfair Trade Practices Act.

75. As direct, foreseeable, and proximate result of Defendants SGPD and/or Lennar's unfair and deceptive practices, the Plaintiffs have suffered an ascertainable loss of money and property.

76. The Plaintiffs are entitled to recover their actual damages, which amount should be trebled, together with interest and attorney's fees.

WHEREFORE, the Plaintiffs pray that this Court issues an Order granting judgment for the Plaintiffs against the Defendants, jointly and severally, for the following relief:

a. for actual damages in an amount to be proven at trial;
b. for trebled damages under S.C. Code Ann. §39-5-110;
c. for punitive damages;
d. for prejudgment and postjudgment interest on Plaintiff's damages;
e. for a constructive trust to install new management of receiver to take over and mange the assets of the Spring Grove Plantation Homeowners Association;
f. for attorney's fees and costs; and
g. for such other and further relief as this Court may deem just and proper.

[SIGNATURE BLOCK ON FOLLOWING PAGE]

Respectfully submitted,

Michael J. Jordan
Catherine K. Dunn
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843-572-0700
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Attorneys for the Plaintiff

October 30, 2014
Goose Creek, South Carolina

STATE OF SOUTH CAROLINA COUNTY OF BERKELEY	IN THE COURT OF COMMON PLEAS CASE NO.: 2014-CP-08-02424
PATRICIA DAMICO, JOSHUA AND BRETTANY BUETOW, EDWARD AND SYLVIA DENGG, JONATHAN AND THERESA DOUGLASS, ANTHONY AND STACEY RAY, DANNY AND ELLEN DAVIS MORROW, AND MATTHEW COLLINS, Individually and Derivatively as acting on behalf of the Spring Grove Plantation Homeowners Association, Plaintiffs, vs. LENNAR CAROLINAS, LLC, SPRING GROVE PLANTATION DEVELOPMENT, INC., VOLKMAR CONSULTING SERVICES, LLC, AND MANALE LANDSCAPING, LLC, Defendants.	LENNAR CAROLINAS, LLC'S ANSWER, CROSS-CLAIMS, AND THIRD-PARTY COMPLAINT
LENNAR CAROLINAS, LLC Third-Party Plaintiff, vs. SUPER CONCRETE OF SC, INC., SOUTHERN GREEN, INC., AND TJB TRUCKING/LEASING, LLC, Third-Party Defendants.	

FILED
2015 FEB 17 PM 2:34
MARY E. BROWN
CLERK OF COURT
BERKELEY COUNTY, SC

Defendant Lennar Carolinas, LLC ("Lennar") answers the Complaint of the above-named Plaintiffs, asserts cross-claims against Defendants Spring Grove Plantation Development, Inc. ("Spring Grove"), Manale Landscaping, LLC ("Manale"), and Volkmar Consulting Services, LLC ("Volkmar"), and asserts third-party claims against Super Concrete of SC, Inc. ("Super

Concrete"), Southern Green, Inc. ("Southern Green"), and TJB Trucking/Leasing, LLC ("TJB") as follows:

FOR A FIRST DEFENSE

Each and every allegation of the Complaint not hereinafter specifically admitted is denied and strict proof thereof is demanded.

FOR A SECOND DEFENSE

1. Responding to allegations in Paragraph 1 of the Complaint, Lennar craves reference to the public records filed with the Berkeley County Register of Deeds and denies any inconsistent allegations in Paragraph 1. Lennar also denies that Plaintiffs have standing to assert claims on behalf of other homeowners within The Abbey at Spring Grove Plantation ("The Abbey") or derivatively on behalf of Spring Grove Plantation Homeowners Association.

2. Responding to the allegations in Paragraph 2 of the Complaint, Lennar admits only that it developed and sold the homes located within The Abbey at Spring Grove Plantation. In further response, Lennar craves reference to the public records filed with the Berkeley County Register of Deeds and denies any inconsistent allegations in Paragraph 2. Lennar denies the remaining allegations in Paragraph 2.

3. Responding to the allegations in Paragraph 3 of the Complaint, Lennar admits only that Spring Grove is a corporation organized and existing under the laws of the State of South Carolina, Spring Grove developed The Abbey, and Spring Grove sold the lots in The Abbey to Lennar. Lennar denies the remaining allegations in Paragraph 3.

4. Responding to the allegations in Paragraph 4 of the Complaint, Lennar admits that Volkmar is a corporation organized and existing under the laws of the State of South Carolina, is

authorized to conduct business in South Carolina, and is an engineering consulting firm. Lennar denies the remaining allegations of Paragraph 4.

5. Lennar admits the allegations in Paragraph 5 of the Complaint.

6. Lennar denies the allegations in Paragraph 6 of the Complaint.

7. Responding to the allegations in Paragraph 7 of the Complaint, Lennar admits only that it developed and sold the homes in The Abbey. Lennar denies the remaining allegations of Paragraph 7.

8. Responding to the allegations in Paragraph 8 of the Complaint, Lennar admits only that it purchased lots from Spring Grove and hired contractors to construct homes on those lots. Lennar denies the remaining allegations in Paragraph 8.

9. Lennar denies the allegations in Paragraphs 9 of the Complaint, including all subparts.

10. Lennar denies the allegations in Paragraph 10 of the Complaint.

11. Lennar denies the allegations in Paragraph 11 of the Complaint, including all subparts.

12. Lennar denies the allegations in Paragraph 12 of the Complaint.

IN RESPONSE TO THE FIRST CAUSE OF ACTION
(Negligence as to Developers)

13. Responding to the allegations in Paragraph 13 of the Complaint, Lennar realleges its responses to the preceding paragraphs as if repeated herein verbatim.

14. Lennar denies the allegations in Paragraph 14 of the Complaint, including all subparts.

15. Lennar denies the allegations in Paragraph 15 of the Complaint.

IN RESPONSE TO THE SECOND CAUSE OF ACTION
(Negligence as to Contractors)

16. Responding to the allegations in Paragraph 16 of the Complaint, Lennar realleges its responses to the preceding paragraphs as if repeated herein verbatim.

17. Lennar denies the allegations in Paragraph 17 of the Complaint, including all subparts.

18. Lennar denies the allegations in Paragraph 18 of the Complaint.

IN RESPONSE TO THE THIRD CAUSE OF ACTION
(Negligent Misrepresentation as to Developers)

19. Responding to the allegations in Paragraph 19 of the Complaint, Lennar realleges its responses to the preceding paragraphs as if repeated herein verbatim.

20. Lennar denies the allegations in Paragraph 20 of the Complaint.

21. Lennar denies the allegations in Paragraph 21 of the Complaint.

22. Lennar denies the allegations in Paragraph 22 of the Complaint.

23. Lennar denies the allegations in Paragraph 23 of the Complaint.

24. Lennar denies the allegations in Paragraph 24 of the Complaint.

25. Lennar denies the allegations in Paragraph 25 of the Complaint.

26. Lennar denies the allegations in Paragraph 26 of the Complaint.

27. Lennar denies the allegations in Paragraph 27 of the Complaint.

28. Lennar denies the allegations in Paragraph 28 of the Complaint.

29. Lennar denies the allegations in Paragraph 29 of the Complaint.

IN RESPONSE TO THE FOURTH CAUSE OF ACTION
(Gross Negligence as to Developers)

30. Responding to the allegations in Paragraph 30 of the Complaint, Lennar realleges its responses to the preceding paragraphs as if repeated herein verbatim.

31. Lennar denies the allegations in Paragraph 31 of the Complaint, including all subparts.

32. Lennar denies the allegations in Paragraph 32 of the Complaint.

33. Lennar denies the allegations in Paragraph 33 of the Complaint.

IN RESPONSE TO THE FIFTH CAUSE OF ACTION
(Breach of Implied Warranty of Habitability as to Developers and Contractors)

34. Responding to the allegations in Paragraph 34 of the Complaint, Lennar realleges its responses to the preceding paragraphs as if repeated herein verbatim.

35. Lennar denies the allegations in Paragraph 35 of the Complaint.

36. Lennar denies the allegations in Paragraph 36 of the Complaint.

37. Lennar denies the allegations in Paragraph 37 of the Complaint.

IN RESPONSE TO THE SIXTH CAUSE OF ACTION
(Breach of Implied Warranty of Good and Workmanlike Service as to Developers and Contractors)

38. Responding to the allegations in Paragraph 38 of the Complaint, Lennar realleges its responses to the preceding paragraphs as if repeated herein verbatim.

39. Lennar denies the allegations in Paragraph 39 of the Complaint.

40. Lennar denies the allegations in Paragraph 40 of the Complaint.

41. Lennar denies the allegations in Paragraph 41 of the Complaint.

IN RESPONSE TO THE SEVENTH CAUSE OF ACTION
(Negligence as to Volkmar)

42. Responding to the allegations in Paragraph 42 of the Complaint, Lennar realleges its responses to the preceding paragraphs as if repeated herein verbatim.

43. The allegations in Paragraph 43 of the Complaint relate to a defendant other than Lennar and therefore require no responsive pleading from Lennar. To the extent, however, that

any of those allegations allege any breaches, errors, omissions, negligence, recklessness, or wrongful acts as to Lennar, they are denied.

44. The allegations in Paragraph 44 of the Complaint relate to a defendant other than Lennar and therefore require no responsive pleading from Lennar. To the extent, however, that any of those allegations allege any breaches, errors, omissions, negligence, recklessness, or wrongful acts as to Lennar, they are denied.

45. The allegations in Paragraph 45 of the Complaint relate to a defendant other than Lennar and therefore require no responsive pleading from Lennar. To the extent, however, that any of those allegations allege any breaches, errors, omissions, negligence, recklessness, or wrongful acts as to Lennar, they are denied.

46. The allegations in Paragraph 46 of the Complaint relate to a defendant other than Lennar and therefore require no responsive pleading from Lennar. To the extent, however, that any of those allegations allege any breaches, errors, omissions, negligence, recklessness, or wrongful acts as to Lennar, they are denied.

47. The allegations in Paragraph 47 of the Complaint relate to a defendant other than Lennar and therefore require no responsive pleading from Lennar. To the extent, however, that any of those allegations allege any breaches, errors, omissions, negligence, recklessness, or wrongful acts as to Lennar, they are denied.

48. The allegations in Paragraph 48 of the Complaint relate to a defendant other than Lennar and therefore require no responsive pleading from Lennar. To the extent, however, that any of those allegations allege any breaches, errors, omissions, negligence, recklessness, or wrongful acts as to Lennar, they are denied.

IN RESPONSE TO THE EIGHTH CAUSE OF ACTION
(Breach of Implied Warranty of Workmanlike Service as to Volkmar)

49. Responding to the allegations in Paragraph 49 of the Complaint, Lennar realleges its responses to the preceding paragraphs as if repeated herein verbatim.

50. The allegations in Paragraph 50 of the Complaint relate to a defendant other than Lennar and therefore require no responsive pleading from Lennar. To the extent, however, that any of those allegations allege any breaches, errors, omissions, negligence, recklessness, or wrongful acts as to Lennar, they are denied.

51. The allegations in Paragraph 51 of the Complaint relate to a defendant other than Lennar and therefore require no responsive pleading from Lennar. To the extent, however, that any of those allegations allege any breaches, errors, omissions, negligence, recklessness, or wrongful acts as to Lennar, they are denied.

52. The allegations in Paragraph 52 of the Complaint relate to a defendant other than Lennar and therefore require no responsive pleading from Lennar. To the extent, however, that any of those allegations allege any breaches, errors, omissions, negligence, recklessness, or wrongful acts as to Lennar, they are denied.

53. The allegations in Paragraph 53 of the Complaint relate to a defendant other than Lennar and therefore require no responsive pleading from Lennar. To the extent, however, that any of those allegations allege any breaches, errors, omissions, negligence, recklessness, or wrongful acts as to Lennar, they are denied.

54. The allegations in Paragraph 54 of the Complaint relate to a defendant other than Lennar and therefore require no responsive pleading from Lennar. To the extent, however, that any of those allegations allege any breaches, errors, omissions, negligence, recklessness, or wrongful acts as to Lennar, they are denied.

IN RESPONSE TO THE NINTH CAUSE OF ACTION
(Breach of Warranty of Plans and Specifications as to Volkmar)

55. Responding to the allegations in Paragraph 55 of the Complaint, Lennar realleges its responses to the preceding paragraphs as if repeated herein verbatim.

56. The allegations in Paragraph 56 of the Complaint relate to a defendant other than Lennar and therefore require no responsive pleading from Lennar. To the extent, however, that any of those allegations allege any breaches, errors, omissions, negligence, recklessness, or wrongful acts as to Lennar, they are denied.

57. The allegations in Paragraph 57 of the Complaint relate to a defendant other than Lennar and therefore require no responsive pleading from Lennar. To the extent, however, that any of those allegations allege any breaches, errors, omissions, negligence, recklessness, or wrongful acts as to Lennar, they are denied.

58. The allegations in Paragraph 58 of the Complaint relate to a defendant other than Lennar and therefore require no responsive pleading from Lennar. To the extent, however, that any of those allegations allege any breaches, errors, omissions, negligence, recklessness, or wrongful acts as to Lennar, they are denied.

59. The allegations in Paragraph 59 of the Complaint relate to a defendant other than Lennar and therefore require no responsive pleading from Lennar. To the extent, however, that any of those allegations allege any breaches, errors, omissions, negligence, recklessness, or wrongful acts as to Lennar, they are denied.

60. The allegations in Paragraph 60 of the Complaint relate to a defendant other than Lennar and therefore require no responsive pleading from Lennar. To the extent, however, that any of those allegations allege any breaches, errors, omissions, negligence, recklessness, or wrongful acts as to Lennar, they are denied.

IN RESPONSE TO THE TENTH CAUSE OF ACTION
(Breach of Fiduciary Duty as to Developers)

61. Responding to the allegations in Paragraph 61 of the Complaint, Lennar realleges its responses to the preceding paragraphs as if repeated herein verbatim.

62. Paragraph 62 of the Complaint sets forth a legal conclusion and therefore requires no response from Lennar. To the extent Paragraph 62 requires a response, Lennar denies the allegations therein.

63. Lennar denies the allegations in Paragraph 63 of the Complaint.

64. Lennar denies the allegations in Paragraph 64 of the Complaint.

IN RESPONSE TO THE ELEVENTH CAUSE OF ACTION
(Constructive Trust as to Developers)

65. Responding to the allegations in Paragraph 65 of the Complaint, Lennar realleges its responses to the preceding paragraphs as if repeated herein verbatim.

66. Lennar denies the allegations in Paragraph 66 of the Complaint.

67. Lennar denies the allegations in Paragraph 67 of the Complaint.

IN RESPONSE TO THE TWELFTH CAUSE OF ACTION
(Unfair Trade Practices as to Developers)

68. Responding to the allegations in Paragraph 68 of the Complaint, Lennar realleges its responses to the preceding paragraphs as if repeated herein verbatim.

69. Paragraph 69 of the Complaint sets forth a legal conclusion and therefore requires no response from Lennar. To the extent a response is required, Lennar denies the allegations therein.

70. Paragraph 70 of the Complaint sets forth a legal conclusion and therefore requires no response from Lennar. To the extent a response is required, Lennar denies the allegations therein.

71. Paragraph 71 of the Complaint sets forth a legal conclusion and therefore requires no response from Lennar. To the extent a response is required, Lennar denies the allegations therein.

72. Responding to Paragraph 72 of the Complaint, Lennar denies that any acts have been repeated. The remainder of Paragraph 72 sets forth a legal conclusion and therefore requires no response from Lennar. To the extent a response is required, Lennar denies the allegations therein.

73. Paragraph 73 of the Complaint sets forth a legal conclusion and therefore requires no response from Lennar. To the extent a response is required, Lennar denies the allegations therein.

74. Lennar denies the allegations in Paragraph 74 of the Complaint.

75. Lennar denies the allegations in Paragraph 75 of the Complaint.

76. Lennar denies the allegations in Paragraph 76 of the Complaint.

77. Lennar denies the allegations and any relief sought in the Wherefore clause, including all subparts.

78. Lennar denies each and every allegation not admitted herein.

FOR A THIRD DEFENSE
(Lack of Standing)

79. Plaintiffs lack standing to make the claims asserted against Lennar in this action.

FOR A FOURTH DEFENSE
(Statute of Limitations)

80. Some or all of the claims asserted against Lennar are barred by the applicable statute of limitations.

FOR A FIFTH DEFENSE
(Comparative Negligence)

81. Plaintiffs' claims, if any, are barred, or should be reduced, by Plaintiffs' own comparative negligence, carelessness, recklessness, willfulness and wantonness, in among other things, Plaintiffs' failure to maintain their homes.

FOR A SIXTH DEFENSE
(Intervening Acts/Omissions)

82. Plaintiffs' claims, if any, are the results of acts and omissions of other entities over whom Lennar has no control, barring Plaintiffs' claims against Lennar.

FOR A SEVENTH DEFENSE
(Laches)

83. Plaintiffs' claims are barred by the doctrine of laches.

FOR AN EIGHTH DEFENSE
(Acceptance)

84. The final completion and acceptance of the work undertaken by Lennar pursuant to the original contracts and all modifications thereto constitute a complete defense to all claims asserted by Plaintiffs.

FOR A NINTH DEFENSE
(Failure to Make Claim Within Warranty Period)

85. Plaintiffs' claims are, upon information and belief, barred as they have failed to make a claim against Lennar within the applicable warranty period.

FOR A TENTH DEFENSE
(Failure to Mitigate)

86. Plaintiffs failed to mitigate their damages and, as a result, all claims asserted by Plaintiffs should be either barred or reduced to the extent that Plaintiffs could have taken prompt and reasonable action to avoid the occurrence of the damages claimed.

FOR AN ELEVENTH DEFENSE
(Limitation on Warranties)

87. Lennar has contractually limited its warranty obligations to the Plaintiffs, excluding liability for many elements the Plaintiffs are claiming, barring Plaintiffs' claims and/or Plaintiffs' claimed damages, including Plaintiffs' claim for consequential damages, in whole or in part, against Lennar.

88. The failure of Plaintiffs to give notice of or make any claim for alleged deficiencies in the workmanship and/or materials provided by Lennar within the warranty period from the date of completion and acceptance of the project by the Plaintiffs constitutes a complete defense to all of Plaintiffs' claims.

FOR A TWELFTH DEFENSE
(Payment/Release)

89. Plaintiffs' Complaint is barred by payment and/or release.

FOR A THIRTEENTH DEFENSE
(Waiver/Estoppel)

90. Plaintiffs have waived and/or are estopped from asserting the claims set forth in their Complaint.

FOR A FOURTEENTH DEFENSE
(Conduct of Plaintiffs)

91. If Plaintiffs sustained injuries and damages in the manner alleged in the Complaint, which injuries and damages are specifically denied by Lennar, then the alleged injuries and damages were sustained not as the result of any fault, neglect, breach of warranty (express or implied) or want of due care on the part of Lennar nor of anyone for whose conduct Lennar is in any way responsible, but solely through the fault, neglect, breach of warranty (express or implied) and want of due care on the part of Plaintiffs, all of which will be shown at

the trial of this cause, and for which Plaintiffs can have no recovery against Lennar or, in the alternative, for which Plaintiffs' recovery should be appropriately reduced.

FOR A FIFTEENTH DEFENSE
(Failure to State a Claim)

92. Plaintiffs' claims fail to state facts sufficient to constitute causes of action against Lennar.

FOR A SIXTEENTH DEFENSE
(Arbitration)

93. Plaintiffs' claims are barred, or should be stayed, as there exists a valid arbitration provision between Plaintiffs and Lennar with respect to the claims Plaintiffs have asserted.

FOR AN SEVENTEENTH DEFENSE
(Prohibition of Punitive Damages)

94. Plaintiffs' claims for recovery of punitive damages are barred by the South Carolina Constitution or the Constitution of the United States because no reasonable and well-defined limits are placed on such punitive damages award; because the award and payment of punitive damages would be a windfall and would advance no legitimate state purpose; and because such punitive damages would constitute imposition of punishment on Lennar without adequate notice of substantive rules governing the conduct giving rise to such punitive damages.

FOR AN EIGHTEENTH DEFENSE
(Lack of Subject Matter Jurisdiction)

95. Plaintiffs' claims are barred as the court lacks jurisdiction over the subject matter of the case.

FOR A NINETEENTH DEFENSE
(S.C.R.C.P. Rule 23(b)(1))

96. Plaintiffs' derivative claims should be dismissed as Plaintiffs' complaint fails to comply with Rule 23(b)(1) of the South Carolina Rules of Civil Procedure, and Plaintiffs cannot

fairly and adequately represent the interests of the members of the homeowners association or other unnamed homeowners.

FOR A TWENTIETH DEFENSE
(Spoliation)

97. Plaintiffs' claims are barred or should be dismissed by virtue of the doctrine of spoliation of evidence, as Plaintiffs spoiled evidence and repaired alleged deficiencies without notice to Lennar and without giving Lennar opportunity to observe the alleged deficiencies.

FOR A TWENTY-FIRST DEFENSE
(South Carolina Notice and Opportunity to Cure Construction Dwelling Defects Act)

98. Plaintiffs' claims are barred and/or should be stayed or dismissed by virtue of Plaintiffs' failure to comply with the South Carolina Notice and Opportunity to Cure Construction Dwelling Defects Act, South Carolina Code § 40-59-810, *et seq.*

FOR A TWENTY-SECOND DEFENSE
(Economic Loss Rule)

99. Plaintiffs' claims are barred by the economic loss rule.

FOR A TWENTY-THIRD DEFENSE
(Conditions Precedent)

100. Plaintiffs' claims should be dismissed or stayed as Plaintiffs have failed to comply with valid, applicable and mutually enforceable conditions precedent contained in the applicable purchase and sales documents (to include, but not limited to, the regime documents, master deed and bylaws, deeds, sales contracts, and homeowners association documents) to filing suit, including any and all alternative dispute provisions and provisions related to the number of owners/members who must agree to file a claim or suit.

FOR A TWENTY-FOURTH DEFENSE
(Necessary Parties)

101. Plaintiffs' Complaint should be dismissed for failure to join necessary persons, parties, and/or entities pursuant to South Carolina Rule of Civil Procedure 19.

FOR A TWENTY-FIFTH DEFENSE
(Lack of Impact on Public Interest)

102. Plaintiffs' claims under the Unfair Trade Practices Act should be dismissed as the alleged actions of Lennar do not have an impact on the public interest.

FOR A TWENTY-SIXTH DEFENSE
(Additional Defenses)

104. Lennar hereby gives notice that it reserves the right to assert and does not waive any additional or further defenses as may be revealed upon amendment to the Complaint, discovery, or otherwise and reserves the right to amend this Answer to assert any such defenses.

FURTHER ANSWERING AND BY WAY OF CROSS-CLAIMS AGAINST SPRING GROVE, MANALE, AND VOLKMAR

105. Lennar realleges and reavers the allegations in the above paragraphs as if restated verbatim herein.

106. Defendant Spring Grove is a corporation organized and existing in South Carolina and was authorized to and did conduct business, in whole or in part, at all times relevant hereto in Berkeley County, South Carolina.

107. Defendant Manale is a limited liability company organized and existing in South Carolina and was authorized to and did conduct business, in whole or in part, at all times relevant hereto in Berkeley County, South Carolina.

108. Defendant Volkmar is a limited liability company organized and existing in South Carolina and was authorized to and did conduct business, in whole or in part, at all times relevant hereto in Berkeley County, South Carolina.

109. Spring Grove provided the lot grading and construction of building pads, installation of streets and roads, installation of storm drainage, retention and detention facilities and other storm drainage systems in The Abbey.

110. Manale provided materials, services and/or labor relating to the landscaping and grading of the residences in The Abbey.

111. Volkmar performed geotechnical engineering work in The Abbey including, but not limited to, investigation, analysis, and recommendations as to the grading, site preparation, groundwater control, fill, and compaction, as well as observation of and recommendations as to the performance of the muck and fill work.

FOR A FIRST CROSSCLAIM AGAINST SPRING GROVE, MANALE, AND VOLKMAR
(Indemnity)

112. Lennar realleges and reaffirms the allegations in the previous paragraphs as if restated verbatim herein.

113. Plaintiffs have sued Lennar claiming damage allegedly caused by improper and defective construction, workmanship, and materials at the residences in The Abbey. A copy of Plaintiffs' Complaint is available on the Berkeley County public index and is incorporated herein by reference.

114. Lennar has denied all of Plaintiffs' substantive allegations against it.

115. Plaintiffs allege that their residences have sustained actual damage by exposure to the defective or deficient drainage systems and grading in The Abbey and related work, services,

labor, or materials designed, engineered, supplied, constructed, or installed by Spring Grove, Manale, and Volkmar. Plaintiffs further allege that their residences have sustained property damage caused by continuous exposure to Spring Grove, Manale, and Volkmar's defective and improper materials, installation, design, engineering, and construction that resulted in property damage and not merely negligent construction damaging only the work product itself. In addition, the negligence, breaches, errors, omissions and wrongful acts of Spring Grove, Manale, and Volkmar were, and have resulted in, occurrences that were unintended, unforeseen, gratuitous, and/or injurious events that caused property damage.

116. To the extent, if any, that Lennar is held liable to Plaintiffs in this action, such liability would be a direct and proximate result of the wrongful acts, omissions, negligence, and/or representations of Spring Grove, Manale, and Volkmar, which have damaged Lennar as Lennar has been subjected to liability and has incurred consequential damages in having to expend attorney's fees and costs in defending this action.

117. To the extent, if any, that the labor, services, and/or work provided by Spring Grove, Manale, and Volkmar with respect to the grading and drainage was defective or deficient in design, engineering, materials, construction, installation, installation instructions, and/or were not merchantable or fit for their particular purposes, such defects and deficiencies would be the result of the breaches of the express and implied contractual obligations and warranties that Spring Grove, Manale, and Volkmar provided to Lennar, damaging Lennar as Lennar has been subjected to liability and has incurred consequential damages in having to expend attorney's fees and costs in defending this action.

118. In the event that Lennar is liable to pay Plaintiffs' for work, labor, and/or services that were defective or deficient in design, engineering, materials, construction, installation,

installation instructions, and/or were not merchantable or fit for their particular purposes, the principles of equity and/or the applicable contracts require that Spring Grove, Manale, and Volkmar indemnify and hold harmless Lennar for all losses, damages, costs, and attorney's fees.

119. Should it be determined that Lennar does not owe any obligations that were the responsibility of Spring Grove, Manale, or Volkmar, Lennar is entitled to be reimbursed for the costs and attorney's fees that it incurred in defending against the claims that were the direct and consequent result of Spring Grove, Manale, and Volkmar's failure to comply with their legal and contractual obligations to Lennar.

FOR A SECOND CROSSCLAIM AGAINST SPRING GROVE, MANALE, AND VOLKMAR
(Negligence/Gross Negligence)

120. Lennar realleges and reaffirms the allegations in the previous paragraphs as if restated verbatim herein.

121. Plaintiffs' Complaint alleges that the labor, materials, services, and work with respect to the grading and drainage design, engineering, materials, construction, and installation were negligent, careless, and reckless.

122. Plaintiffs allege that their residences have sustained actual damage by exposure to the defective or deficient grading and drainage and related work, services, labor, or materials designed, engineered, supplied, constructed, or installed by Spring Grove, Manale, and Volkmar. Plaintiffs further allege that their residences have sustained property damage caused by continuous exposure to Spring Grove, Manale, and Volkmar's defective and improper materials, installation, design, engineering, and construction that resulted in property damage and not merely negligent construction damaging only the work product itself. In addition, the negligence, errors, omissions, and wrongful acts of Spring Grove, Manale, and Volkmar were,

and have resulted in, occurrences that were unintended, unforeseen, gratuitous, and/or injurious events that caused property damage.

123. Spring Grove, Manale, and Volkmar provided labor, materials, services, and work with respect to the design, engineering, materials, construction, and installation of the grading and drainage in The Abbey.

124. As a direct and proximate result of such negligence, carelessness, and recklessness, Lennar has been damaged in the amount of any monies it is adjudged to owe Plaintiffs, or which it pays Plaintiffs in settlement of Plaintiffs' claims, plus the cost of investigating and defending this claim.

125. Upon information and belief, Lennar is entitled to judgment for actual damages collectively or individually against Spring Grove, Manale, and Volkmar in the amount of any monies it is adjudged to owe Plaintiffs, or which it pays Plaintiffs in settlement of Plaintiffs' claims, as well as fees and costs incurred in the investigation, defense, and settlement of this claim.

FOR A THIRD CROSSCLAIM AGAINST SPRING GROVE, MANALE, AND VOLKMAR
(Breach of Warranties)

126. Lennar realleges and reaffirms the allegations in the previous paragraphs as if restated verbatim herein.

127. Spring Grove, Manale, and Volkmar expressly and/or impliedly warranted to Lennar the labor, material, work, and services provided by them would be performed in a careful, diligent, and workmanlike manner, and that any materials and/or services designed, supplied, or sold by them for use on the project would be merchantable and fit for their intended or specific purpose.

128. Plaintiffs allege that the labor, material, work, and services at their residences is defective, not merchantable or fit for their intended or specific purpose, and not of the highest quality.

129. Plaintiffs further allege that their residences have sustained actual damage by exposure to the defective or deficient grading and drainage work, services, labor, or materials designed, engineered, supplied, constructed, or installed by Spring Grove, Manale, and Volkmar. Plaintiffs further allege that their residences have sustained property damage caused by continuous exposure to Spring Grove, Manale, and Volkmar's defective and improper materials, installation, design, engineering, and construction that resulted in property damage and not merely negligent construction damaging only the work product itself. In addition, the breach of warranties of Spring Grove, Manale, and Volkmar were, and have resulted in, occurrences that were unintended, unforeseen, gratuitous, and/or injurious events that caused property damage.

130. Spring Grove, Manale, and Volkmar breached their implied and/or express warranties of merchantability, workmanlike service, and/or fitness for a particular or intended purpose in the construction of The Abbey and Plaintiffs' residences.

131. As a result of these breaches of warranties, Lennar has incurred damage in the amount of any money it is adjudged to owe Plaintiffs, or which it pays Plaintiffs in settlement of Plaintiffs' claims, plus the cost of investigating and defending this claim.

132. Upon information and belief, Lennar is entitled to judgment against Spring Grove, Manale, and Volkmar in the amount of any monies it is adjudge to owe Plaintiffs, or which it pays Plaintiffs in settlement of Plaintiffs' claims, as well as costs and fees incurred in the investigation, defense, and settlement of this claim.

FOR A FOURTH CROSSCLAIM AGAINST SPRING GROVE AND MANALE
(Breach of Warranty)

133. Lennar realleges and reaffirms the allegations in the previous paragraphs as if restated verbatim herein.

134. Lennar entered into contracts with Spring Grove and Manale.

135. Pursuant to those contracts, Spring Grove and Manale were obligated, among other things, to provide labor, materials, and services in The Abbey and for Plaintiffs' residences.

136. Spring Grove and Manale expressly and/or impliedly warranted the quality of their work in those contracts.

137. Spring Grove and Manale breached their contracts with Lennar by, among other things, failing to perform their work in a careful, diligent, and workmanlike manner, by failing to provide goods and services that resulted in a quality building free from defects and otherwise in conformance with all contract documents, and failing to provide goods and services that were in conformity with all appropriate building codes and industry standards.

138. As a result of these breaches of the applicable contracts by Spring Grove and Manale, Lennar has incurred damage in the amount of any money it is adjudged to owe Plaintiffs, or which it pays Plaintiffs in settlement of Plaintiffs' claims, plus the costs of investigating and defending this claim.

139. Upon information and belief, Lennar is entitled to judgment against Spring Grove and Manale for Lennar's direct, incidental, and consequential damages resulting from the breaches including, but not limited to, the amount of any monies it is adjudged to owe Plaintiffs, or which it pays Plaintiffs in settlement of Plaintiffs' claims, as well as costs and fees incurred in the investigation, defense, and settlement of this claim.

140. Further, Lennar has been required to expend sums for attorney's fees and costs, all of which were foreseeable to Spring Grove and Manale as a result of their breaches of the applicable contracts.

141. In light of the contractual provisions providing for an award of costs and reasonable attorney's fees, Lennar is entitled to recover the same from Spring Grove and Manale.

FOR A FIFTH CROSSCLAIM AGAINST SPRING GROVE
(Breach of Contract)

142. Lennar realleges and reaffirms the allegations in the previous paragraphs as if restated verbatim herein.

143. On or about October 22, 2010, Lennar and Spring Grove entered into a contract for the sale of the subdivision lots in The Abbey ("Agreement for the Purchase and Sale of Subdivision Lots").

144. The Agreement for the Purchase and Sale of Subdivision Lots is an enforceable contract between Lennar and Spring Grove supported by mutual consideration.

145. Pursuant to section 6.5 of the Agreement for the Purchase and Sale of Subdivision Lots, Spring Grove was contractually obligated to develop the lots in accordance with requirements specified in Exhibit D to the agreement and in compliance with all applicable building codes and regulations.

146. Pursuant to Exhibit D of the Agreement for the Purchase and Sale of Subdivision Lots, Spring Grove was contractually obligated to:

(a) grade the lots and construct the building pads;

(b) install curbs and gutters;

(c) install streets and roads;

(d) install storm drainage, retention and detention facilities and other storm drainage systems.

147. Pursuant to Exhibit D of the Agreement for the Purchase and Sale of Subdivision Lots, Spring Grove was contractually obligated to grade and engineer the lot in accordance with all laws, ordinances, and governmental requirement and any engineering and grading plans.

148. Pursuant to Exhibit D of the Agreement for the Purchase and Sale of Subdivision Lots, Spring Grove was contractually obligated to provide an in-ground storm drainage system to manage storm water.

149. Pursuant to Exhibit D of the Agreement for the Purchase and Sale of Subdivision Lots, Spring Grove was contractually obligated to engineer and grade the lots such that 2% drainage is established.

150. Pursuant to Exhibit D of the Agreement for the Purchase and Sale of Subdivision Lots, Spring Grove was contractually obligated to provide surface drainage such that there would be no standing water on the lots after twenty-fours elapse after a rain event.

151. Pursuant to Exhibit D of the Agreement for the Purchase and Sale of Subdivision Lots, Spring Grove was contractually obligated to provide grading and drainage such that storm water would not flow across more than three lots before being conveyed off the lot or managed through an underground storm drainage system.

152. Pursuant to Exhibit D of the Agreement for the Purchase and Sale of Subdivision Lots, Spring Grove was contractually obligated to provide streets and roads in The Abbey to include the necessary grading and storm sewer.

153. Plaintiffs allege that their lots and the roads and common property in The Abbey were improperly, deficiently, and/or defectively graded.

154. Plaintiffs allege that the drainage system in The Abbey was improperly installed.

155. Plaintiffs allege that their residences have sustained actual damage by exposure to the defective or deficient drainage systems and grading in The Abbey and related work, services, labor, or materials designed, engineered, supplied, constructed, or installed by Spring Grove. Plaintiffs further allege that their residences have sustained property damage caused by continuous exposure to Spring Grove's defective and improper materials, installation, design, engineering, and construction that resulted in property damage and not merely negligent construction damaging only the work product itself. In addition, the negligence, breaches, errors, omissions and wrongful acts of Spring Grove were, and have resulted in, occurrences that were unintended, unforeseen, gratuitous, and/or injurious events that caused property damage.

156. In the event that Plaintiffs prevail on any of their claims, Spring Grove materially breached the Agreement for the Purchase and Sale of Subdivision lots in:

(a) improperly, deficiently, and/or defectively grading the lots;

(b) improperly, deficiently, and/or defectively installing curbs and gutters;

(c) improperly, deficiently, and/or defectively installing streets and roads;

(d) improperly, deficiently, and/or defectively installing storm drainage, retention and detention facilities and other storm drainage systems;

(e) failing to grade and engineer the lots in accordance with all laws, ordinances, and governmental requirements and any engineering and grading plans;

(f) providing a deficient and defective in-ground storm drainage system;

(g) improperly, deficiently, and/or defectively grading the lots such that a 2% drainage was not established;

(h) improperly, deficiently, and/or defectively grading the lots such that water remains standing on the lots more than twenty-four hours after a rain event;

(i) improperly, deficiently, and/or defectively grading and providing drainage such that water flows across more than three lots;

(j) improperly, deficiently, and/or defectively grading and providing storm sewer for the streets and roads in The Abbey.

157. Spring Grove failed to cure any such breaches.

158. As a result of the material breaches of Spring Grove, Lennar has been damaged in the amount of any monies it is adjudged to owe Plaintiffs, or which it pays Plaintiffs in settlement of Plaintiffs' claims, plus the cost of investigating and defending this claim.

FURTHER ANSWERING AND AS A THIRD-PARTY COMPLAINT AGAINST SUPER CONCRETE, SOUTHERN GREEN, AND TJB

159. Lennar realleges and reaffirms the allegations in the preceding paragraphs as if restated verbatim herein.

160. Super Concrete is a South Carolina corporation which, at all times relevant hereto, conducted business in whole or in part in Berkeley County, South Carolina.

161. Southern Green is or was a South Carolina corporation which, at all times relevant hereto, conducted business in whole or in part in Berkeley County, South Carolina.

162. TJB is a South Carolina limited liability company which, at all times relevant hereto, conducted business in whole or in part in Berkeley County, South Carolina.

163. Super Concrete provided labor, material, and services related to the grading, concrete, flatwork, driveways, walkways, and foundation slabs for Plaintiffs' residences.

164. Southern Green provided labor, material, and services related to the grading and landscaping for Plaintiffs' residences.

165. TJB provided labor, material, and services related to the grading and pads for Plaintiffs' residences.

167. Plaintiffs' residences, which are the subject of this action, are located in Berkeley County, South Carolina.

168. This Court has jurisdiction over these third-party claims.

169. Venue is proper in this Court.

FOR A FIRST CAUSE OF ACTION AGAINST SUPER CONCRETE, SOUTHERN GREEN, AND TJB
(Indemnity)

170. Lennar realleges and reaffirms the allegations in the previous paragraphs as if restated verbatim herein.

171. Plaintiffs have sued Lennar claiming damage allegedly caused by improper and defective construction, workmanship, and materials at the residences in The Abbey. A copy of Plaintiffs' Complaint is available on the Berkeley County public index and is incorporated herein by reference.

172. Lennar has denied all of Plaintiffs' substantive allegations against it.

173. Plaintiffs allege that their residences have sustained actual damage by exposure to the defective or deficient grading and drainage in The Abbey and related work, services, labor, or materials designed, engineered, supplied, constructed, or installed by Super Concrete, Southern Green, and TJB. Plaintiffs further allege that their residences have sustained property damage caused by continuous exposure to Super Concrete, Southern Green, and TJB's defective and improper materials, installation, design, engineering, and construction that resulted in property

damage and not merely negligent construction damaging only the work product itself. In addition, the negligence, breaches, errors, omissions and wrongful acts of Super Concrete, Southern Green, and TJB were, and have resulted in, occurrences that were unintended, unforeseen, gratuitous, and/or injurious events that caused property damage.

174. To the extent, if any, that Lennar is held liable to Plaintiffs in this action, such liability would be a direct and proximate result of the wrongful acts, omissions, negligence, and/or representations of Super Concrete, Southern Green, and TJB which have damaged Lennar as Lennar has been subjected to liability, and has incurred consequential damages in having to expend attorney's fees and costs in defending this action.

175. To the extent, if any, that the labor, services, and/or work provided by Super Concrete, Southern Green, and TJB with respect to the grading and drainage was defective or deficient in design, engineering, materials, construction, installation, installation instructions, and/or were not merchantable or fit for their particular purposes, such defects and deficiencies would be the result of the breaches of the express and implied contractual obligations and warranties that Super Concrete, Southern Green, and TJB provided to Lennar, damaging Lennar as Lennar has been subjected to liability, and has incurred consequential damages in having to expend attorney's fees and costs in defending this action.

176. In the event that Lennar is liable to pay Plaintiffs for work, labor, and/or services that were defective or deficient in design, engineering, materials, construction, installation, installation instructions, and/or were not merchantable or fit for their particular purposes, the principles of equity and/or the applicable contracts between Lennar and Super Concrete, Southern Green, and TJB require that Super Concrete, Southern Green, and TJB indemnify and hold harmless Lennar for all losses, damages, costs, and attorney's fees.

177. Should it be determined that Lennar does not owe any obligations that were the responsibility of Super Concrete, Southern Green, and TJB, Lennar is entitled to be reimbursed for the costs and attorney's fees that it incurred in defending against the claims that were the direct and consequent result of Super Concrete, Southern Green, and TJB's failure to comply with their legal and contractual obligations to Lennar.

FOR A SECOND CAUSE OF ACTION AGAINST SUPER CONCRETE, SOUTHERN GREEN, AND TJB
(Negligence/Gross Negligence)

178. Lennar realleges and reaffirms the allegations in the previous paragraphs as if restated verbatim herein.

179. Plaintiffs' Complaint alleges that the labor, materials, services, and work with respect to the grading and drainage design, engineering, materials, construction, and installation were negligent, careless, and reckless.

180. Plaintiffs allege that their residences have sustained actual damage by exposure to the defective or deficient grading and drainage and related work, services, labor, or materials designed, engineered, supplied, constructed, or installed by Super Concrete, Southern Green, and TJB. Plaintiffs further allege that their residences have sustained property damage caused by continuous exposure to Super Concrete, Southern Green, and TJB's defective and improper materials, installation, design, engineering, and construction that resulted in property damaged and not merely negligent construction damaging only the work product itself. In addition, the negligence, errors, omissions, and wrongful acts of Super Concrete, Southern Green, and TJB were, and have resulted in, occurrences that were unintended, unforeseen, gratuitous, and/or injurious events that caused property damage.

181. Super Concrete, Southern Green, and TJB provided labor, materials, services, and work with respect to the design, engineering, materials, construction, and installation of the grading and drainage in The Abbey.

182. As a direct and proximate result of such negligence, carelessness, and recklessness, Lennar has been damaged in the amount of any monies it is adjudged to owe Plaintiffs, or which it pays Plaintiffs in settlement of Plaintiffs' claims, plus the cost of investigating and defending this claim.

183. Upon information and belief, Lennar is entitled to judgment for actual damages collectively or individually against Super Concrete, Southern Green, and TJB in the amount of any monies it is adjudged to owe Plaintiffs, or which it pays Plaintiffs in settlement of Plaintiffs' claims, as well as fees and costs incurred in the investigation, defense, and settlement of this claim.

FOR A THIRD CAUSE OF ACTION AGAINST SUPER CONCRETE, SOUTHERN GREEN, AND TJB
(Breach of Warranties)

184. Lennar realleges and reaffirms the allegations in the previous paragraphs as if restated verbatim herein.

185. Super Concrete, Southern Green, and TJB expressly or impliedly warranted to Lennar the labor, material, work, and services provided by them would be performed in a careful, diligent, and workmanlike manner, and that any materials and/or services designed, supplied, or sold by them for use on the project would be merchantable and fit for their intended or specific purpose.

186. Plaintiffs allege that the labor, material, work, and services at their residences is defective, not merchantable or fit for their intended or specific purpose, and not of the highest quality.

187. Plaintiffs further allege that their residences have sustained actual damage by exposure to the defective or deficient grading and drainage work, services, labor, or materials designed, engineered, supplied, constructed, or installed by Super Concrete, Southern Green, and TJB. Plaintiffs further allege that their residences have sustained property damage caused by continuous exposure to Super Concrete, Southern Green, and TJB's defective and improper materials, installation, design, engineering, and construction that resulted in property damage and not merely negligent construction damaging only the work product itself. In addition, the breach of warranties of Super Concrete, Southern Green, and TJB were, and have resulted in, occurrences that were unintended, unforeseen, gratuitous, and/or injurious events that caused property damage.

188. Super Concrete, Southern Green, and TJB breached their implied and/or express warranties of merchantability, workmanlike service, and/or fitness for a particular or intended purpose in the construction of The Abbey and Plaintiffs' residences.

189. As a result of these breaches of warranties, Lennar has incurred damage in the amount of any money it is adjudged to owe Plaintiffs, or which it pays Plaintiffs in settlement of Plaintiffs' claims, plus the cost of investigating and defending this claim.

190. Upon information and belief, Lennar is entitled to judgment against Super Concrete, Southern Green, and TJB in the amount of any monies it is adjudged to owe Plaintiffs, or which it pays Plaintiffs in settlement of Plaintiffs' claims, as well as costs and fees incurred in the investigation, defense, and settlement of this claim.

FOR A FOURTH CAUSE OF ACTION AGAINST SUPER CONCRETE, SOUTHERN GREEN, AND TJB
(Breach of Warranty)

191. Lennar realleges and reaffirms the allegations in the previous paragraphs as if restated verbatim herein.

192. Lennar entered into contracts with Super Concrete, Southern Green, and TJB.

193. Pursuant to those contracts, Super Concrete, Southern Green, and TJB were obligated, among other things, to provide labor, materials, and services in The Abbey and specifically for Plaintiffs' residences.

194. The terms of the contracts required Super Concrete, Southern Green, and TJB to provides construction goods and services for The Abbey and specifically for Plaintiffs' residences that, among other things, would produce a quality residence free from defects and otherwise in conformance with all contract documents, including all building codes and industry standards.

195. Super Concrete, Southern Green, and TJB breached their contracts with Lennar by, among other things, failing to perform their work in a careful, diligent, and workmanlike manner, by failing to provide goods and services that resulted in a quality residence free from defects and otherwise in conformance with all contract documents, and failing to provide goods and services that were in conformity with all appropriate building codes and industry standards.

196. As a result of these breaches of the applicable contracts by Super Concrete, Southern Green, and TJB Lennar has incurred damage in the amount of any money it is adjudged to owe Plaintiffs, or which it pays Plaintiffs in settlement of Plaintiffs' claims, plus the costs of investigating and defending this claim.

197. Upon information and belief, Lennar is entitled to judgment against Super Concrete, Southern Green, and TJB for Lennar's direct, incidental, and consequential damages resulting from the breaches including, but not limited to, the amount of any monies it is adjudged to owe Plaintiffs, or which it pays Plaintiffs in settlement of Plaintiffs' claims, as well as costs and fees incurred in the investigation, defense, and settlement of this claim.

198. Further, Lennar has been required to expend sums for attorney's fees and costs, all of which were foreseeable to Super Concrete, Southern Green, and TJB as a result of their breaches of the applicable contracts.

199. In light of the contractual provisions providing for an award of costs and reasonable attorney's fees, Lennar is entitled to recover the same from Super Concrete, Southern Green, and TJB.

WHEREFORE, Lennar prays that Plaintiffs' claims be dismissed, that Lennar be given judgment against Spring Grove, Manale, Volkmar, Super Concrete, Southern Green, and TJB, and Lennar demands judgment requiring Spring Grove, Manale, Volkmar, Super Concrete, Southern Green, and TJB to indemnify Lennar against any liability which Lennar may suffer in this action, to include Lennar's attorney's fees, costs, and other expenses incurred in defending this action.

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February 13, 2015

STATE OF SOUTH CAROLINA) IN THE COURT OF COMMON PLEAS
) NINTH JUDICIAL CIRCUIT
COUNTY OF BERKELEY) CASE NO: 2014-CP-08-02424

Patricia Damico and Lenna Lucas, individually and on behalf of all others similarly situated, Joshua and Brettany Buetow, Edward and Sylvia Dengg, Jonathan and Theresa Douglass, Anthony and Stacey Ray, Danny and Ellen Davis Morrow, Czara and Chad England, Bryan and Cynthia Camara, and Matthew Collins.

Plaintiffs,

vs.

Lennar Carolinas, LLC, Spring Grove Plantation Development, Inc., Manale Landscaping, LLC, Super Concrete of SC, Inc. Southern Green, Inc., TJB Trucking/Leasing, LLC, Paragon Site Constructors, Inc., Civil Site Environmental, and Rick Bryant, individually.

Defendants.

Lennar Carolinas, LLC

Third-Party Plaintiff,

vs.

Super Concrete of SC, Inc. Southern Green, Inc., and TJB Trucking/Leasing, LLC,

Third-Party Defendants.

RULE 23 SOUTH CAROLINA RULES OF CIVIL PROCEDURE CLASS ACTION

FIRST AMENDED COMPLAINT
(Jury Trial Demanded)
(Class Action)
(Construction Defects)
(Verified)

FILED
2015 NOV 23 AM 10:08
MARY P. BROWN
CLERK OF COURT
BERKELEY COUNTY, SC

The Plaintiffs, Patricia Damico and Lenna Lucas, as Class Representatives and the above-named Plaintiffs (hereinafter collectively referred to as "Plaintiffs"), individually and as a class of similarly situated owners of homes in a residential community named the Abbey at Spring Grove Plantation complaining of the above-mentioned Defendants, allege and state as follows:

1. Plaintiffs Lenna Lucas and Patricia Damico are citizens and residents of Berkeley County, South Carolina, who at all times relevant hereto live in a residential community known as The Abbey at Spring Grove Plantation, located in Berkeley County, South Carolina. Plaintiffs Lenna Lucas and Patricia Damico further allege and state that they are bringing this action pursuant to Rule 23, SCRCP, as representing a class composed of each and every home owner in The Abbey at Spring Grove Plantation, and that:

a. The class is so numerous that joinder of all members is impracticable;

b. There are questions of law and fact common to the class;

c. The claims of the Plaintiffs, Lenna Lucas and Patricia Damico, are typical of the claims of the class;

d. The Plaintiffs Lenna Lucas and Patricia Damico will fairly and adequately protect the interest of the class; and

e. The amount in controversy exceeds One Hundred Dollars ($100.00) for each member of the class.

2. Plaintiffs Patricia Damico, Lenna Lucas, and other similarly situated home owners, own homes in of The Abbey.

3. Pursuant to the common law of South Carolina and Rule 23 of the South Carolina Rules of Civil Procedure ("SCRCP"), Plaintiffs Patricia Damico and Lenna Lucas bring this action both individually and as a proposed class action against the Defendants on behalf of themselves and

all other similarly situated persons and entities, that own homes within The Abbey (hereinafter referred to collectively as the "Class"). The Class is more particularly defined as follows:

All persons and/or entities that own homes/property within The Abbey.

Excluded from the Class are:

a. Any Judge presiding over this action and members of their families;

b. Defendants and any entity in which Defendants have a controlling interest or which have a controlling interest in Defendants and Defendants' current or former employees investors, members, or officers;

c. Any former owner of a home; and

d. All persons who properly execute and file a timely request for exclusion from the Class.

4. As representatives of the Class defined herein pursuant to Rule 23(a) of the South Carolina Rules of Civil Procedure, the Plaintiffs seek to recover monetary damages from the Defendants, for negligence, gross negligence, recklessness, wantonness, willfulness, breach of fiduciary duties, breach of express and implied warranties, with respect to their duties as a developer in the development, marketing, sale of, administration, care, and maintenance and/or repair of The Abbey, as well as their duties to design and construct The Abbey free from defects and in accordance with all applicable building and dwelling codes.

5. *Numerosity:* The Class is composed of in excess of sixty nine (69) persons or entities geographically dispersed throughout the State of South Carolina and other states, the joinder of whom in one action is impractical. When spouses and co-owners are considered, the Class is expected to be in excess of sixty nine (69) persons or entities.

6. *Typicality*: Plaintiffs Patricia Damico and Lenna Lucas' claims are typical of the claims of the members of the Class, as all such claims arise out of Defendants' wrongful conduct in the

design, development, construction, reconstruction, marketing, selling, management and repair of The Abbey.

7. *Adequate Representation*: Plaintiffs Patricia Damico and Lenna Lucas will fairly and adequately protect the interests of the members of the Class and has no interests antagonistic to those of the Class. Plaintiffs have retained counsel experienced in the prosecution of construction defect claims and complex litigation, including home defect claims and class actions.

8. *Predominance and Superiority*: This class action is appropriate for certification because questions of law and fact common to the members of the Class predominate over questions affecting only individual members, and a Class action is superior to other available methods for the fair and efficient adjudication of this controversy, since, among other things, individual joinder of all members of the Class is impracticable. Should individual Class Members be required to bring separate actions, this Court would be confronted with a multiplicity of lawsuits burdening the court systems while also creating the risk of inconsistent rulings and contradictory judgments. In contrast to proceeding on a case-by-case basis, in which inconsistent results will magnify the delay and expense to all parties and the court system, this class action presents far fewer management difficulties while providing unitary adjudication, economies of scale and comprehensive supervision by a single Court.

9. Defendants have acted on grounds generally applicable to the Class. Class certification is appropriate under South Carolina law because Defendants engaged in a uniform and common practice vis-à-vis each class member. All Class Members have the same legal right to, and interest in, redress for damages associated with the defective conditions existing within The Abbey.

10. Plaintiffs Patricia Damico, Lenna Lucas, and the Class, who are all members of the Abbey, envision no unusual difficulty in the management of this action as a class action.

11. Each Class Member has an interest of more than $100.00.

12. The amount of money at stake for each Class Member is not sufficient for each member to hire their own counsel, forensic engineers and architects and bring their own action.

13. The individual Plaintiffs are citizens and residents of Berkeley County, South Carolina, who at all times relevant hereto live in a residential community known as The Abbey at Spring Grove Plantation, located in Berkeley County, South Carolina.

14. The Abbey is a section of the residential community, Spring Grove Plantation, located in Berkeley County, South Carolina and, upon information and belief, was owned, developed, marketed and constructed by the Defendants.

15. The Defendants are, upon information and belief, corporations organized and existing under the laws of the State of South Carolina or some other state and are authorized to conduct business in this state, and have a principal place of business in Berkeley County or have conducted business in Berkeley County.

16. Upon assuming the roles as stated above, the Defendants assumed the duties thereof to develop, construct, and market the property and sell parcels thereof to the general public.

17. Furthermore, in assuming the roles stated above, the Defendants undertook to make certain that this Community was developed and constituted in a workmanlike fashion according to industry standards meeting all applicable codes, guidelines, restrictions, of any and all state, county, and municipal authorities.

18. That pursuant to this marketing scheme, the Defendants extensively advertised to the general public and represented to the general public that *inter alia*, the property and homes built would be of the highest quality, with substantial amenities.

19. This Court has jurisdiction over the parties and subject matter hereto.

20. The construction of The Abbey was performed by one or more of the Defendants. The Defendants represented they were competent, knowledgeable and experienced in performing such construction work as to properly build The Abbey according to the normal standards of good and workmanlike practice in the construction field.

21. Construction defects in The Abbey have recently been discovered. A recent inspection of the subject Homes resulted in the discovery of major problems and deficiencies including but not limited to the following:

a. Lack of proper foundation work;

b. Lack of proper foundation slabs;

c. Structural damage to the homes;

d. Water damage resulting from defects;

e. Improper grading and drainage;

f. Improper roofing; and

g. Improper windows and installation of some.

22. Defendant Lennar Carolinas, LLC (hereinafter referred to as "Lennar") is a corporation organized and existing under the laws of the State of South Carolina and, at all times relevant hereto, was authorized to and did conduct business in the State of South Carolina, County of

Berkeley for the purpose of planning, developing, marketing, owning, maintaining, leasing, selling, and constructing the homes in a manner for sale to the public.

23. Upon information and belief, the above-identified Lennar Defendant was, in various capacities, individually and collectively engaged in the planning and developing of the Project, and contracted with various entities for the design of the Project.

24. The Defendant, Spring Grove Plantation Development, Inc. (hereinafter SGPD), upon information and belief, is a corporation organized and existing under the laws of the State of South Carolina and is authorized to conduct business in this State; upon information and belief, this Defendant was the initial owner/developer and seller of the neighborhood.

25. The Defendant, Manale Landscaping, LLC (hereinafter Manale), upon information and belief, is a corporation organized and existing under the laws of the State of South Carolina and is authorized to conduct business in this State; this Defendant is a landscaping business that provided landscaping and grading at The Abbey.

26. The Defendant, Super Concrete of SC, Inc. (hereinafter Super Concrete), upon information and belief, is a corporation organized and existing under the laws of the State of South Carolina and is authorized to conduct business in this State; this Defendant is a concrete contracting business that provided concrete, flatwork, driveways, walkways, and foundation slabs at The Abbey.

27. The Defendant, TJB Trucking/Leasing, LLC (hereinafter TJB), upon information and belief, is a limited liability company organized and existing under the laws of the State of South Carolina and is authorized to conduct business in this state; this Defendant is a business that provided grading and pads at The Abbey.

28. The Defendant, Southern Green, Inc. (hereinafter Southern Green), upon information and belief, is a corporation organized and existing under the laws of the State of South Carolina and is authorized to conduct business in this state; this Defendant is a landscaping business that provided landscaping and grading at The Abbey.

29. The Defendant, Paragon Site Constructors, Inc. (hereinafter Paragon), upon information and belief, is a corporation organized and existing under the laws of the State of South Carolina and is authorized to conduct business in this State; Paragon performed site preparation and/or grading work for the building pads at the lots now known as The Abbey that is the subject of this litigation.

30. The Defendant, Civil Site Environmental, Inc. (hereinafter referred to as "CSE") is a corporation organized and existing under the laws of the State of South Carolina and is authorized to conduct business in this State; CSE served as the professional civil engineer and designer for the development of The Abbey neighborhood and provided civil drawings for Phase I and Phase II of the development of the lots now known as The Abbey.

31. The Defendant, Rick Bryant (hereinafter referred to as "Bryant") is a citizen and resident of the County of Berkeley, State of South Carolina; Bryant is a former employee of Spring Grove who undertook certain work and/or provided labor and materials to the project now known as The Abbey neighborhood.

32. At the time of the incidents giving rise to the Plaintiffs' Complaints, Defendants Lennar, SGPD, Manale, Super Concrete, TJB, Southern Green, Paragon, CSE, and Bryant acted by and through its agents, contractors, and employees for the purpose of carrying on its business and

therefore, is liable for the negligent acts of its agents, contractors, and employees under the theory of *respondeat superior*.

33. Defendant Lennar commenced to design, construct, develop, and sell the single family homes in The Abbey to, among others, the Plaintiffs in this action, and marketed and sold units in The Abbey despite the fact that they have been put on notice of numerous construction and design defects within the subject neighborhood and without disclosing those defects to any of the homeowners, including the Plaintiffs as well as new homeowners.

34. The Abbey is a neighborhood development started by Defendant SGPD; it was then sold to Defendant Lennar, who then took control over the development of the neighborhood and hired contractors.

35. By investigation of the subject structures, premises, roads, and property, the homeowners and/or Plaintiffs learned that said subject structures, premises, roads, and property have been deficiently designed and have significant construction defects. Construction was improperly performed and will have to be completely removed and replaced. The design, grading deficiencies, and construction to the subject structures and property include, but are not limited to, the following;

a. Water accumulation on the property of the Plaintiffs and homeowners;

b. Improper grading of the property of the Plaintiffs and homeowners;

c. Improper installation of drainage pipes;

d. Deterioration of the subject structures due to the drainage issues;

e. Improper foundation;

f. Improper flashing; and

g. Water intrusion.

36. As a direct and proximate result and consequence of the numerous construction, design, installation, and implementation of the above defects, the Plaintiffs have and will continue to spend substantial sums of money for the repairs and reconstruction of the structures, property, and roads and will be subject to loss of use, enjoyment, and depreciation of value of their property.

37. Due to the actions of the Defendants, as stated above, the Plaintiffs are facing significant damage repairs, deteriorating property, significant and immediate expenses for investigation, destructive testing, and an analysis of construction defects, repairs defects, grading defects, drainage problems, damages deterioration, and a generally overall dilapidated condition which is the direct and proximate result of defective construction, management, maintenance, and abandonment of generally accepted fiduciary principles and/or duties on the part of the Defendants.

38. In connection with the Project, the Developer Defendants all became and/or acted as subsidiaries, parents, partners, associates, agents, affiliate, co-joint venturers, servants, instrumentalities and/or alter ego entities of each other and are responsible to the Plaintiffs herein for the condition of the Project and the damages set forth herein.

39. The Developer Defendants conducted business in connection with the Project by and through the use and control of subservient entities, and all of these entities in fact manifested no separate interest of their own, and demonstrated an amalgamation of corporate interests, entities, and activities so as to blur the legal distinction between any members of that group of corporations, shareholders, officers, agents, partners, employees, and assets.

40. The Defendants listed above including Lennar, SGPD, Manale, Super Concrete, Southern Green, TJB, Paragon, CSE, and Bryant (hereinafter referred to collectively as the "Contractor Defendants") provided labor, materials, goods, and services in connection with the construction of The Abbey at Spring Grove Plantation as contractors, subcontractors, consultants, or independent contractors, or which manufactured, fabricated, and/or otherwise provided construction and building materials, equipment and goods for use in connection with the construction of the Project; and these entities provided labor, materials, goods, and services associated with the original construction of the Project, and the work of each of these Defendants was deficient and defective and resulted in damages to the Plaintiffs as set forth below.

41. All Defendants were instrumental in carrying out duties and actions relating to the construction of the Project, and each of these defendants had independent duties under South Carolina law to perform their duties in a good and workmanlike manner and in accordance with applicable building codes and accepted building practices.

JURISDICTION

42. Personal jurisdiction is vested and exists in the Court of Common Pleas, County of Berkeley, State of South Carolina, and venue is proper in the County of Berkeley, State of South Carolina, by virtue of, among other things, the fact that the property which is the subject matter of the Complaint is located in Berkeley County, South Carolina, and the great majority of the activities relating to the Project and the claims herein occurred in this jurisdiction.

BACKGROUND

43. The Plaintiffs repeat and reallege their allegations in all of the paragraphs set forth above as if set forth herein verbatim.

44. Plaintiffs are informed and believe that the Developer Defendants engaged contractors to construct the Project including 69 properties, and related facilities and amenities, collectively known as The Abbey at Spring Grove Plantation, which were thereafter substantially completed, and contained various homes. The Developer Defendants, by and through various instrumentalities and alter-egos and other Defendants were the original developers of the Project and/or are liable for the actions of the original Developer of the project.

45. The Developer Defendants directed and oversaw those listed as Defendants herein and contractors including the Contractor Defendants herein who performed insufficient, shoddy, negligent work which failed to comply with applicable building codes and industry standards, all of which has contributed to and resulted in the premature deterioration and/or failure of the structures and building systems in the Project.

46. The Developer Defendants created and controlled numerous and various of the Defendant entities for the sole purpose of the planning, development, design, construction, management, purchase, sale of units, and other activities solely relating to the Project which is the subject of this action.

47. There would exist a broad element of injustice and fundamental unfairness of the acts of the Developer Defendants, and each of them individually, were not regarded as the acts of one another.

48. The Defendants began the process of constructing the homes by engaging and directing the actions of the various contractors and/or subcontractors named as Defendants herein, and participated in the negligent, deficient, and shoddy workmanship which ignored and/or covered up design and construction defects then in existence and, thereafter, placed the

units into the stream of commerce for sale, which they did sell to the general public and, in particular, to the current owners who are members of the Association.

49. At the time the homes were offered for sale and placed into the stream of commerce by the Developer Defendants, the units contained numerous defects and/or property damage which has been recently and is currently being discovered by Plaintiffs, all as a direct and proximate result of an investigation initiated by Plaintiffs, as a direct and proximate result of defects and deficiencies heretofore hidden and concealed through the acts and omissions of the Developer Defendants.

50. The Developer Defendants and the Contractor Defendants, and each and every other above-captioned Defendant knew or should have known of the existence of the said building defects and deficiencies and property damage, which were latent and unknown to the Plaintiffs.

51. These latent building defects have, unbeknownst to Plaintiffs, regularly resulted in water damage to the buildings and property damage and continue to do so through the date of this filing.

52. The latent building defects and property damage have regularly resulted in the deterioration and failure of the structures and building systems, along with the attendant resulting actual, incidental, consequential and special damages, and continue to do so through the date of this filing.

53. The Plaintiffs suffered damages when the Developer Defendants put these homes into the stream of commerce and continue to be damaged through the date of this filing.

54. The Developer Defendants were engaged in a joint venture, partnership, or other legal or de facto relationship with each other.

55. The Developer Defendants caused, directed, participated in, or acted in willful, reckless, heedless, negligent and grossly negligent disregard of their collective and respective acts and omissions in the planning, development, design, construction, management and sale of the units in the Project, all as more fully described herein.

56. The Developer Defendants represented to the public over the Internet and through various publications and other media that they, by and through their various affiliates, entities, venturers, and agents referenced herein, were qualified, experienced, and would in fact be directing, managing, and otherwise facilitating the construction and selling of the units, and these representations were relied upon by the Plaintiffs.

57. These collective and respective wrongful acts and omissions of the Developer Defendants and such other Defendants as set forth in the causes of action below, represent unfair trade practices and have resulted in substantial deterioration and/or failure of structures and building systems, building deficiencies, actual, incidental, special and consequential damages and loss of use. Remedying the above wrongful acts will result in actual, incidental, consequential, and special damages including loss of use to the Plaintiffs and its members, and entitle Plaintiffs and its members to punitive damages and attorney's fees. Further, these wrongful acts and omissions have directly and proximately caused substantial diminution in value, both pre- and post-repair.

58. The acts and omissions of the Defendants were contrary to the duties they owed, individually and collectively, to the Plaintiffs and actually caused damages to the Plaintiffs including, but not limited to, damages which did not result from the acts and omissions of other

defendants and including, but not limited to, damages other than damages which resulted in physical injury or damage to tangible real and personal property in connection with this Project.

AS A FIRST CAUSE OF ACTION AGAINST ALL DEFENDANTS
(Negligence and Gross Negligence)

59. The Plaintiffs repeat and reallege their allegations in all of the paragraphs set forth above as if set forth herein verbatim.

60. Defendants, and each of them, owed a duty to Plaintiffs to act in a manner compliant with the reasonable standard of care, good faith, and fair dealing recognized under South Carolina law, and Defendants violated this duty to the Plaintiff and were negligent and grossly negligent, careless, reckless, willful and wanton in one or more of the following particulars:

a. In failing to properly design, construct, develop and repair the homes;

b. In failing to comply with the applicable Building Codes of the County of Berkeley and the State of South Carolina;

c. In failing to comply with the applicable Fire and Safety Codes of the County and of Berkeley and the State of South Carolina;

d. In failing to properly supervise the project developer entities and individuals, project architects and engineers, as well as contractors, subcontractors, suppliers and/or agents or employees of any of them in connection with the planning, development, design and construction of the homes offered for sale to the public;

e. In manufacturing, fabricating, preparing for the incorporation into a residential building, reviewing, approving, procuring, and incorporating into the construction of this project such items which were defective, deficient, inferior, inadequate, unsafe, dangerous, inappropriate for the use intended, noncompliant with approved design or design intent, non-compliant with applicable codes and standards in the industry, and otherwise improper for use in the project including, but not limited to, standard systems, grading, HVAC systems, windows, roofs, mechanical systems, plumbing systems, drainage systems, and sewer line systems without appropriate clean-out piping and/or other issues; electrical systems and equipment, interior and exterior drywall and other substrate and sheathing

material, windows, insulation, roofing, waterproofing systems, and other building materials and supplies, finishes, and other items relating to the construction and ultimate use of this residential project;

f. In designing, constructing, marketing, selling, homes and/or property with defective windows;

g. In designing, constructing, marketing, selling, homes and/or properly with inadequate flashing;

h. In designing, constructing, marketing, selling, homes and/or property with inadequate roofs;

i. In designing, constructing, marketing, selling, homes and/or property with inadequate water barriers;

j. In designing, constructing, marketing, selling, homes and/or property without weather proof building envelopes and exteriors;

k. In designing, constructing, marketing, selling, homes and/or property which were defective, deficient, inadequate, unsafe, dangerous, or otherwise non-compliant with codes and standards;

l. In placing defective and inferior construction into the stream of commerce;

m. In placing defective and inferior manufactured systems, equipment, building materials and other products into the stream of commerce;

n. In failing to permit and facilitate a proper evaluation of the condition of the Project prior to and during the process of offering homes and other property for the use and sale to the general public and, further, to obstruct and/or hinder efforts to conduct a proper evaluation of the Project by intended purchasers or users;

o. In misrepresenting the condition of the homes, common elements, garages and other property to prospective and actual purchasers and other users, and in making representations in negligent and/or intentional disregard of whether these representations were false or inaccurate;

p. In failing to undertake sufficient actions to develop a plan for repairs and otherwise failing to make adequate repairs to conditions at the project which were unsafe, dangerous, or otherwise not in compliance with applicable building codes or other authorities or standards of care;

q. In negligently and/or intentionally covering up deficiencies prior to construction of the units and other property for sale or use by the general public;

r. In failing to determine accurate information required, failing to disclose the absence of such information, as well as negligently and/or intentionally providing misleading and inaccurate information regarding the proper level of financial capitalization and reserve funding required for the operations, maintenance, and repairs required by The Abbey for the Project and individual home owners;

s. In failing to act as reasonable persons would in circumstances then and there prevailing and in such other failures as will be shown during discovery and at trial.

61. Said failures above-described, as well as the Defendants' gross negligence, willfulness, and reckless disregard for the rights of Plaintiff and others, have actually and proximately caused damages to Plaintiffs, and the Defendants are liable to the Plaintiffs in an amount of actual, incidental, consequential, special, and punitive damages in an amount to be determined by the trier of fact and any attempts in any contractual agreement for the limitation or disclaimer of warranties, or any other waiver or other limitation, are null, void, unenforceable, and subject to rescission as a matter of law.

AS A SECOND CAUSE OF ACTION
(Negligence-Developers)

62. The Plaintiffs repeat and reallege their allegations in all of the paragraphs set forth above as if set forth herein verbatim.

63. The damages and injuries caused to the Plaintiffs and their property, are the direct and proximate result of the negligence, willfulness, wantonness, carelessness and recklessness of the Defendants SGPD and Lennar in one or more of the following particulars to wit:

a. In their capacity as developers in defectively overseeing the construction of the subject structures;

b. In failing to properly inspect, repair, and maintain the structures;

c. In negligently effecting repairs to the structures, premises, property and roads;

d. In failing and omitting to exercise that degree of care and caution of a reasonably prudent manager of a homeowners association;

e. In failing and omitting to retain proper experts and to effectively inspect and repair the structures, premises, property, and roads; and

f. In placing their interests ahead of the owners thereby breaching their fiduciary duty.

64. As a direct and proximate result of the above stated negligent actions on behalf of Defendants SGPD and Lennar, the Plaintiffs and similarly situated homeowners will have to spend substantial sums of money for the repairs and reconstruction of their property and structures will be subject to loss of use, enjoyment, and depreciation of value of the property.

AS A THIRD CAUSE OF ACTION
(Against the Developer Defendants and Contractor Defendants)
(Negligent Misrepresentation)

65. The Plaintiffs repeat and reallege their allegations in all of the paragraphs set forth above as if set forth herein verbatim.

66. These reports and representations were actually published and presented for information to the general public by these Defendants, and these representations were actually received by, and relied upon by, the prospective and actual purchasers of the townhomes at the Project.

67. At the time of the sale of the homes, Plaintiffs were not aware of the falsity of the representations or the lack of investigation and lack of candor by these Defendants in connection with the reports.

68. Plaintiff subsequently determined that the representations made by these Defendants were false and that these Defendants failed to exercise due care, not only in failing to discover defects in the project, but also in failing to communicate information about the true condition of the Project. As a result of its justifiable reliance on the representations, reports, and other documents presented by these Defendants, Plaintiffs and its members have assumed control over the Project and/or purchased units, and have thereby suffered pecuniary losses in an amount to be determined by the trier of fact.

69. As a direct and proximate result of its justifiable reliance on numerous false representations made by these Defendants in connection with the Project, Plaintiffs have suffered, and these Defendants are liable to the Plaintiff for, actual, incidental, consequential, and special damages, all in an amount to be determined by the trier of fact and any attempts in any contractual agreement for the limitation or disclaimer of warranties, or any other waiver or other limitation, are null, void, unenforceable, and subject to rescission as a matter of law.

AS A FOURTH CAUSE OF ACTION
(Against the Contractor Defendants and the Developer Defendants)
(Breach of Implied Warranty)

70. The Plaintiffs repeat and reallege their allegations in all of the paragraphs set forth above as if set forth herein verbatim.

71. The design, construction, development and sale of the units by these Defendants contained as a matter of law implied warranties of good faith and fair dealing, fitness for use merchantability, habitability, and workmanship with respect to construction, which warranties were not effectively disclaimed under South Carolina law.

72. The Developer Defendants and Contractor Defendants through their acts and/or omissions, have breached the aforesaid implied warranties, which directly, actually, and proximately caused and resulted in damage which the Plaintiffs have suffered and continues to suffer in an amount to be determined by the trier of fact.

73. These Defendants are therefore liable to the Plaintiffs for actual, incidental, special, and consequential damages in an amount to be determined by the trier of fact and any attempts in any contractual agreement for the limitation or disclaimer of warranties, or any other waiver or other limitation, are null, void, unenforceable, and subject to rescission as a matter of law.

AS A FIFTH CAUSE OF ACTION
(Against the Developer Defendants and the Contractor Defendants)
(Breach of Implied Warranty of Fitness of Habitability)

74. The Plaintiffs repeat and reallege their allegations in all of the paragraphs set forth above as if set forth herein verbatim.

75. That the Defendants impliedly warranted as a matter of law that the subject Residences which they built were habitable and fit for their intended uses.

76. That this implied warranty was breached by the Defendants and the work was performed in a manner below ordinary workmanship and the subject Residences were neither habitable nor fit for their intended use causing damage to Plaintiffs.

AS A SIXTH CAUSE OF ACTION
(Against the Developer Defendants and the Contractor Defendants)
(Breach of Implied Warranty of Fitness for Particular Purpose)

77. The Plaintiffs repeat and reallege their allegations in all of the paragraphs set forth above as if set forth herein verbatim.

78. The Defendants had the duty to develop, market and construct the subject Residences according to industry standards and in a good and workmanlike manner, and an implied warranty of fitness attached to the sales of these homes.

79. At the time of the sale of the subject Residences to the Plaintiffs, the Defendants had reason to know if any or all parts of the construction of the subject residences were not completed according to industry standards and in a good workmanship manner.

80. The Defendants, at the time of the sale of the subject Residences to the Plaintiffs, had reason to know that the Plaintiffs were relying on the skill and/or judgment of the Defendants to properly construct the homes and adjacent facilities according to industry standards and in a good and workmanlike manner. Plaintiffs, in fact, relied on the Defendants' skill and judgment.

81. The Defendants did not properly construct the subject homes and facilities according to industry standards and in a good and workmanlike manner, causing major defects to Waverly Townhomes.

82. As a result of the Defendants' breach of its implied warranties, Plaintiffs have suffered physical damages.

AS A SEVENTH CAUSE OF ACTION
(Against the Developer Defendants and Contractor Defendants)
(Breach of Implied Warranties as to the Project's Development and Construction)

83. The Plaintiffs repeat and reallege their allegations in all of the paragraphs set forth above as if set forth herein verbatim.

84. These Defendants engaged in conduct during the period of development and construction of the Project which gave rise to duties and implied warranties to the public including, but not limited to, tenants, purchasers and other users of the Project, in that by their

conduct these Defendants placed the Project, which constitutes defective, deleterious, and dangerous property, into the stream of commerce.

85. The placement of the Project into the stream of commerce by these Defendants, contained as a matter of law implied warranties of fitness, merchantability, workmanship and habitability, which warranties were not effectively disclaimed pursuant to South Carolina law.

86. As a direct and proximate result of the breaches of the above-described implied warranties by these Defendants, their affiliates, associates, sham entities, and/or joint venturers, whether named or unnamed on any documents transferring interest in the Project, the Plaintiffs has suffered and will continue to suffer damages, injuries and other losses.

87. These Defendants are therefore liable to the Plaintiffs for actual, incidental, special, and consequential damages in an amount to be determined by the trier of fact and any attempts in any contractual agreement for the limitation or disclaimer of warranties, or any other waiver or other limitation, are null, void, unenforceable, and subject to rescission as a matter of law.

AS A EIGHTH CAUSE OF ACTION
(Individual Liability as to the Developer Defendants)

88. The Plaintiffs repeat and reallege their allegations in all of the paragraphs set forth above as if set forth herein verbatim.

89. As a direct and proximate cause and result of the acts and omissions of these Defendants as aforesaid, Plaintiffs have been damaged, and these Defendants are liable to the Plaintiffs for actual, incidental, consequential, and special damages in an amount to be determined by the trier of fact and any attempts in any contractual agreement for the limitation or disclaimer of warranties, or any other waiver or other limitation, are null, void, unenforceable, and subject to rescission as a matter of law.

AS AN NINTH CAUSE OF ACTION
(Individual Liability as to the Contractor Defendants)

90. The Plaintiffs repeat and reallege their allegations in all of the paragraphs set forth above as if set forth herein verbatim.

91. As a direct and proximate cause and result of the acts and omissions of these Defendants as aforesaid, Plaintiffs have been damaged, and these Defendants are liable to the Plaintiffs for actual, incidental, consequential, and special damages in an amount to be determined by the trier of fact and any attempts in any contractual agreement for the limitation or disclaimer of warranties, or any other waiver or other limitation, are null, void, unenforceable, and subject to rescission as a matter of law.

AS A TENTH CAUSE OF ACTION
(Against the Developer Defendants and the Contractor Defendants)
(Violation of the S.C. Unfair Trade Practices Act, S.C. Code § 39-5-10, *et seq.*)

92. The Plaintiffs repeat and reallege their allegations in all of the paragraphs set forth above as if set forth herein verbatim.

93. These Defendants' construction and the subsequent offering and sale of the units, along with the issuance of the property condition reports and other representations to tenants, purchasers, and the public at large, constituted the conduct of trade and commerce within the meaning of S.C. Code Section 39-5-20(a).

94. The Defendants, and each of them, through their acts and omissions including, but not limited to, the following particulars, conducted unfair and deceptive practices within the meaning of S.C. Code Section 39-5-140(a) and 27-31-430, S.C. Code of Laws as amended:

a. In failing to properly evaluate the plans and specifications for the Project prior to construction;

b. In failing to conduct a reasonable inquiry into the conditions existing at the Project and marketing the homes, common elements, and other property at the Project to the public for sale and use;

c. In failing to repair the latent defects about which these Defendants were or should have been aware;

d. In failing to carry out duties owed to prospective and actual purchasers and other members of the public in their special relationships of trust and confidence by virtue of their role in the process of offering these units, common elements, and other property for sale and use by the general public, as design, construction, and sellers according to South Carolina law.

e. In attempting to disclaim implied warranties of merchantability and habitability in documents contrary to South Carolina law;

f. In failing to provide any additional consideration for these purported efforts to waive implied warranties of merchantability and habitability;

g. In failing to properly investigate the true conditions of the Project and putting them into the stream of commerce;

h. In making false representations as to the condition of the Project and/or representations as to the condition of the Project in reckless disregard as to the truth of the representations;

i. In failing to analyze relevant data and conditions to determine adequate capital reserves for maintenance and operation of the Project by future owners and users;

95. The conduct of the Defendants as described above was knowing and willful, and Defendants knew or should have known that such conduct was a violation of S.C. Code Section 39-5-20 and 27-31-430.

96. Plaintiffs are persons within the meaning of S.C. Code Section 39-5-140(a) and Plaintiffs have suffered actual, direct, and proximate damages as a direct and proximate result of unfair and deceptive acts of these Defendants, in an amount to be determined by the trier of fact.

97. The aforesaid acts of Defendants impact the public interest in that they constituted unfair and deceptive acts and have the potential for repetition and, in fact, occurred at each and every sale of the units of this Project and, as such, are acts which can, have and will affect the public at large by repetition.

98. These unfair and deceptive acts are acts which will affect members of the public, beyond the parties to the above-described transactions, in the form of other consumers who may be injured by purchasing townhomes by the Defendants and/or rely upon the actions and representations of these Defendants thereby placing members of the public in danger of physical and other injuries.

99. Plaintiffs are entitled to be compensated pursuant to S.C. Code Section 39-5-140(a) for the above-described actual, incidental, consequential, and special damages, as well as costs, interest, and attorney's fees, and to recover three (3) times these damages by reason of the knowing and willful nature of the unfair and deceptive acts by Defendants and any attempts in any contractual agreement for the limitation or disclaimer of warranties, or any other waiver or other limitation, are null, void, unenforceable, and subject to rescission as a matter of law.

AS A ELEVENTH CAUSE OF ACTION
(Against the Developer Defendants)
(Breach of Contract)

100. The Plaintiffs repeat and reallege their allegations in all of the paragraphs set forth above as if set forth herein verbatim.

101. These Defendants entered into oral and/or written contractual arrangements with Plaintiffs relating to the representation in a purchase and sale transaction, as well as the purchase of units and other property within the Project, and the right to beneficial use of common elements and amenities to be established, coordinated, and managed by these Defendants, and these Defendants received consideration which was adequate and accepted pursuant to the terms of the Defendants' offer of ownership, goods, and/or services which were accepted by the Plaintiff.

102. Based upon the terms of their contractual agreements, along with the duties which flowed from these Defendants by virtue of the Master Deed and By-laws, real estate agency or other agreements for representation by these Defendants, and the purchase agreements for individual homes and other property interests at the Project, these Defendants owed a contractual obligation to Plaintiffs which required that these Defendants ensure that the Project was safe, habitable, code-compliant, and in a condition consistent with these Defendants' representations prior to turning over control of the Project to the home owners.

103. In breach of these contractual obligations and in breach of the Master Deed, By-laws, and real estate agency and other agreements, these Defendants failed to make a full investigation of conditions at the Project, and failed to disclose the existence of the known defects at the Project, which constitutes a breach of contract and violation of the terms of the Master Deed and By-laws by these Defendants as described above.

104. In addition to and accompanying this breach of these contractual and other obligations, these Defendants made material representations which were false as more fully described in this Complaint which the Plaintiffs relied upon to the Plaintiffs detriment.

105. As a direct and proximate result thereof, Plaintiff have and will continue to suffer, and the actual, incidental, special, and consequential damages and other injuries including, but not limited to, the damages and injuries associated with the acts and omissions which constituted the breach of contract by these Defendants as aforesaid, all in an amount to be determined by the trier of fact.

106. These Defendants are therefore liable to the Plaintiffs for the actual, incidental, special, and consequential damages and other injuries as aforesaid in an amount to be determined by the trier of fact and any attempts in any contractual agreement for the limitation or disclaimer of warranties, or any other waiver or other limitation, are null, void, unenforceable, and subject to rescission as a matter of law.

AS AN TWELFTH CAUSE OF ACTION
(Against the Developer Defendants)
(Violation of the Residential Property Condition Disclosure Act)

107. The Plaintiffs repeat and reallege their allegations in all of the paragraphs set forth above as if set forth herein verbatim.

108. These Defendants were engaged in a joint venture, partnership, or some other form of business venture or association including, but not limited to, the formation of a Limited Liability Company, in connection with the development and construction of The Abbey at Spring Grove Plantation.

109. The Developer Defendants did so place the homes into the stream of commerce for sale to the general public and to the members of The Abbey in particular.

110. At all times relevant to this cause of action the Developer Defendants were "owners" as that term is used within S.C. Code Ann. § 27-50-10 *et seq.*, referred to as the "South Carolina

Residential Property Condition Disclosure Act" (referred to in the remainder of this cause of action as the "Act").

111. The Developer Defendants failed to furnish to the purchasers of the townhome units a written disclosure statement in conformity and compliance with S.C. Code Ann. § 27-50-40.

112. These Defendants failed to inform the sellers of the homes of their obligations under the Act and had reasonable cause to suspect that the information, if any, supplied by the sellers to the individual purchasers was inherently false, incomplete, and misleading.

113. Upon information and belief, notwithstanding the above-described failures of these Defendants, and each of them, knowingly violated and/or failed to perform the duties described in§ 27-50-40.

114. The nature of the defects that were undisclosed in violation of§ 27-50-40, prevented and/or limited any inspection performed by the Plaintiff to uncover or discover the said defects.

115. As a direct and proximate result of these Defendants' violations of their respective and collective duty to furnish written disclosure to the purchasers as required by§ 27-50-10, *et seq.*, the Plaintiff has suffered, and these Defendants are liable to the Plaintiff for, actual, incidental, consequential, and special damages, along with costs, interest, and attorney's fees pursuant to the remedies set forth in the Act, all in an amount to be determined by the trier of fact, and any attempts in any contractual agreement for the limitation or disclaimer of warranties, or any other waiver or other limitation, are null, void, unenforceable, and subject to rescission as a matter of law.

AS A THIRTEENTH CAUSE OF ACTION
(Against Developer Defendants)
(Alter Ego Liability and Piercing the Corporate Veil)

116. The Plaintiffs repeat and reallege their allegations in all of the paragraphs set forth above as if set forth herein verbatim.

117. The Developer Defendants, by and through various instrumentalities and alter-egos and other Defendants were the original developers of the Project, and the Developer Defendants combined and joined together through various instrumentalities and alter egos to facilitate to process of building the homes.

118. The Developer Defendants created and controlled numerous and various entities. These Defendants created and controlled these sham entities for the sole purpose of enabling it to transact a portion of its business under an alternate corporate guise and to avoid claims such as those set forth herein. These entities, and each of them, were merely a facade for the operations of these Defendants to achieve their financial goals and to perpetrate the activities more particularly described herein. The subservient entities or individuals in fact manifested no separate interest of their own and that there was an amalgamation of corporate interests, entities, and activities so as to blur the legal distinction between these Defendants and the sham corporations, shareholders, officers, agents, partners, employees, assets, and each of them.

119. These Defendants created entities which were created to perform single purpose functions in order to effectuate the sole will of these Defendants in purchasing, developing, leasing, and/or selling the homes. Despite the creation of these sham entities and despite the sham entities appearing in name only on some contracts, letters, deeds, and/or other documents, these Defendants actively and directly participated in the development, purchase,

sale, management, leasing, and/or operations of the Project, and in fact put the same into the stream of commerce.

120. These Defendants created and controlled numerous and various of the Defendant entities for the sole purpose of the planning, development, design, construction, management, purchase, sale of homes, and other activities solely relating to the Project which is the subject of this action.

121. These Defendants directed and oversaw the Contractor Defendants herein who performed insufficient, shoddy, negligent work which failed to comply with applicable building codes and industry standards, all of which has contributed to and resulted in the premature deterioration and/or failure of the structures and building systems in the Project.

122. There would exist a broad element of injustice and fundamental unfairness if the acts of these Defendants, and each of them individually, were not regarded as the acts of one another.

123. At the time the homes were offered for sale and placed into the stream of commerce by these Defendants, the homes contained numerous defects and/or property damage which has been recently and is currently being discovered by Plaintiffs, all as a direct and proximate result of an investigation initiated by Plaintiffs, as a direct and proximate result of defects and deficiencies heretofore hidden and concealed through the acts and omissions of these Defendants.

124. The Developer Defendants and the Contractor Defendants, and each and every other above-captioned Defendant knew or should have known of the existence of the said building defects and deficiencies and property damage, which were latent and unknown to the Plaintiffs.

125. These latent building defects have, unbeknownst to Plaintiffs, regularly resulted in water intrusion into the buildings and property damage and continue to do so through the date of this filing.

126. The latent building defects and property damage have regularly resulted in the deterioration and failure of the structures and building systems, along with the attendant resulting actual, incidental, consequential and special damages, and continue to do so through the date of this filing.

127. The Plaintiffs suffered damages and injuries when these Defendants put these units into the stream of commerce and continue to be damaged and injured through the date of this filing.

128. As a direct and proximate result thereof, these Defendants are liable to the Plaintiffs for actual, incidental, consequential, special and punitive damages, all in an amount to be determined by the trier of fact, and any attempts in any contractual agreement for the limitation or disclaimer of warranties, or any other waiver or other limitation, are null, void, unenforceable, and subject to rescission as a matter of law.

129. WHEREFORE, Plaintiffs respectfully request that this Honorable Court:

a. Enter judgment in favor of the Plaintiffs and against all Defendants, jointly and severally, in an amount to be determined for actual, incidental, consequential, special, and punitive damages;

b. Find that the Defendants have engaged in unfair trade practices and knowingly did so thereby entitling Plaintiffs to treble damages;

c. Award attorneys' fees and costs to the Plaintiffs; and

d. Award such other and further relief as the Court may deem just and proper.

[Signature Page to Follow]

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Attorneys for Plaintiffs

November 23, 2015
Charleston, South Carolina

STATE OF SOUTH CAROLINA)
) **VERIFICATION**
COUNTY OF CHARLESTON)

PERSONALLY APPEARED before me Patricia Damico, who being duly sworn, says that she is a Plaintiff in the foregoing action and makes this Affidavit based upon her personal knowledge; that she has read the allegations in the foregoing Complaint and that the same are true of her own knowledge, except those matters that state on information and belief, and as to those matters, she believes them to be true.

Patricia Damico

SWORN to before me this
2 day of October, 2015

Notary Public for South Carolina

My Commission Expires: 9/16/2020

STATE OF SOUTH CAROLINA)
)
COUNTY OF CHARLESTON)

VERIFICATION

PERSONALLY APPEARED before me Lenna Lucas, who being duly sworn, says that she is a Plaintiff in the foregoing action and makes this Affidavit based upon her personal knowledge; that she has read the allegations in the foregoing Complaint and that the same are true of her own knowledge, except those matters that state on information and belief, and as to those matters, she believes them to be true.

Lenna R Lucas

Lenna Lucas

SWORN to before me this

2 day of October, 2015

Notary Public for South Carolina

My Commission Expires: 9/16/2020

STATE OF SOUTH CAROLINA

COUNTY OF BERKELEY

PATRICIA DAMICO AND LENNA LUCAS, individually and on behalf of all others similarly situated, JOSHUA AND BRETTANY BUETOW, EDWARD AND SYLVIA DENGG, JONATHAN AND THERESA DOUGLASS, ANTHONY AND STACEY RAY, DANNY AND ELLEN DAVIS MORROW, CZARA AND CHAD ENGLAND, BRYAN AND CYNTHIA CAMARA, AND MATTHEW COLLINS,

Plaintiffs,

vs.

LENNAR CAROLINAS, LLC, SPRING GROVE PLANTATION DEVELOPMENT, INC., MANALE LANDSCAPING, LLC, SUPER CONCRETE OF SC, INC., SOUTHERN GREEN, INC., TJB TRUCKING/LEASING, LLC, PARAGON SITEWORK CONSTRUCTORS, INC., CIVIL SITE ENVIRONMENTAL, INC., AND RICK BRYANT,

Defendants.

LENNAR CAROLINAS, LLC

Third-Party Plaintiff,

vs.

THE EARTHWORKS GROUP, INC., VOLKMAR CONSULTING SERVICES, LLC, GEOMETRICS CONSULTING, LLC, LAND/SITE SERVICES, INC., MYERS LANDSCAPING, INC., A.C. & A. CONCRETE, INC., KNIGHT'S CONCRETE PRODUCTS, INC., KNIGHT'S REDI-MIX, INC., COASTAL CONCRETE SOUTHEAST, LLC, COASTAL CONCRETE SOUTHEAST II, LLC, GUARANTEED FRAMING, LLC,

IN THE COURT OF COMMON PLEAS

CASE NO.: 2014-CP-08-02424

THIRD-PARTY SUMMONS

FILED
15 NOV 25 PM 1:22
MARY P. BROWN
CLERK OF COURT
BERKELEY COUNTY, S.C.

OZZY CONSTRUCTION, LLC, CONSTRUCTION APPLICATORS CHARLESTON, LLC, LA NEW ENTERPRISES, LLC, DÉCOR CORPORATION, DVS, INC., RAUL MARTINEZ MASONRY, LLC, ALPHA OMEGA CONSTRUCTION GROUP, INC., SOUTH CAROLINA EXTERIORS, LLC, BUILDERS FIRSTSOURCE – SOUTHEAST GROUP, LLC, AND LOW COUNTRY RENOVATIONS AND SIDING, LLP,

Third-Party Defendants.

TO: THE THIRD-PARTY DEFENDANTS ABOVE-NAMED:

YOU ARE HEREBY SUMMONED AND REQUIRED to answer the Third-Party Complaint in this action, a copy of which is herewith served upon you, and to serve a copy of your Answer thereto on the below-signed at their office located at 200 Meeting Street, Suite 301, Charleston, South Carolina 29401, within thirty (30) days after the service hereof, exclusive of the day of such service. If you fail to answer the Third-Party Complaint within the time aforesaid, judgment by default will be rendered against you for the relief demanded in the Third-Party Complaint.

PARKER POE ADAMS & BERNSTEIN LLP
200 Meeting Street, Suite 301
Charleston, SC 29401

By: _____
Jenna K. McGee
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jennamcgee@parkerpoe.com

F. Elliotte Quinn IV
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Attorneys for Lennar Carolinas, LLC

November 25, 2015

STATE OF SOUTH CAROLINA

COUNTY OF BERKELEY

PATRICIA DAMICO AND LENNA LUCAS, individually and on behalf of all others similarly situated, JOSHUA AND BRETTANY BUETOW, EDWARD AND SYLVIA DENGG, JONATHAN AND THERESA DOUGLASS, ANTHONY AND STACEY RAY, DANNY AND ELLEN DAVIS MORROW, CZARA AND CHAD ENGLAND, BRYAN AND CYNTHIA CAMARA, AND MATTHEW COLLINS,

Plaintiffs,

vs.

LENNAR CAROLINAS, LLC, SPRING GROVE PLANTATION DEVELOPMENT, INC., MANALE LANDSCAPING, LLC, SUPER CONCRETE OF SC, INC., SOUTHERN GREEN, INC., TJB TRUCKING/LEASING, LLC, PARAGON SITEWORK CONSTRUCTORS, INC., CIVIL SITE ENVIRONMENTAL, INC., AND RICK BRYANT,

Defendants.

LENNAR CAROLINAS, LLC

Third-Party Plaintiff,

vs.

THE EARTHWORKS GROUP, INC., VOLKMAR CONSULTING SERVICES, LLC, GEOMETRICS CONSULTING, LLC, LAND/SITE SERVICES, INC., MYERS LANDSCAPING, INC., A.C. & A. CONCRETE, INC., KNIGHT'S CONCRETE PRODUCTS, INC., KNIGHT'S REDI-MIX, INC., COASTAL CONCRETE SOUTHEAST,

IN THE COURT OF COMMON PLEAS

CASE NO.: 2014-CP-08-02424

LENNAR CAROLINAS, LLC'S ANSWER TO PLAINTIFFS' FIRST AMENDED COMPLAINT, CROSS-CLAIMS, AND THIRD-PARTY COMPLAINT

FILED
15 NOV 25 PM 1:22
MARY B. BROWN
CLERK OF COURT
BERKELEY COUNTY, S.C.

LLC, COASTAL CONCRETE SOUTHEAST II, LLC, GUARANTEED FRAMING, LLC, OZZY CONSTRUCTION, LLC, CONSTRUCTION APPLICATORS CHARLESTON, LLC, LA NEW ENTERPRISES, LLC, DÉCOR CORPORATION, DVS, INC., RAUL MARTINEZ MASONRY, LLC, ALPHA OMEGA CONSTRUCTION GROUP, INC., SOUTH CAROLINA EXTERIORS, LLC, BUILDERS FIRSTSOURCE – SOUTHEAST GROUP, LLC, AND LOW COUNTRY RENOVATIONS AND SIDING, LLP,

Third-Party Defendants.

Defendant Lennar Carolinas, LLC ("Lennar") answers the First Amended Complaint of the above-named Plaintiffs, asserts cross-claims against Defendants Spring Grove Plantation Development, Inc. ("Spring Grove"), Manale Landscaping, LLC ("Manale"), Super Concrete of SC, Inc. ("Super Concrete"), Southern Green, Inc. ("Southern Green"), TJB Trucking/Leasing, LLC ("TJB"), Paragon Sitework Constructors, Inc. ("Paragon"), and Civil Site Environmental, Inc. a/k/a CSE ("CSE"), and asserts third-party claims against The Earthworks Group, Inc. ("Earthworks"), Volkmar Consulting Services, LLC ("Volkmar"), Geometrics Consulting, LLC ("Geometrics"), Land/Site Services, Inc. ("Land/Site"), Myers Landscaping, Inc. ("Myers"), A.C. & A. Concrete, Inc. ("A.C. & A."), Knight's Concrete Products, Inc. ("Knight's Concrete"), Knight's Redi-Mix, Inc. ("Knight's Redi-Mix"), Coastal Concrete Southeast, LLC and Coastal Concrete Southeast II, LLC (together "Coastal Concrete"), Guaranteed Framing, LLC ("Guaranteed Framing"), Ozzy Construction, LLC ("Ozzy Construction"), Construction Applicators Charleston, LLC ("Construction Applicators"), LA New Enterprises, LLC ("LA New Enterprises"), Décor Corporation ("Décor"), DVS, Inc. ("DVS"), Raul Martinez Masonry, LLC ("Martinez Masonry"), Alpha Omega Construction Group, Inc. ("Alpha Omega"), South Carolina Exteriors, LLC ("Carolina Exteriors"), Builders FirstSource – Southeast Group, LLC

("Builders FirstSource"), and Low Country Renovations and Siding, LLP ("Low Country Renovations"), as follows:

FOR A FIRST DEFENSE

Each and every allegation of the Complaint not hereinafter specifically admitted is denied and strict proof thereof is demanded.

FOR A SECOND DEFENSE

1. Responding to Paragraph 1 of the First Amended Complaint, Lennar is without sufficient information to admit or deny Plaintiffs' allegations as to the citizenship, residency, or living arrangements of Plaintiffs Lenna Lucas or Patricia Damico, and therefore denies the same. Lennar denies the remaining allegations in Paragraph 1 and expressly denies Plaintiffs' allegations regarding the requirements for class certification under Rule 23, SCRCP.

2. Responding to Paragraph 2 of the First Amended Complaint, Lennar craves reference to the public records filed with the Berkeley County Register of Deeds and denies any inconsistent allegations in Paragraph 2. Lennar denies any remaining allegations in Paragraph 2 and expressly denies any allegation that Patricia Damico, Lenna Lucas, and any homeowner in The Abbey are similarly situated.

3. Lennar denies the allegations of Paragraph 3 of the First Amended Complaint. Lennar expressly denies any allegation that this suit constitutes a class action or that Plaintiffs can satisfy the requirements of Rule 23, SCRCP.

4. Lennar denies the allegations of Paragraph 4 of the First Amended Complaint. Lennar expressly denies any allegation that this suit constitutes a class action or that Plaintiffs can satisfy the requirements of Rule 23, SCRCP.

5. Lennar denies the allegations of Paragraph 5 of the First Amended Complaint. Lennar expressly denies any allegation that this suit constitutes a class action or that Plaintiffs can satisfy the requirements of Rule 23, SCRCP.

6. Lennar denies the allegations of Paragraph 6 of the First Amended Complaint. Lennar expressly denies any allegation that this suit constitutes a class action or that Plaintiffs can satisfy the requirements of Rule 23, SCRCP.

7. Lennar denies the allegations of Paragraph 7 of the First Amended Complaint. Lennar expressly denies any allegation that this suit constitutes a class action or that Plaintiffs can satisfy the requirements of Rule 23, SCRCP.

8. Lennar denies the allegations of Paragraph 8 of the First Amended Complaint. Lennar expressly denies any allegation that this suit constitutes a class action or that Plaintiffs can satisfy the requirements of Rule 23, SCRCP.

9. Lennar denies the allegations of Paragraph 9 of the First Amended Complaint. Lennar expressly denies any allegation that this suit constitutes a class action or that Plaintiffs can satisfy the requirements of Rule 23, SCRCP.

10. Lennar denies the allegations of Paragraph 10 of the First Amended Complaint. Lennar expressly denies any allegation that this suit constitutes a class action or that Plaintiffs can satisfy the requirements of Rule 23, SCRCP.

11. Responding to Paragraph 11 of the First Amended Complaint, Lennar is without sufficient information to admit or deny the allegations therein and accordingly denies the same. Lennar expressly denies any allegation that this suit constitutes a class action or that Plaintiffs can satisfy the requirements of Rule 23, SCRCP.

12. Responding to Paragraph 12 of the First Amended Complaint, Lennar is without sufficient information to admit or deny the allegations therein and accordingly denies the same. Lennar expressly denies any allegation that this suit constitutes a class action or that Plaintiffs can satisfy the requirements of Rule 23, SCRCP.

13. Responding to Paragraph 13 of the First Amended Complaint, Lennar is without sufficient information to admit or deny Plaintiffs' allegations as to the citizenship, residency, or living arrangements of Plaintiffs, and therefore denies the same. Lennar craves reference to the public records filed with the Berkeley County Register of Deeds and denies any inconsistent allegations in Paragraph 13.

14. Responding to Paragraph 14 of the First Amended Complaint, Lennar craves reference to the public records filed with the Berkeley County Register of Deeds and denies any inconsistent allegations in Paragraph 14. Lennar admits only that it purchased lots in The Abbey at Spring Grove Plantation, contracted with others for the construction of residences on those lots, and sold the residences. Lennar denies any remaining allegations of Paragraph 14.

15. Responding to Paragraph 15 of the First Amended Complaint, Lennar admits only that it is and was at all relevant times authorized to conduct business in South Carolina and has conducted business in Berkeley County, South Carolina. Lennar denies the remaining allegations of Paragraph 15 concerning Lennar and is without sufficient information to admit or deny the remaining allegations of Paragraph concerning the other Defendants.

16. Lennar denies the allegations of Paragraph 16 of the First Amended Complaint.

17. Responding to Paragraph 17 of the First Amended Complaint, Lennar alleges it undertook to and did comply with any and all applicable duties, laws, regulations, codes, or other

standards. Lennar is without sufficient information to admit or deny the remaining allegations of Paragraph 17.

18. Lennar denies the allegations of Paragraph 18 of the First Amended Complaint.

19. Paragraph 19 of the First Amended Complaint states legal conclusions which require no response from Lennar. To the extent a response is required, Lennar is without sufficient information to admit or deny the allegations therein and accordingly denies the same.

20. Responding to Paragraph 20 of the First Amended Complaint, Lennar admits only that one or more of the defendants participated in the construction of the residences located in The Abbey at Spring Grove Plantation and that Lennar undertook to and did comply with any and all applicable duties, laws, regulations, codes, or other standards. Lennar denies the remaining allegations of Paragraph 20.

21. Lennar denies the allegations of Paragraph 21 of the First Amended Complaint.

22. Responding to Paragraph 22 of the First Amended Complaint, Lennar admits only that it is and was at all relevant times authorized to conduct business in South Carolina and conducted business in Berkeley County, South Carolina. Lennar denies the remaining allegations of Paragraph 22.

23. Responding to Paragraph 23 of the First Amended Complaint, Lennar admits only that it purchased lots in The Abbey at Spring Grove Plantation, contracted with others for the construction of residences on those lots, and sold the residences. Lennar denies any allegations inconsistent therewith and denies the remaining allegations in Paragraph 23.

24. Responding to Paragraph 24 of the First Amended Complaint, Lennar admits upon information and belief that Spring Grove is a corporation organized and existing under the laws of the State of South Carolina, that Spring Grove is authorized to conduct business in South

Carolina, and that Spring Grove's involvement with The Abbey includes, but is not limited to, ownership and development for residential purposes of the property comprising Spring Grove Plantation and The Abbey at Spring Grove Plantation and the sale of residential lots in The Abbey to Lennar.

25. Lennar admits the allegations of Paragraph 25 of the First Amended Complaint upon information and belief.

26. Lennar admits the allegations of Paragraph 26 of the First Amended Complaint upon information and belief.

27. Lennar admits the allegations of Paragraph 27 of the First Amended Complaint upon information and belief.

28. Lennar admits the allegations of Paragraph 28 of the First Amended Complaint upon information and belief.

29. Lennar admits the allegations of Paragraph 29 of the First Amended Complaint upon information and belief.

30. Lennar admits the allegations of Paragraph 30 of the First Amended Complaint upon information and belief.

31. Responding to Paragraph 31 of the First Amended Complaint, Lennar is without sufficient information to admit or deny the allegations therein and accordingly denies the same.

32. Paragraph 32 of the First Amended Complaint states a legal conclusion and requires no response from Lennar. To the extent a response is required, Lennar denies the allegations of Paragraph 32.

33. Responding to Paragraph 33 of the First Amended Complaint, Lennar admits only that it purchased lots in The Abbey at Spring Grove Plantation, contracted with others for the

construction of residences on those lots, and sold the residences. Lennar denies any remaining allegations of Paragraph 33.

34. Responding to Paragraph 34 of the First Amended Complaint, Lennar admits only that Spring Grove's involvement with The Abbey includes, but is not limited to, ownership and development for residential purposes of the property comprising Spring Grove Plantation and The Abbey at Spring Grove Plantation and the sale of residential lots in The Abbey to Lennar. Lennar admits only that it purchased lots in The Abbey at Spring Grove Plantation, contracted with others for the construction of residences on those lots, and sold the residences. Lennar denies the remaining allegations of Paragraph 34.

35. Lennar denies the allegations of Paragraph 35 of the First Amended Complaint.

36. Lennar denies the allegations of Paragraph 36 of the First Amended Complaint.

37. Lennar denies the allegations of Paragraph 37 of the First Amended Complaint.

38. Responding to Paragraph 38 of the First Amended Complaint, Lennar is without sufficient information to admit or deny the allegations therein because the term "Developer Defendants" is unclear and not defined. Notwithstanding the foregoing, to the extent Paragraph 38 is intended to make allegations as to it, Lennar denies the allegations of Paragraph 38 of the First Amended Complaint.

39. Responding to Paragraph 39 of the First Amended Complaint, Lennar is without sufficient information to admit or deny the allegations therein because the term "Developer Defendants" is unclear and not defined. Notwithstanding the foregoing, to the extent Paragraph 39 is intended to make allegations as to it, Lennar denies the allegations of Paragraph 39 of the First Amended Complaint.

40. Responding to Paragraph 40 of the First Amended Complaint, Lennar admits only that Spring Grove, Manale, Super Concrete, Southern Green, TJB, Paragon, CSE, and upon information and belief, Bryant provided labor, materials, goods, or services for the construction of the residences located in The Abbey. Lennar denies the remaining allegations of Paragraph 40.

41. Paragraph 41 of the First Amended Complaint states legal conclusions and requires no response from Lennar. To the extent, a response is require, Lennar denies the allegations of Paragraph 41.

42. Paragraph 42 of the First Amended Complaint states legal conclusions and requires no response from Lennar.

43. Responding to Paragraph 43 of the First Amended Complaint, Lennar realleges its responses to the preceding paragraphs as if repeated verbatim herein.

44. Responding to Paragraph 44 of the First Amended Complaint, Lennar is without sufficient information to admit or deny the allegations therein because the term "Developer Defendants" is unclear and not defined. Lennar admits only that Spring Grove's involvement with The Abbey includes, but is not limited to, ownership and development for residential purposes of the property comprising Spring Grove Plantation and The Abbey at Spring Grove Plantation and the sale of residential lots in The Abbey to Lennar. Lennar admits only that it purchased lots in The Abbey at Spring Grove Plantation, contracted with others for the construction of residences on those lots, and sold the residences. Lennar denies any allegations inconsistent therewith and denies the remaining allegations of Paragraph 44.

45. Responding to Paragraph 45 of the First Amended Complaint, Lennar is without sufficient information to admit or deny the allegations therein because the terms "Developer

Defendants" and "Contractor Defendants" are unclear and not defined. Lennar admits only that it purchased lots in The Abbey at Spring Grove Plantation, contracted with others for the construction of residences on those lots, and sold the residences. Lennar denies any allegations inconsistent therewith and denies the remaining allegations of Paragraph 45.

46. Responding to Paragraph 46 of the First Amended Complaint, Lennar is without sufficient information to admit or deny the allegations therein because the term "Developer Defendants" is unclear and not defined. Notwithstanding the foregoing, to the extent Paragraph 46 is intended to make allegations as to it, Lennar denies the allegations of Paragraph 46 of the First Amended Complaint.

47. Responding to Paragraph 47 of the First Amended Complaint, Lennar is without sufficient information to admit or deny the allegations therein because the term "Developer Defendants" is unclear and not defined. Notwithstanding the foregoing, to the extent Paragraph 47 is intended to make allegations as to it, Lennar denies the allegations of Paragraph 47 of the First Amended Complaint.

48. Responding to Paragraph 48 of the First Amended Complaint, Lennar admits only that it purchased lots in The Abbey at Spring Grove Plantation, contracted with others for the construction of residences on those lots, and sold the residences. Lennar denies any allegations inconsistent therewith and denies the remaining allegations of Paragraph 48.

49. Responding to Paragraph 49 of the First Amended Complaint, Lennar is without sufficient information to admit or deny the allegations therein because the term "Developer Defendants" is unclear and not defined. Notwithstanding the foregoing, to the extent Paragraph 49 is intended to make allegations as to it, Lennar denies the allegations of Paragraph 49 of the First Amended Complaint.

50. Lennar denies the allegations of Paragraph 50 of the First Amended Complaint.

51. Lennar denies the allegations of Paragraph 51 of the First Amended Complaint.

52. Lennar denies the allegations of Paragraph 52 of the First Amended Complaint.

53. Lennar denies the allegations of Paragraph 53 of the First Amended Complaint.

54. Responding to Paragraph 54 of the First Amended Complaint, Lennar is without sufficient information to admit or deny the allegations therein because the term "Developer Defendants" is unclear and not defined. Notwithstanding the foregoing, to the extent Paragraph 54 is intended to make allegations as to it, Lennar denies the allegations of Paragraph 54 of the First Amended Complaint.

55. Responding to Paragraph 55 of the First Amended Complaint, Lennar is without sufficient information to admit or deny the allegations therein because the term "Developer Defendants" is unclear and not defined. Notwithstanding the foregoing, to the extent Paragraph 55 is intended to make allegations as to it, Lennar denies the allegations of Paragraph 55 of the First Amended Complaint.

56. Responding to Paragraph 56 of the First Amended Complaint, Lennar is without sufficient information to admit or deny the allegations therein because the term "Developer Defendants" is unclear and not defined. Notwithstanding the foregoing, to the extent Paragraph 56 is intended to make allegations as to it, Lennar denies the allegations of Paragraph 56 of the First Amended Complaint.

57. Lennar denies the allegations of Paragraph 57 of the First Amended Complaint.

58. Lennar denies the allegations of Paragraph 58 of the First Amended Complaint.

IN RESPONSE TO THE FIRST CAUSE OF ACTION AGAINST ALL DEFENDANTS
(Negligence and Gross Negligence)

59. Responding to Paragraph 59 of the First Amended Complaint, Lennar realleges its responses to the preceding paragraphs as if repeated verbatim herein.

60. Lennar denies the allegations of Paragraph 60 of the First Amended Complaint including all subparts.

61. Lennar denies the allegations of Paragraph 61 of the First Amended Complaint.

IN RESPONSE TO THE SECOND CAUSE OF ACTION
(Negligence-Developers)

62. Responding to Paragraph 62 of the First Amended Complaint, Lennar realleges its responses to the preceding paragraphs as if repeated verbatim herein.

63. Lennar denies the allegations of Paragraph 63 of the First Amended Complaint including all subparts.

64. Lennar denies the allegations of Paragraph 64 of the First Amended Complaint.

IN RESPONSE TO THE THIRD CAUSE OF ACTION
(Negligent Misrepresentation)

65. Responding to Paragraph 65 of the First Amended Complaint, Lennar realleges its responses to the preceding paragraphs as if repeated verbatim herein.

66. Lennar denies the allegations of Paragraph 66 of the First Amended Complaint.

67. Lennar denies the allegations of Paragraph 67 of the First Amended Complaint.

68. Lennar denies the allegations of Paragraph 68 of the First Amended Complaint.

69. Lennar denies the allegations of Paragraph 69 of the First Amended Complaint.

IN RESPONSE TO THE FOURTH CAUSE OF ACTION
(Breach of Implied Warranty)

70. Responding to Paragraph 70 of the First Amended Complaint, Lennar realleges its responses to the preceding paragraphs as if repeated verbatim herein.

71. Lennar denies the allegations of Paragraph 71 of the First Amended Complaint.

72. Lennar denies the allegations of Paragraph 72 of the First Amended Complaint.

73. Lennar denies the allegations of Paragraph 73 of the First Amended Complaint.

IN RESPONSE TO THE FIFTH CAUSE OF ACTION
(Breach of Implied Warranty of Fitness of Habitability)

74. Responding to Paragraph 74 of the First Amended Complaint, Lennar realleges its responses to the preceding paragraphs as if repeated verbatim herein.

75. Lennar denies the allegations of Paragraph 75 of the First Amended Complaint.

76. Lennar denies the allegations of Paragraph 76 of the First Amended Complaint.

IN RESPONSE TO THE SIXTH CAUSE OF ACTION
(Breach of Implied Warranty of Fitness for a Particular Purpose)

77. Responding to Paragraph 77 of the First Amended Complaint, Lennar realleges its responses to the preceding paragraphs as if repeated verbatim herein.

78. Lennar denies the allegations of Paragraph 78 of the First Amended Complaint.

79. Lennar denies the allegations of Paragraph 79 of the First Amended Complaint.

80. Lennar denies the allegations of Paragraph 80 of the First Amended Complaint.

81. Lennar denies the allegations of Paragraph 81 of the First Amended Complaint.

82. Lennar denies the allegations of Paragraph 82 of the First Amended Complaint.

IN RESPONSE TO THE SEVENTH CAUSE OF ACTION
(Breach of Implied Warranties as to the Project's Development and Construction)

83. Responding to Paragraph 83 of the First Amended Complaint, Lennar realleges its responses to the preceding paragraphs as if repeated verbatim herein.

84. Lennar denies the allegations of Paragraph 84 of the First Amended Complaint.

85. Lennar denies the allegations of Paragraph 85 of the First Amended Complaint.

86. Lennar denies the allegations of Paragraph 86 of the First Amended Complaint.

87. Lennar denies the allegations of Paragraph 87 of the First Amended Complaint.

IN RESPONSE TO THE EIGHTH CAUSE OF ACTION
(Individual Liability as to Developer Defendants)

88. Responding to Paragraph 88 of the First Amended Complaint, Lennar realleges its responses to the preceding paragraphs as if repeated verbatim herein.

89. Lennar denies the allegations of Paragraph 89 of the First Amended Complaint.

IN RESPONSE TO THE NINTH CAUSE OF ACTION
(Individual Liability as to the Contractor Defendants)

90. Responding to Paragraph 90 of the First Amended Complaint, Lennar realleges its responses to the preceding paragraphs as if repeated verbatim herein.

91. Lennar denies the allegations of Paragraph 91 of the First Amended Complaint.

IN RESPONSE TO THE TENTH CAUSE OF ACTION
(Violation of the S.C. Unfair Trade Practices Act, S.C. Code § 39-5-10, *et seq.*)

92. Responding to Paragraph 92 of the First Amended Complaint, Lennar realleges its responses to the preceding paragraphs as if repeated verbatim herein.

93. Lennar denies the allegations of Paragraph 93 of the First Amended Complaint.

94. Lennar denies the allegations of Paragraph 94 of the First Amended Complaint including all subparts.

95. Lennar denies the allegations of Paragraph 95 of the First Amended Complaint.

96. Lennar denies the allegations of Paragraph 96 of the First Amended Complaint.

97. Lennar denies the allegations of Paragraph 97 of the First Amended Complaint.

98. Lennar denies the allegations of Paragraph 98 of the First Amended Complaint.

99. Lennar denies the allegations of Paragraph 99 of the First Amended Complaint.

IN RESPONSE TO THE ELEVENTH CAUSE OF ACTION
(Breach of Contract)

100. Responding to Paragraph 100 of the First Amended Complaint, Lennar realleges its responses to the preceding paragraphs as if repeated verbatim herein.

101. Responding to Paragraph 101 of the First Amended Complaint, Lennar craves reference to the cited contractual agreements for their exact terms and denies all allegations inconsistent therewith. Lennar denies the remaining allegations of Paragraph 101.

102. Responding to Paragraph 102 of the First Amended Complaint, Lennar craves reference to the cited contractual agreements for their exact terms and denies all allegations inconsistent therewith. Lennar denies the remaining allegations of Paragraph 102.

103. Lennar denies the allegations of Paragraph 103 of the First Amended Complaint.

104. Lennar denies the allegations of Paragraph 104 of the First Amended Complaint.

105. Lennar denies the allegations of Paragraph 105 of the First Amended Complaint.

106. Lennar denies the allegations of Paragraph 106 of the First Amended Complaint.

IN RESPONSE TO THE TWELFTH CAUSE OF ACTION
(Violation of the Residential Property Disclosure Act)

107. Responding to Paragraph 107 of the First Amended Complaint, Lennar realleges its responses to the preceding paragraphs as if repeated verbatim herein.

108. Lennar denies the allegations of Paragraph 108 of the First Amended Complaint.

109. Responding to Paragraph 109 of the First Amended Complaint, Lennar admits only that it purchased lots in The Abbey at Spring Grove Plantation, contracted with others for the construction of residences on those lots, and sold the residences. Lennar denies any allegations inconsistent therewith and denies the remaining allegations of Paragraph 109.

110. Lennar denies the allegations of Paragraph 110 of the First Amended Complaint.

111. Lennar denies the allegations of Paragraph 111 of the First Amended Complaint.

112. Lennar denies the allegations of Paragraph 112 of the First Amended Complaint.

113. Lennar denies the allegations of Paragraph 113 of the First Amended Complaint.

114. Lennar denies the allegations of Paragraph 114 of the First Amended Complaint.

115. Lennar denies the allegations of Paragraph 115 of the First Amended Complaint.

IN RESPONSE TO THE THIRTEENTH CAUSE OF ACTION
(Alter Ego Liability and Piercing the Corporate Veil)

116. Responding to Paragraph 116 of the First Amended Complaint, Lennar realleges its responses to the preceding paragraphs as if repeated verbatim herein.

117. Lennar denies the allegations of Paragraph 117 of the First Amended Complaint.

118. Lennar denies the allegations of Paragraph 118 of the First Amended Complaint.

119. Lennar denies the allegations of Paragraph 119 of the First Amended Complaint.

120. Lennar denies the allegations of Paragraph 120 of the First Amended Complaint.

121. Lennar denies the allegations of Paragraph 121 of the First Amended Complaint.

122. Lennar denies the allegations of Paragraph 122 of the First Amended Complaint.

123. Lennar denies the allegations of Paragraph 123 of the First Amended Complaint.

124. Lennar denies the allegations of Paragraph 124 of the First Amended Complaint.

125. Lennar denies the allegations of Paragraph 125 of the First Amended Complaint.

126. Lennar denies the allegations of Paragraph 126 of the First Amended Complaint.

127. Lennar denies the allegations of Paragraph 127 of the First Amended Complaint.

128. Lennar denies the allegations of Paragraph 128 of the First Amended Complaint.

129. Lennar denies the allegations and any relief sought in the Wherefore clause, including all subparts.

130. Lennar denies each and every allegation not expressly admitted herein.

FOR A THIRD AND AFFIRMATIVE DEFENSE
(Rule 12(b), SCRCP)

131. Lennar asserts the defenses set forth in Rule 12(b) of the South Carolina Rules of Civil Procedure, including, but not limited to, the defense that Plaintiffs fail to state facts sufficient to constitute causes of action against Lennar.

FOR A FOURTH AND AFFIRMATIVE DEFENSE
(Lack of Standing)

132. Plaintiffs lack standing to make the claims asserted against Lennar in this action.

FOR A FIFTH AND AFFIRMATIVE DEFENSE
(Statute of Limitations)

133. Some or all of the claims asserted against Lennar are barred by the applicable statute of limitations.

FOR A SIXTH AND AFFIRMATIVE DEFENSE
(Comparative Negligence)

134. Plaintiffs' claims, if any, are barred, or should be reduced, by Plaintiffs' own comparative negligence, carelessness, recklessness, willfulness, and wantonness, in among other things, Plaintiffs' failure to maintain their properties and residences.

FOR A SEVENTH AND AFFIRMATIVE DEFENSE
(Intervening Acts or Omissions)

135. Plaintiffs' claims, if any, are the result of acts or omissions of other entities over whom Lennar had no control, barring Plaintiffs' claims against Lennar.

FOR AN EIGHTH AND AFFIRMATIVE DEFENSE
(Laches)

136. Plaintiffs' claims, if any, are barred by the doctrine of laches.

FOR A NINTH AND AFFIRMATIVE DEFENSE
(Acceptance)

137. The final completion and acceptance of the work undertaken by Lennar pursuant to the original contract and all modifications thereto constitute a complete defense to all claims asserted by Plaintiffs.

FOR A TENTH AND AFFIRMATIVE DEFENSE
(Failure to Make Claim Within Warranty Period)

138. Plaintiffs' claims, if any, are barred due to the failure to make a claim against Lennar within the applicable warranty period.

FOR AN ELEVENTH AND AFFIRMATIVE DEFENSE
(Failure to Mitigate)

139. Plaintiffs failed to mitigate their damages and as a result, Plaintiffs' claims, if any, are barred or should be reduced to the extent Plaintiffs could have taken prompt and reasonable action to avoid the damages claimed.

FOR A TWELFTH AND AFFIRMATIVE DEFENSE
(Limitation on Warranties)

140. Lennar contractually limited its warranty obligations to Plaintiffs, excluding liability for many or all of Plaintiffs' claims, barring Plaintiffs' claims, or barring or limiting Plaintiffs' claimed damages, including Plaintiffs' claims for consequential damages or punitive damages, in whole or in part, against Lennar.

141. The failure to Plaintiffs to give notice of or make any claim for alleged deficiencies in workmanship or materials within the warranty period from the date of completion and acceptance by Plaintiffs constitute a complete defense to all of Plaintiffs' claims.

FOR A THIRTEENTH AND AFFIRMATIVE DEFENSE
(Payment or Release)

142. Plaintiffs' claims are barred by payment or release.

FOR A FOURTEENTH AND AFFIRMATIVE DEFENSE
(Waiver or Estoppel)

143. Plaintiffs waived or are estopped from asserting the claims.

FOR A FIFTEENTH AND AFFIRMATIVE DEFENSE
(Conduct of Plaintiffs)

144. If Plaintiffs sustained injuries and damages in the manner alleged, which injuries and damages are all expressly denied by Lennar, then the alleged injuries and damages were sustained not as the result of any fault, neglect, breach of warranty whether express or implied, or want of due care on the part of Lennar nor of anyone for whose conduct Lennar is in any way responsible, but solely through the fault, neglect, breach, and want of due care of Plaintiffs, all of which will be shown in this action, and for which Plaintiffs can have no recovery against Lennar or alternatively, for which Plaintiffs' recovery should be appropriately reduced.

FOR A SIXTEENTH AND AFFIRMATIVE DEFENSE
(Arbitration)

145. Plaintiffs' claims are barred, or should be stayed, as there exists a valid and enforceable arbitration provision between Plaintiffs and Lennar which encompasses the claims Plaintiffs assert herein.

FOR A SEVENTEENTH AND AFFIRMATIVE DEFENSE
(Rule 23(a), SCRCP)

146. Plaintiffs and Plaintiffs' putative class action claims fail to satisfy the requirements of Rule 23(a) of the South Carolina Rules of Civil Procedure, and this action may not be maintained as a class action.

FOR AN EIGHTEENTH AND AFFIRMATIVE DEFENSE
(Prohibition of Punitive Damages)

147. Plaintiffs' claims for punitive damages are barred by the South Carolina Constitution and the Constitution of the United States because no reasonable and well-defined limits are placed on punitive damages awards, because the award and payment of punitive damages would be a windfall and would advance no legitimate state purpose, and because a punitive damages award would constitute imposition of punishment on Lennar without due process and without adequate notice of substantive rules governing the conduct giving rise to punitive damages.

FOR A NINETEENTH AND AFFIRMATIVE DEFENSE
(Spoliation)

148. Plaintiffs' claims are barred or should be dismissed in whole or in part due to the spoliation of evidence to the extent Plaintiffs destroyed, modified, or otherwise spoiled evidence, including, but not limited to, any repairs of alleged deficiencies without having first given notice to Lennar and without giving Lennar an opportunity to observe the alleged deficiencies.

FOR A TWENTIETH AND AFFIRMATIVE DEFENSE
(Economic Loss Rule)

149. Plaintiffs' claims are barred by the economic loss rule.

FOR A TWENTY-FIRST AND AFFIRMATIVE DEFENSE
(South Carolina Notice and Opportunity to Cure Construction Dwelling Defects Act)

150. Plaintiffs' claims are barred and should be stayed or dismissed due to Plaintiffs' failure to comply with the South Carolina Notice and Opportunity to Cure Construction Dwelling Defects Acts, South Carolina Code § 40-59-810, *et seq.*

FOR A TWENTY-SECOND AND AFFIRMATIVE DEFENSE
(Conditions Precedent)

151. Plaintiffs' claims should be dismissed or stayed as Plaintiffs failed to comply with valid, applicable, and mutually enforceable conditions precedent contained in the applicable purchase and sales agreements, covenants, and property records (to include, but not limited to, the regime documents, master deed and bylaws, deeds, construction and sales contracts, and homeowners association documents) to filing suit, including any and all alternative dispute resolution provisions and provisions related to the number of owners who must agree to file a claim or suit.

FOR A TWENTY-THIRD AND AFFIRMATIVE DEFENSE
(Necessary Parties)

152. Plaintiffs' claims should be dismissed for failure to join necessary, persons, parties, or entities pursuant to Rule 19 of the South Carolina Rules of Civil Procedure.

FOR A TWENTY-FOURTH AND AFFIRMATIVE DEFENSE
(Lack of Impact on Public Interest)

153. Plaintiffs' claim under the South Carolina Unfair Trade Practices Act, S.C. Code Ann. §§ 39-5-10, *et seq.*, should be dismissed because the alleged actions of Lennar did not have an impact on the public interest.

FOR A TWENTY-FIFTH AND AFFIRMATIVE DEFENSE
(Statutory Bar on Class Action UTPA Claims)

154. Plaintiffs' claim under the South Carolina Unfair Trade Practices Act, S.C. Code Ann. §§ 39-5-10, *et seq.*, should be dismissed because a party cannot pursue a claim under the Act on behalf of a class.

FOR A TWENTY-SIXTH AND AFFIRMATIVE DEFENSE
(Subsequent Purchaser Has No UTPA Claim)

155. Plaintiffs' claim under the South Carolina Unfair Trade Practices Act, S.C. Code Ann. §§ 39-5-10, *et seq.*, should be dismissed because a subsequent purchaser of a residence has no claim under the Act against the original builder or seller of the residence.

FOR A TWENTY-SEVENTH AND AFFIRMATIVE DEFENSE
(*Spearin* Doctrine)

156. If Plaintiffs sustained injuries and damages in the manner alleged, which injuries and damages are all expressly denied by Lennar, then the alleged injuries and damages were sustained as the result of defects in the plans and specifications provided by others.

FOR A TWENTY-EIGHTH AND AFFIRMATIVE DEFENSE
(Absence of a "Merchant")

157. Plaintiffs' implied warranty of merchantability and implied warranty of fitness for a particular purpose claims, if any, should be dismissed because Lennar is not a merchant and the Uniform Commercial Code, S.C. Code Ann. § 36-2-101, *et seq.*, accordingly does not apply.

FOR A TWENTY-NINTH AND AFFIRMATIVE DEFENSE
(Absence of a "Good")

158. Plaintiffs' implied warranty of merchantability and implied warranty of fitness for a particular purpose claims, if any, should be dismissed because Lennar did not provide a good and the Uniform Commercial Code, S.C. Code Ann. § 36-2-101, *et seq.*, accordingly does not apply.

FOR A THIRTIETH AND AFFIRMATIVE DEFENSE
(Transfer of New Dwelling)

159. Plaintiffs' claims, if any, under the South Carolina Residential Property Condition Disclosure Act, S.C. Code Ann. § 27-50-10, *et seq.*, should be dismissed because the Act does not apply to the transfer of a dwelling never inhabited.

FOR A THIRTY-FIRST AND AFFIRMATIVE DEFENSE
(Unclean Hands)

160. Plaintiffs' claims, if any, are barred by the doctrine of unclean hands.

FOR A THIRTY-SECOND AND AFFIRMATIVE DEFENSE
(Additional Defenses)

161. Lennar reserves the right to assert and does not waive any addition or further defenses as may be revealed upon any amendments to the pleadings, discovery, or otherwise and reserves the right to amend this Answer to assert any such defenses.

FURTHER ANSWERING AND BY WAY OF CROSS-CLAIMS AND THIRD-PARTY CLAIMS AGAINST THE ABOVE NAMED CO-DEFENDANTS AND THIRD-PARTY DEFENDANTS, LENNAR ALLEGES AS FOLLOWS:

162. Lennar realleges the allegations in the above paragraphs as if repeated verbatim herein.

163. Spring Grove is a corporation organized and existing in South Carolina and was authorized to and did conduct business, in whole or in part, at all times relevant hereto in Berkeley County, South Carolina.

164. Spring Grove entered into an agreement with Lennar for the sale and purchase of the lots in The Abbey.

165. Spring Grove provided the grading, building pads, streets and roads, and storm drainage, retention and detention facilities and other storm drainage systems in The Abbey.

166. Manale is a limited liability company organized and existing in South Carolina and was authorized to and did conduct business, in whole or in part, at all times relevant hereto in Berkeley County, South Carolina.

167. Manale's work, services, or materials provided to and for the development and construction of The Abbey and the residences therein include landscaping and grading.

168. Super Concrete is a corporation organized and existing in South Carolina and was authorized to and did conduct business, in whole or in part, at all times relevant hereto in Berkeley County, South Carolina.

169. Super Concrete's work, services, or materials provided to and for the development and construction of The Abbey and the residences therein include grading, foundation slabs and footings, flatwork, formwork, together with all batter boards, forms, reinforcement, and related components.

170. Southern Green is or was a corporation organized and existing in South Carolina and was authorized to and did conduct business, in whole or in part, at all times relevant hereto in Berkeley County, South Carolina.

171. Southern Green's work, services, or materials provided to and for the development and construction of The Abbey and the residences therein include landscaping and grading.

172. TJB is a corporation organized and existing in South Carolina and was authorized to and did conduct business, in whole or in part, at all times relevant hereto in Berkeley County, South Carolina.

173. TJB's work, services, or materials provided to and for the development and construction of The Abbey and the residences therein include grading and building pad construction.

174. Paragon is or was a corporation organized and existing in South Carolina and was authorized to and did conduct business, in whole or in part, at all times relevant hereto in Berkeley County, South Carolina.

175. Paragon's work, services, or materials provided to and for the development and construction of The Abbey and the residences therein include grading and building pad construction.

176. CSE is a corporation organized and existing in South Carolina.

177. CSE's work, services, or materials provided to and for the development and construction of The Abbey and the residences therein include civil engineering and design services including preparing the grading plans.

178. Earthworks is a corporation organized and existing in South Carolina.

179. Earthworks' work, services, or materials provided to and for the development and construction of The Abbey and the residences therein include architectural or structural engineering and design services including designing, engineering, and preparing the building drawings and plans for the residences.

180. Volkmar is a limited liability company organized and existing in South Carolina and was authorized to and did conduct business, in whole or in part, at all times relevant hereto in Berkeley County, South Carolina.

181. Volkmar's work, services, or materials provided to and for the development and construction of The Abbey and the residences therein include geotechnical engineering services including site exploration, investigation, testing, analysis, and approval, preparing designs and specifications for grading, site preparation, groundwater control, fill, compaction, soils, building pads, footing excavations, footings, and slabs, and observation, investigation, testing, administration, and approval of grading, building pads, and footing excavations.

182. Geometrics is a limited liability company organized and existing in South Carolina and was authorized to and did conduct business, in whole or in part, at all times relevant hereto in Berkeley County, South Carolina.

183. Geometric's work, services, or materials provided to and for the development and construction of The Abbey and the residences therein include geotechnical engineering services including observation, investigation, testing, and approval of building pads and providing designs and specifications for soils, building pads, footing excavations, footings, and slabs.

184. Land/Site is a corporation organized and existing in South Carolina and was authorized to and did conduct business, in whole or in part, at all times relevant hereto in Berkeley County, South Carolina.

185. Land/Site's work, services, or materials provided to and for the development and construction of The Abbey and the residences therein include grading and building pad construction.

186. Myers is a corporation organized and existing in South Carolina and was authorized to and did conduct business, in whole or in part, at all times relevant hereto in Berkeley County, South Carolina.

187. Myers' work, services, or materials provided to and for the development and construction of The Abbey and the residences therein include grading.

188. A.C. & A. is a corporation organized and existing in South Carolina and was authorized to and did conduct business, in whole or in part, at all times relevant hereto in Berkeley County, South Carolina.

189. A.C. & A.'s work, services, or materials provided to and for the development and construction of The Abbey and the residences therein include foundation slabs and footings, and formwork, together with all batter boards, forms, reinforcement, and related components.

190. Knight's Concrete is a corporation organized and existing in South Carolina and was authorized to and did conduct business, in whole or in part, at all times relevant hereto in Berkeley County, South Carolina.

191. Knight's Concrete's work, services, or materials provided to and for the development and construction of The Abbey and the residences therein include supplying fill dirt.

192. Knight's Redi-Mix is a corporation organized and existing in South Carolina and was authorized to and did conduct business, in whole or in part, at all times relevant hereto in Berkeley County, South Carolina.

193. Knight's Redi-Mix's work, services, or materials provided to and for the development and construction of The Abbey and the residences therein include supplying concrete for foundation slabs and flatwork.

194. Coastal Concrete is or was a limited liability company organized in Delaware, authorized to do business in South Carolina, and was authorized to and did conduct business, in whole or in part, at all times relevant hereto in Berkeley County, South Carolina.

195. Coastal Concrete's work, services, or materials provided to and for the development and construction of The Abbey and the residences therein include supplying concrete for foundation slabs and flatwork.

196. Guaranteed Framing is a limited liability company organized and existing in South Carolina and was authorized to and did conduct business, in whole or in part, at all times relevant hereto in Berkeley County, South Carolina.

197. Guaranteed Framing's work, services, or materials provided to and for the development and construction of The Abbey and the residences therein include framing and roofing together with all associated and related waterproofing, flashings, and components.

198. Ozzy Construction is a limited liability company organized and existing in South Carolina and was authorized to and did conduct business, in whole or in part, at all times relevant hereto in Berkeley County, South Carolina.

199. Ozzy Construction's work, services, or materials provided to and for the development and construction of The Abbey and the residences therein include drywall installation and exterior painting and caulking together with all associated and related waterproofing, flashings, and components.

200. Construction Applicators is a limited liability company organized and existing in South Carolina and was authorized to and did conduct business, in whole or in part, at all times relevant hereto in Berkeley County, South Carolina.

201. Construction Applicators' work, services, or materials provided to and for the development and construction of The Abbey and the residences therein include drywall installation and exterior painting and caulking together with all associated and related waterproofing, flashings, and components.

202. LA New Enterprises is or was a limited liability company organized and existing in South Carolina and was authorized to and did conduct business, in whole or in part, at all times relevant hereto in Berkeley County, South Carolina.

203. LA New Enterprises' work, services, or materials provided to and for the development and construction of The Abbey and the residences therein include drywall installation together with all associated and related waterproofing, flashings, and components.

204. Décor is a corporation organized and existing in South Carolina and was authorized to and did conduct business, in whole or in part, at all times relevant hereto in Berkeley County, South Carolina.

205. Décor's work, services, or materials provided to and for the development and construction of The Abbey and the residences therein include finish flooring materials and installation of finish floors including all associated and related components.

206. DVS is a corporation organized and existing in South Carolina and was authorized to and did conduct business, in whole or in part, at all times relevant hereto in Berkeley County, South Carolina.

207. DVS's work, services, or materials provided to and for the development and construction of The Abbey and the residences therein include siding installation together with all associated and related waterproofing, flashings, and components.

208. Martinez Masonry is a limited liability company organized and existing in South Carolina and was authorized to and did conduct business, in whole or in part, at all times relevant hereto in Berkeley County, South Carolina.

209. Martinez Masonry's work, services, or materials provided to and for the development and construction of The Abbey and the residences therein include veneer masonry installation together with all associated and related waterproofing, flashings, and components.

210. Alpha Omega is a corporation organized and existing in North Carolina and conducted business, in whole or in part, at all times relevant hereto in Berkeley County, South Carolina.

211. Alpha Omega's work, services, or materials provided to and for the development and construction of The Abbey and the residences therein include roofing together with all associated and related waterproofing, flashings, and components.

212. Carolina Exteriors is a limited liability company organized and existing in South Carolina and was authorized to and did conduct business, in whole or in part, at all times relevant hereto in Berkeley County, South Carolina.

213. Carolina Exteriors' work, services, or materials provided to and for the development and construction of The Abbey and the residences therein include roofing together with all associated and related waterproofing, flashings, and components.

214. Builders FirstSource is a limited liability company organized in Delaware, authorized to do business in South Carolina, and was authorized to and did conduct business, in whole or in part, at all times relevant hereto in Berkeley County, South Carolina.

215. Builders FirstSource's work, services, or materials provided to and for the development and construction of The Abbey and the residences therein include supplying the windows and doors and installation of the windows together with all associated and related waterproofing, flashings, and components.

216. Low Country Renovations is a limited liability partnership organized and existing in South Carolina and was authorized to and did conduct business, in whole or in part, at all times relevant hereto in Berkeley County, South Carolina.

217. Low Country Renovations' work, services, or materials provided to and for the development and construction of The Abbey and the residences therein include installation of exterior trim together with all associated and related waterproofing, flashings, and components.

FOR A FIRST CROSS-CLAIM OR THIRD-PARTY CLAIM AGAINST SPRING GROVE AND SUBCONTRACTOR AND SUPPLIER DEFENDANTS
(Indemnity)

218. Lennar realleges the allegations in the previous paragraphs as if restated verbatim herein.

219. Plaintiffs sued Lennar claiming damages allegedly caused by improper and defective construction, workmanship, and materials at the residences in The Abbey. Copies of Plaintiffs' pleadings are available from the Berkeley County public index and are incorporated herein by reference.

220. Lennar denied all of Plaintiffs' substantive allegations against it.

221. Plaintiffs allege their residences sustained actual damage by exposure to the defective or deficient work, services, labor, or materials supplied, constructed, or installed by Spring Grove and the subcontractor and supplier defendants and third-party defendants: Manale, Super Concrete, Southern Green, TJB, Paragon, CSE, Land/Site, Myers, A.C. & A., Knight's Concrete, Knight's Redi-Mix, Coastal Concrete, Guaranteed Framing, Ozzy Construction, Construction Applicators, LA New Enterprises, Décor, Alpha Omega, Carolina Exteriors, Builders FirstSource, and Low Country Renovations (collectively "Subcontractor and Supplier Defendants"). Plaintiffs further allege that their residences have sustained property damage caused by continuous exposure to Spring Grove's and Subcontractor and Supplier Defendants' defective and improper materials, installation, and construction that resulted in property damage and not merely negligent construction damaging only the work product itself. In addition, the

alleged negligence, breaches, errors, omissions and wrongful acts of Spring Grove and Subcontractor and Supplier Defendants were, and have resulted in, occurrences that were unintended, unforeseen, gratuitous, and/or injurious events that caused property damage.

222. A special relationship existed between Lennar and Spring Grove and between Lennar and Subcontractor and Supplier Defendants.

223. To the extent, if any, that Lennar is liable to Plaintiffs in this action, such liability would be because the wrongful acts, omissions, negligence, breaches, or representations of Spring Grove or Subcontractor and Supplier Defendants were imputed to Lennar.

224. A right of indemnity exists in favor of Lennar as the relation between Lennar and Spring Grove and the relation between Lennar and Subcontractor and Supplier Defendants is such that in law or equity there is an obligation for Spring Grove and Subcontractor and Supplier Defendants to indemnify Lennar, as Lennar is required to defend itself in this action and exposed to liability due to the alleged wrongful acts, omissions, negligence, breaches, or representations of Spring Grove or Subcontractor and Supplier Defendants.

225. To the extent, if any, that Lennar is held liable to Plaintiffs in this action, such liability would be a direct and proximate result of the wrongful acts, omissions, negligence, and/or representations of Spring Grove and the Subcontractor and Supplier Defendants which damaged Lennar as Lennar has been subjected to liability and incurred consequential damages in attorney's fees and costs in defending this action.

226. To the extent, if any, that the materials, labor, services, or work provided by Spring Grove or the Subcontractor and Supplier Defendants were defective or deficient, such defects and deficiencies would be the result of the breaches of the express and implied contractual obligations and warranties that Spring Grove and the Subcontractor and Supplier

Defendants provided to Lennar, damaging Lennar as Lennar has been subjected to liability and incurred consequential damages in attorney's fees and costs in defending this action.

227. In the event Lennar is liable to pay Plaintiffs for defective or deficient materials, labor, work, or services, the principles of equity and the applicable contracts require that Spring Grove and the Subcontractor and Supplier Defendants indemnify and hold harmless Lennar for any sums for which it is held liable to Plaintiffs, any sums it pays Plaintiffs' in settlement of Plaintiffs' claims, and all losses, damages, costs, and attorney's fees.

228. Should it be determined that Lennar does not owe any obligations that were the responsibility of Spring Grove or the Subcontractor and Supplier Defendants Lennar is entitled to be reimbursed for the costs and attorney's fees it incurred defending against claims that were the direct and consequent result of Spring Grove and the Subcontractor and Supplier Defendant's failure to comply with their legal and contractual obligations to Lennar.

FOR A SECOND CROSS-CLAIM OR THIRD-PARTY CLAIM AGAINST SPRING GROVE AND SUBCONTRACTOR AND SUPPLIER DEFENDANTS
(Negligence/Gross Negligence)

229. Lennar realleges the allegations in the previous paragraphs as if restated verbatim herein.

230. Spring Grove and Subcontractor and Supplier Defendants provided labor, materials, services, and work for the construction of Plaintiffs' residences.

231. Plaintiffs allege the labor, materials, services, and work provided by Spring Grove and Subcontractor and Supplier Defendants are defective or deficient as a result of negligence, gross negligence, carelessness, or recklessness.

232. To the extent, if any, that the materials, labor, services, or work for Plaintiffs' residences were defective or deficient, which Lennar denies, such defects and deficiencies would

be the result of the negligence, gross negligence, carelessness, or recklessness of Spring Grove and Subcontractor and Supplier Defendants.

233. As a direct and proximate result of such negligence, gross negligence, carelessness, and recklessness, Lennar has suffered damages, including, but not limited to, reputational injury, costs and expenses incurred as a result of warranty claims from homeowners, the amount of any monies Lennar is adjudged to owe Plaintiffs or which it pays Plaintiffs in settlement of Plaintiffs' claims, and the cost of investigating and defending this claim.

234. To the extent, if any, that the materials, labor, services, or work for Plaintiffs' residences were defective or deficient, Lennar is entitled to judgment collectively or individually against Spring Grove and the Subcontractor Defendants for actual damages including, but not limited to, reputational injury, costs and expenses incurred as a result of warranty claims from homeowners, the amount of any monies Lennar is adjudged to owe Plaintiffs or which it pays Plaintiffs in settlement of Plaintiffs' claims, and the cost of investigating and defending this claim.

235. Plaintiffs' residences have allegedly suffered actual property damage caused by continuous exposure to the improper and negligent construction and faulty work of Subcontractor and Supplier Defendants resulting in property damage which is not the work product of each of the Subcontractor and Supplier Defendants. In addition, the alleged faulty construction, breaches, errors, omissions, and wrongful acts of the Subcontractor and Supplier Defendants were, and have resulted in, alleged occurrences that were unintended, unforeseen, gratuitous, and injurious events that caused property damage.

FOR A THIRD CROSS-CLAIM OR THIRD-PARTY CLAIM AGAINST SPRING GROVE AND SUBCONTRACTOR AND SUPPLIER DEFENDANTS
(Breach of Warranties)

236. Lennar realleges the allegations in the previous paragraphs as if restated verbatim herein.

237. Spring Grove and Subcontractor and Supplier Defendants expressly and impliedly warranted to Lennar the labor, material, work, and services provided by them would be performed in a careful, diligent, and workmanlike manner, and that any materials designed, manufactured, supplied, or sold by them for use on the project would be merchantable and fit for their intended or specific purpose.

238. Plaintiffs allege the labor, material, work, and services at their residences are defective, deficient, not merchantable, or not fit for their intended or specific purpose, and not of the highest quality.

239. Plaintiffs allege their residences sustained actual damage by exposure to the defective, deficient, not merchantable, or not fit for the intended or specific purpose work, services, labor, or materials designed, manufactured, supplied, constructed, or installed by Spring Grove and Subcontractor and Supplier. Plaintiffs further allege their residences sustained property damage caused by continuous exposure to Spring Grove's and Subcontractor and Supplier Defendants' defective, deficient, not merchantable, or not fit for the intended or specific purpose work, labor, or materials that resulted in property damage and not merely negligent construction damaging only the work product itself. In addition, the alleged faulty construction, breaches, errors, omissions, and wrongful acts of the Subcontractor and Supplier Defendants were, and have resulted in, alleged occurrences that were unintended, unforeseen, gratuitous, and injurious events that caused property damage.

240. To the extent, if any, that the materials, labor, services, or work for Plaintiffs' residences were defective or deficient, Spring Grove and Subcontractor and Supplier Defendants breached their implied and express warranties of merchantability, workmanlike service, and fitness for a particular or intended purpose in the materials supplied to and the construction of The Abbey and Plaintiffs' residences.

241. As a direct and proximate result of such breaches of warranties, Lennar has suffered damages, including, but not limited to, reputational injury, costs and expenses incurred as a result of warranty claims from homeowners, the amount of any monies Lennar is adjudged to owe Plaintiffs or which it pays Plaintiffs in settlement of Plaintiffs' claims, and the cost of investigating and defending this claim.

242. To the extent, if any, that the materials, labor, services, or work for Plaintiffs' residences were defective or deficient, Lennar is entitled to judgment collectively or individually against Spring Grove and the Subcontractor Defendants for actual damages resulting from their breaches of the applicable express and implied warranties including, but not limited to, reputational injury, costs and expenses incurred as a result of warranty claims from homeowners, the amount of any monies Lennar is adjudged to owe Plaintiffs or which it pays Plaintiffs in settlement of Plaintiffs' claims, and the cost of investigating and defending this claim.

FOR A FOURTH CROSS-CLAIM OR THIRD-PARTY CLAIM AGAINST SPRING GROVE
(Breach of Contract)

243. Lennar realleges the allegations in the previous paragraphs as if restated verbatim herein.

244. On or about October 22, 2010, Lennar and Spring Grove entered into a contract for the sale of the subdivision lots in The Abbey ("Agreement for the Purchase and Sale of Subdivision Lots").

245. The Agreement for the Purchase and Sale of Subdivision Lots is an enforceable contract between Lennar and Spring Grove supported by mutual consideration.

246. Pursuant to section 6.5 of the Agreement for the Purchase and Sale of Subdivision Lots, Spring Grove was contractually obligated to develop the lots in accordance with requirements specified in Exhibit D to the agreement and in compliance with all applicable building codes and regulations.

247. Pursuant to Exhibit D of the Agreement for the Purchase and Sale of Subdivision Lots, Spring Grove was contractually obligated to:

(a) grade the lots and construct the building pads;

(b) install curbs and gutters;

(c) install streets and roads;

(d) install storm drainage, retention and detention facilities, and other storm drainage structures and systems.

248. Pursuant to Exhibit D of the Agreement for the Purchase and Sale of Subdivision Lots, Spring Grove was contractually obligated to grade and engineer The Abbey and the lots therein in accordance with all laws, ordinances, and governmental requirements and any engineering and grading plans.

249. Pursuant to Exhibit D of the Agreement for the Purchase and Sale of Subdivision Lots, Spring Grove was contractually obligated to provide lots suitable for Lennar to construct single-family residences.

250. Pursuant to Exhibit D of the Agreement for the Purchase and Sale of Subdivision Lots, Spring Grove was contractually obligated to provide lots with building pads with fill compacted to 95% of standard proctor.

251. Pursuant to Exhibit D of the Agreement for the Purchase and Sale of Subdivision Lots, Spring Grove was contractually obligated to provide lots with building pads with a soil bearing pressure of 2500 PSF or greater.

252. Pursuant to Exhibit D of the Agreement for the Purchase and Sale of Subdivision Lots, Spring Grove was contractually obligated to provide a report prepared by a geotechnical engineer indicating the soil comprising the building pad for each lot in The Abbey has sufficient bearing capacity to safely accommodate the type of residential home Lennar intended to build thereon without the need for any additional compaction, displacement, removal or substitution of soil.

253. Pursuant to Exhibit D of the Agreement for the Purchase and Sale of Subdivision Lots, Spring Grove was contractually obligated to provide an in-ground storm drainage system to manage storm water.

254. Pursuant to Exhibit D of the Agreement for the Purchase and Sale of Subdivision Lots, Spring Grove was contractually obligated to engineer and grade the lots such that 2% drainage is established.

255. Pursuant to Exhibit D of the Agreement for the Purchase and Sale of Subdivision Lots, Spring Grove was contractually obligated to provide surface drainage such that there would be no standing water on the lots after twenty-fours elapse after a rain event.

256. Pursuant to Exhibit D of the Agreement for the Purchase and Sale of Subdivision Lots, Spring Grove was contractually obligated to provide grading and drainage such that storm

water would not flow across more than three lots before being conveyed off the lot or managed through an underground storm drainage system.

257. Pursuant to Exhibit D of the Agreement for the Purchase and Sale of Subdivision Lots, Spring Grove was contractually obligated to provide streets and roads in The Abbey to include the necessary grading and storm sewer structures and system.

258. Plaintiffs allege their lots and The Abbey were improperly, deficiently, or defectively graded.

259. Plaintiffs allege their residences and The Abbey suffers from deficient or defective drainage.

260. Plaintiffs allege that their residences sustained actual damage by exposure to the defective or deficient drainage systems and grading in The Abbey and related work, services, labor, or materials designed, engineered, supplied, constructed, or installed by Spring Grove. Plaintiffs further allege that their residences have sustained property damage caused by continuous exposure to Spring Grove's defective and improper materials, installation, design, engineering, and construction that resulted in property damage and not merely negligent construction damaging only the work product itself. In addition, the alleged negligence, breaches, errors, omissions and wrongful acts of Spring Grove were, and have resulted in, occurrences that were unintended, unforeseen, gratuitous, and/or injurious events that caused property damage.

261. In the event Plaintiffs prevail on any of their claims, Spring Grove materially breached the Agreement for the Purchase and Sale of Subdivision Lots in:

(a) improperly, deficiently, or defectively constructing the building pads;

(b) improperly, deficiently, or defectively compacting the soil comprising the building pads;

(c) failing to provide building pads with sufficient bearing capacity;

(d) failing to provide a report from a geotechnical engineer accurately reflecting the native soils in The Abbey and their characteristics and the implications for construction of residences in The Abbey;

(e) failing to compact, displace, remove, substitute fill for, or otherwise treat or remedy any native soil conditions;

(f) improperly, deficiently, or defectively grading the lots;

(g) improperly, deficiently, or defectively installing curbs and gutters;

(h) improperly, deficiently, or defectively installing streets and roads;

(i) improperly, deficiently, or defectively installing storm drainage, retention and detention facilities and other storm drainage systems;

(j) failing to grade and engineer the lots in accordance with all laws, ordinances, and governmental requirements and any engineering and grading plans;

(k) providing a deficient and defective in-ground storm drainage system;

(l) improperly, deficiently, or defectively grading the lots such that a 2% drainage was not established;

(m) improperly, deficiently, or defectively grading the lots such that water remains standing on the lots more than twenty-four hours after a rain event;

(n) improperly, deficiently, or defectively grading and providing drainage such that water flows across more than three lots;

(o) improperly, deficiently, or defectively grading and providing storm sewer for the streets and roads in The Abbey.

262. Spring Grove failed to cure any such breaches.

263. As a result of the material breaches of Spring Grove, Lennar has suffered direct, incidental, and consequential damages, including, but not limited to, reputational injury, costs and expenses incurred as a result of warranty claims from homeowners, the amount of any monies Lennar is adjudged to owe Plaintiffs or which it pays Plaintiffs in settlement of Plaintiffs' claims, and the cost of investigating and defending this claim.

264. Lennar is entitled to judgment against Spring Grove for Lennar's direct, incidental, and consequential damages resulting from the breaches including, but not limited to, reputational injury, costs and expenses incurred as a result of warranty claims from homeowners, the amount of any monies Lennar is adjudged to owe Plaintiffs or which it pays Plaintiffs in settlement of Plaintiffs' claims, and the cost of investigating and defending this claim.

265. Further, Lennar has been required to expend sums for attorney's fees and costs, all of which were foreseeable to Spring Grove as a result of breaches of the Agreement for the Purchase and Sale of Subdivision Lots.

266. In light of the contractual provisions providing for an award of costs and reasonable attorney's fees, Lennar is entitled to recover the same from Spring Grove.

267. Spring Grove's breaches include breaches of warranties and representations made in regards to the fitness, quality, durability, performance, or use of its products and work.

268. Spring Grove's breaches of warranties and representations in the Agreement for the Purchase and Sale of Subdivision Lots are alleged by Plaintiffs to have caused property damage to their residences.

FOR A FIFTH CROSS-CLAIM OR THIRD-PARTY CLAIM AGAINST SUBCONTRACTOR AND SUPPLIER DEFENDANTS
(Breach of Contract)

269. Lennar realleges the allegations in the previous paragraphs as if restated verbatim herein.

270. Lennar contracted with or was a third-party beneficiary of contracts entered into by Subcontractor and Supplier Defendants.

271. Pursuant to those contracts, Subcontractor and Supplier Defendants were obligated, among other things, to provide labor, materials, and services for the residences in The Abbey and specifically for Plaintiffs' residences.

272. Pursuant to those contracts, Subcontractor and Supplier Defendants agreed to provide work, materials, or services meeting contractually specified standards.

273. To the extent, if any, that the materials, labor, services, or work for the residences constructed in The Abbey were defective or deficient, Subcontractor and Supplier Defendants breached their contracts with Lennar or their contracts for which Lennar was a third-party beneficiary by, among other things, failing to perform their work in a careful, diligent, and workmanlike manner, by failing to provide materials, work, or services that resulted in a quality residence free from defects and otherwise in conformance with all contract documents, and failing to provide materials, work, or services conforming with all appropriate building codes and industry standards.

274. As a result of the breaches of the applicable contracts by Subcontractor and Supplier Defendants, Lennar has suffered direct, incidental, and consequential damages, including, but not limited to, reputational injury, costs and expenses incurred as a result of warranty claims from homeowners, the amount of any monies Lennar is adjudged to owe

Plaintiffs or which it pays Plaintiffs in settlement of Plaintiffs' claims, and the cost of investigating and defending this claim.

275. Further, Lennar has been required to expend sums for attorney's fees and costs, all of which were foreseeable to Subcontractor and Supplier Defendants as a result of breaches of the contracts.

276. Lennar is entitled to judgment against Subcontractor and Supplier Defendants for Lennar's direct, incidental, and consequential damages resulting from the breaches including, but not limited to, reputational injury, costs and expenses incurred as a result of warranty claims from homeowners, the amount of any monies Lennar is adjudged to owe Plaintiffs or which it pays Plaintiffs in settlement of Plaintiffs' claims, and the cost of investigating and defending this claim.

277. Additionally, Lennar's contracts with Subcontractor and Supplier Defendants required that they name Lennar as an additional insured on their commercial general liability ("CGL") policies and thereby provide Lennar with coverage for claims arising out of a Subcontractor or Supplier Defendant's materials, labor, services, or work.

278. To the extent a Subcontractor or Supplier Defendant failed to name Lennar as an additional insured on its CGL policies or otherwise failed to follow the contractual provisions regarding naming Lennar as an additional insured and the Subcontractor or Supplier Defendant's insurance carrier refuses to defend and indemnify Lennar for Plaintiffs' claims, the Subcontractor or Supplier Defendant breached its contract with Lennar, Lennar will have suffered damages as a result of the breach, and Lennar is entitled to recover from the Subcontractor or Supplier Defendant for those damages including, but not limited to, Lennar's attorney's fees, costs, and expenses incurred in defending this action.

279. Subcontractor and Supplier Defendants' breaches include breaches of warranties and representations made in regards to the fitness, quality, durability, performance, or use of its products and work.

280. Spring Grove's breaches of warranties and representations in the Agreement for the Purchase and Sale of Subdivision Lots are alleged by Plaintiffs to have caused property damage to their residences.

FOR A SIXTH CROSS-CLAIM OR THIRD-PARTY CLAIM AGAINST BUILDERS FIRSTSOURCE
(Strict Liability/Products Liability)

281. Lennar realleges the allegations in the previous paragraphs as if restated verbatim herein.

282. Plaintiffs allege the windows installed in their residences are defective or deficient.

283. Builders FirstSource designed, manufactured, supplied, sold, or distributed the windows installed in the residences in The Abbey.

284. Builders FirstSource never warned Lennar of any danger, defect, deficiency, or any other problem inherent in the windows that would cause the problems and damages alleged by Plaintiffs.

285. To the extent, if any, that the windows installed in the residences constructed in The Abbey are defective or deficient and Plaintiffs suffered damages as a result, which Lennar denies, Builders FirstSource sold and delivered a product in a defective condition presenting an unreasonable risk of harming the residences into which they were installed.

286. Builders FirstSource incorporating a defective and unreasonably dangerous product into the residences in The Abbey caused Lennar to suffer direct, incidental, and

consequential damages, including, but not limited to, reputational injury, costs and expenses incurred as a result of warranty claims from homeowners, the amount of any monies Lennar is adjudged to owe Plaintiffs or which it pays Plaintiffs in settlement of Plaintiffs' claims, and the cost of investigating and defending this claim.

FOR A SEVENTH CROSS-CLAIM OR THIRD-PARTY CLAIM AGAINST DESIGN AND ENGINEERING DEFENDANTS
(Indemnity)

287. Lennar realleges the allegations in the previous paragraphs as if restated verbatim herein.

288. Lennar entered into contracts with or was a third-beneficiary of contracts entered into with CSE, Earthworks, Volkmar, and Geometrics (collectively the "Design and Engineering Defendants").

289. CSE was responsible for, among other things, preparing the civil engineering plans, drawings, documents, and specifications including preparing grading and drainage plans, drawings, documents, and specifications for The Abbey.

290. Earthworks was responsible for, among other things, preparing the plans, drawings, documents, and specifications for the residences constructed in The Abbey.

291. Volkmar was responsible for providing geotechnical engineering services for construction of residences in The Abbey to include, but not limited to, site exploration, investigation, testing, and analysis of soils in The Abbey, preparing designs and specifications for grading, site preparation, groundwater control, fill, compaction, soils, building pads, footing excavations, footings, and slabs, and observation, investigation, testing, administration, and approval of soils, grading, building pads, and footing excavations for residences in The Abbey.

292. Geometrics was responsible for providing geotechnical engineering services for construction of residences in The Abbey including, but not limited to, observation, investigation, testing, administration, and approval of soils, grading, building pads, and footing excavations for residences in The Abbey.

293. Design and Engineering Defendants provided some or all of those services for the construction of the residences in The Abbey.

294. Plaintiffs sued Lennar alleging damages caused by deficient design, engineering, and construction administration services provided by Design and Engineering Defendants.

295. Lennar denied all of Plaintiffs' substantive allegations against it.

296. Plaintiffs allege their residences sustained actual damage by exposure to the defective or deficient services of Design and Engineering Defendants.

297. A special relationship existed between Lennar and Design and Engineering Defendants.

298. Design and Engineering Defendants owed Lennar a duty to perform and provide their design, engineering, and construction administration services in accordance with their contracts and the applicable rules, regulations, and ethical requirements that relate to architects or engineers practicing in South Carolina and with the appropriate standard of professional care and generally accepted architectural and engineering standards.

299. To the extent, if any, that Lennar is liable to Plaintiffs in this action, such liability would be because the wrongful acts, omissions, negligence, breaches, or representations of Design and Engineering Defendants were imputed to Lennar.

300. A right of indemnity exists in favor of Lennar as the relation between Lennar and Design and Engineering Defendants and the relation between Lennar is such that in law or equity

there is an obligation for Design and Engineering Defendants to indemnify Lennar, as Lennar is required to defend itself in this action and exposed to liability due to the alleged wrongful acts, omissions, negligence, breaches, or representations of Design and Engineering.

301. To the extent, if any, that Lennar is held liable to Plaintiffs in this action, such liability would be a direct and proximate result of the wrongful acts, omissions, negligence, or representations of Design and Engineering Defendants which damaged Lennar as Lennar has been subjected to liability and incurred consequential damages in attorney's fees and costs in defending this action.

302. To the extent, if any, that the services, engineering, designs, plans, drawings, or specifications provided by Design and Engineering Defendants were improper, defective, deficient, or otherwise not suitable, such defects and deficiencies would be the result of the breaches of the express and implied contractual obligations and warranties that Design and Engineering Defendants provided to Lennar, damaging Lennar as Lennar has been subjected to liability and incurred consequential damages in attorney's fees and costs in defending this action.

303. In the event Lennar is liable to pay Plaintiffs' for any defect, deficiency, or other condition in their residences or any defect, deficiency, or other condition in or on their properties or The Abbey generally, the principles of equity and the applicable contracts require that Design and Engineering Defendants indemnify and hold harmless Lennar for any sums for which it is held liable to Plaintiffs, any sums it pays Plaintiffs' in settlement of Plaintiffs' claims, and all losses, damages, costs, and attorney's fees.

304. Should it be determined that Lennar does not owe any obligations that were the responsibility of Design and Engineering Defendants, Lennar is entitled to be reimbursed for the costs and attorney's fees it incurred defending against claims that were the direct and consequent

result of Design and Engineering Defendants' failures to comply with their legal and contractual obligations to Lennar.

FOR AN EIGHTH CROSS-CLAIM OR THIRD-PARTY CLAIM AGAINST DESIGN AND ENGINEERING DEFENDANTS
(Negligence)

305. Lennar realleges the allegations in the previous paragraphs as if restated verbatim herein.

306. Design and Engineering Defendants provided professional design and engineering services for the development of The Abbey and the construction of the residences therein.

307. Plaintiffs allege damages caused by the negligent, grossly negligent, careless, or reckless performance of design, engineering, and construction administration services by Design and Engineering Defendants.

308. To the extent, if any, that any defect or deficiency exists in the residences in The Abbey or in or on the lots in The Abbey or The Abbey generally, which Lennar denies, such defects and deficiencies would be the result, in whole or in part, of the negligence, gross negligence, carelessness, or recklessness of Design and Engineering Defendants.

309. To the extent an affidavit is required pursuant to S.C. Code Ann. § 15-36-100, which Lennar does not admit or concede, Lennar states good faith concerns regarding the expiration of any applicable statute of limitations did not permit the timely preparation of an expert affidavit.

310. Design and Engineering Defendants owed Lennar a duty to perform and provide their professional services in accordance with their contracts and the applicable statutes, rules, regulations, and ethical standards applicable to architects and engineers practicing in South Carolina, and in accordance with the applicable industry standards, standard of care, generally

accepted architectural and engineering standards, and any other applicable standard for architects and engineers.

311. As a direct and proximate result of such negligence, gross negligence, carelessness, and recklessness, Lennar suffered damages, including, but not limited to, reputational injury, costs and expenses incurred as a result of warranty claims from homeowners, the amount of any monies Lennar is adjudged to owe Plaintiffs or which it pays Plaintiffs in settlement of Plaintiffs' claims, and the cost of investigating and defending this claim.

312. To the extent, if any, that any defect or deficiency exists in the residences in The Abbey or in or on the lots in The Abbey or The Abbey generally, Lennar is entitled to judgment collectively or individually against Design and Engineering Defendants for damages including, but not limited to, reputational injury, costs and expenses incurred as a result of warranty claims from homeowners, the amount of any monies Lennar is adjudged to owe Plaintiffs or which it pays Plaintiffs in settlement of Plaintiffs' claims, and the cost of investigating and defending this claim.

313. Plaintiffs' residences have allegedly suffered actual property damage caused by continuous exposure to the improper and negligent work and services of Design and Engineering Defendants resulting in property damage which is not the work product of each of the Design and Engineering Defendants. In addition, the alleged breaches, errors, omissions, and wrongful acts of the Design and Engineering Defendants were, and have resulted in, alleged occurrences that were unintended, unforeseen, gratuitous, and injurious events that caused property damage.

FOR A NINTH CROSS-CLAIM OR THIRD-PARTY CLAIM AGAINST DESIGN AND ENGINEERING DEFENDANTS
(Breach of Warranties)

314. Lennar realleges the allegations in the previous paragraphs as if restated verbatim herein.

315. Design and Engineering Defendants expressly or impliedly warranted to Lennar that the work and services performed by them would be performed in a careful, diligent, professional manner and that the designs, plans, drawings, and specifications prepared by them would suit the particular and intended purpose for use in the development and construction of The Abbey and the residences therein.

316. Design and Engineering Defendants owed Lennar an implied duty of workmanlike service to undertake their architectural and engineering tasks with appropriate skill and expertise and in accordance with their contracts and the applicable statutes, rules, regulations, and ethical standards applicable to architects and engineers practicing in South Carolina, and in accordance with the applicable industry standards, standard of care, generally accepted architectural and engineering standards, and any other applicable standard for architects and engineers.

317. Design and Engineering Defendants provided an implied warranty that their architectural or engineering services, designs, drawings, plans, and specifications were sufficient for their intended uses.

318. To the extent, if any, that any defect or deficiency exists in the residences in The Abbey or in or on the lots in The Abbey or The Abbey generally, Design and Engineering Defendants breached their express and implied warranties.

319. To the extent, if any, that any defect or deficiency exists in the residences in The Abbey or in or on the lots in The Abbey or The Abbey generally, Lennar is entitled to judgment collectively or individually against Design and Engineering Defendants for damages including, but not limited to, reputational injury, costs and expenses incurred as a result of warranty claims from homeowners, the amount of any monies Lennar is adjudged to owe Plaintiffs or which it pays Plaintiffs in settlement of Plaintiffs' claims, and the cost of investigating and defending this claim.

320. Plaintiffs' residences have allegedly suffered actual property damage caused by continuous exposure to the improper and negligent work and services of Design and Engineering Defendants resulting in property damage which is not the work product of each of the Design and Engineering Defendants. In addition, the alleged breaches, errors, omissions, and wrongful acts of the Design and Engineering Defendants were, and have resulted in, alleged occurrences that were unintended, unforeseen, gratuitous, and injurious events that caused property damage.

FOR A TENTH CROSS-CLAIM OR THIRD-PARTY CLAIM AGAINST DESIGN AND ENGINEERING DEFENDANTS
(Breach of Contract)

321. Lennar realleges the allegations in the previous paragraphs as if restated verbatim herein.

322. Lennar contracted with or was a third-party beneficiary of contracts entered into by Design and Engineering Defendants.

323. Pursuant to those contracts, Design and Engineering Defendants were obligated, among other things, to provide work and services for The Abbey generally, the residences constructed in The Abbey, and specifically for Plaintiffs' residences.

324. Pursuant to those contracts, Design and Engineering Defendants agreed to provide work and services meeting contractually specified standards.

325. The terms of the contracts required Design and Engineering Defendants to provide design, engineering, and construction administration services that, among other things, would produce a quality residential development and residences free from defects and otherwise in conformance with all contract documents, building codes, statutes, codes, regulations, industry standards, and any other applicable standard. The contracts further required Design and Engineering Defendants to supervise and direct their work and services using their best skill and attention.

326. To the extent, if any, that any defect or deficiency exists in the residences in The Abbey or in or on the lots in The Abbey or The Abbey generally, Design and Engineering Defendants breached their contracts with Lennar or their contracts for which Lennar was a third-party beneficiary by, among other things, failing to perform their work in a careful, diligent, and workmanlike manner, by failing to work and services that resulted in a quality residential development and residences free from defects and otherwise in conformance with all contract documents, building codes, statutes, codes, regulations, industry standards, and any other applicable standard.

327. As a result of the breaches of the applicable contracts by Design and Engineering Defendants, Lennar has suffered damages, including, but not limited to, reputational injury, costs and expenses incurred as a result of warranty claims from homeowners, the amount of any monies Lennar is adjudged to owe Plaintiffs or which it pays Plaintiffs in settlement of Plaintiffs' claims, and the cost of investigating and defending this claim.

328. Further, Lennar has been required to expend sums for attorney's fees and costs, all of which were foreseeable to Design and Engineering Defendants as a result of breaches of the contracts.

329. Lennar is entitled to judgment against Design and Engineering Defendants for Lennar's damages resulting from the breaches including, but not limited to, reputational injury, costs and expenses incurred as a result of warranty claims from homeowners, the amount of any monies Lennar is adjudged to owe Plaintiffs or which it pays Plaintiffs in settlement of Plaintiffs' claims, and the cost of investigating and defending this claim.

FOR AN ELEVENTH CROSS-CLAIM OR THIRD-PARTY CLAIM AGAINST DESIGN AND ENGINEERING DEFENDANTS
(Non-Delegable Duty/Vicarious Liability)

330. Lennar realleges the allegations in the previous paragraphs as if restated verbatim herein.

331. Design and Engineering Defendants had a non-delegable duty to provide their services in accordance with the applicable statutes, regulations, rules, and ethical requirements governing the practices of architects and engineers in South Carolina, and in accordance with the appropriate and generally accepted architectural and engineering standards.

332. To the extent, if any, that any defect or deficiency exists in the residences in The Abbey or in or on the lots in The Abbey or The Abbey generally, Design and Engineering Defendants breached their non-delegable duties for the reasons stated herein, directly and proximately causing Lennar damages as described herein.

333. Design and Engineering Defendants are further vicariously liable for any and all errors, omissions, breaches and wrongful acts of any of their consultants and agents, which directly and proximately caused Lennar damages as described herein.

WHEREFORE, Lennar prays that Plaintiffs' claims be dismissed, that Lennar be given judgment against Spring Grove, Manale, Super Concrete, Southern Green, TJB, Paragon, CSE, Earthworks, Volkmar, Geometrics, Land/Site, Myers, A.C. & A., Knight's Concrete, Knight's Redi-Mix, Coastal Concrete, Guaranteed Framing, Ozzy Construction, Construction Applicators, LA New Enterprises, Décor, DVS, Martinez Masonry, Alpha Omega, Carolina Exteriors, Builders FirstSource, and Low Country Renovations, and Lennar demands judgment requiring these Defendants and Third-Party Defendants to indemnify Lennar against any liability which Lennar may suffer in this action, to include Lennar's attorney's fees, costs, and other expenses incurred in defending this action.

PARKER POE ADAMS & BERNSTEIN LLP
200 Meeting Street, Suite 301
Charleston, SC 29401

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Attorneys for Lennar Carolinas, LLC

November 25, 2015

STATE OF SOUTH CAROLINA)
COUNTY OF BERKELEY)

PATRICIA DAMICO, AND LENNA LUCAS, Individually and on behalf of all other similarly situated, JOSHUA AND BRETTANY BUETOW, EDWARD AND SYLVIA DENGG, JONATHAN AND THERESA DOUGLASS, ANTHONY AND STACEY RAY, DANNY AND ELLEN DAVIS MORROW, CZARA AND CHAD ENGLAND, BRYAN AND CYNTHIA CAMARA, AND MATTHEW COLLINS,

Plaintiffs,

v.

LENNAR CAROLINAS, LLC, SPRING GROVE PLANTATION DEVELOPMENT, INC., MANALE LANDSCAPING, LLC, SUPER CONCRETE OF SC, INC., SOUTHERN GREEN, INC. TJB TRUCKING/LEASING, LLC, PARAGON SITE CONSTRUCTORS, INC., CIVIL SITE ENVIRONMENTAL AND RICK BRYANT, Individually.

Defendants.

THE EARTHWORKS GROUP, INC., VOLKMAR CONSULTING SERVICES, LLC, GEOMETRICS CONSULTING, LLC, LAND/SITE SERVICES, INC., MYERS LANDSCAPING, INC., A.C. & A. CONCRETE, INC., KNIGHT'S CONCRETE PRODUCTS, INC., KNIGHT'S REDI-MIX, INC., COASTAL CONCRETE SOUTHEAST, LLC, COASTAL CONCRETE SOUTHEAST II, LLC, GUARANTEED FRAMING, LLC, OZZY CONSTRUCTION, LLC, CONSTRUCTION APPLICATORS CHARLESTON, LLC, LA NEW ENTERPRISES, LLC, DÉCOR CORPORATION, DVS, INC., RAUL

IN THE COURT OF COMMON PLEAS

CASE NO.: 2014-CP-08-02424

ANSWER OF DÉCOR CORPORATION TO LENNAR CAROLINAS, LLC'S THIRD PARTY COMPLAINT AND FOURTH PARTY COMPLAINT

Jury Trial Demanded

FILED
2016 FEB -1 AM 11:39
MARY P. BROWN
CLERK OF COURT

MARTINEZ MASONRY, LLC, ALPHA OMEGA CONSTRUCTION GROUP, INC., SOUTH CAROLINA EXTERIORS, LLC, BUILDERS FIRSTSOURCE - SOUTHEAST GROUP, LLC, AND LOW COUNTRY RENOVATIONS AND SIDING, LLP,	)
Third-Party Defendants.	)
DÉCOR CORPORATION,	)
Fourth Party Plaintiff,	)
v.	)
BARANOV FLOORING, LLC, DJ CONSTRUCTION SERVICES, LLC, CREATIVE WOOD FLOORS, LLC, GERALDO CUNHA, EBENEZER FLOORING, LLC, ENMANUEL FLOORING AND SIDING, LLC, EUSI FLOORING AND COVERING, LLC, NICOLAS FLORES, ALEXANDER MARTINEZ, ISIDRU MEJIA, JUAN PEREZ SON, ERNESTO M. PEREZ, N&B CONSTRUCTION, LLC, JOSE DIAS RODRIGUES, LIVIA SOUSA, JOSE BETIO PEREIRA, JOSE PAZ CASTRO HERNANDEZ, DIVINIO APARECIDO CORGOSINHO, RICARDO CHICHE, CEBS CONSTRUCTION, BAYSHORE SIDING AND FLOORING, SEBASTIO LUIZ DE ARAUJO, AND JOHN DOES 1-4,	)
Fourth-Party Defendants.	)

Reserving all rights to amend this Answer within thirty (30) days pursuant to Rule 15 (a) of the South Carolina Rules of Civil Procedure, and reserving all rights to include in the Answer any defenses and/or objections under Rule 12 of the South Carolina Rules of Civil Procedure, and reserving all rights to make any motions under Rule 12 of the South Carolina Rules of Civil Procedure, Décor Corporation (hereinafter "this Defendant" or "Décor") by and through its

undersigned counsel, answers Lennar Carolinas, LLC's (hereinafter "Lennar") Third Party Complaint and asserts its Fourth Party Complaint as follows:

FOR A FIRST DEFENSE

1. The allegations in Paragraphs 1 through 161 of the pleading are not directed at this Defendant; therefore a response is not required. To the extent the allegations can be interpreted as making a claim against this Defendant, they are hereby denied.
2. In answering the allegations in Paragraph 162 of the pleading, this Defendant repeats and realleges its responses in the above paragraphs.
3. This Defendant lacks knowledge and information sufficient to either admit or deny the allegations in Paragraphs 163 through 203 of the pleading and therefore denies the same and demands strict proof thereof.
4. This Defendant admits the allegations in Paragraph 204 of the pleading.
5. In answering the allegations in Paragraph 205 of the pleading, this Defendant craves reference to its contractual agreements and scope of work on this project and denies the allegations to the extent they are inconsistent therewith.
6. This Defendant lacks knowledge and information sufficient to either admit or deny the allegations in Paragraphs 206 through 217 of the pleading and therefore denies the same and demands strict proof thereof.
7. In answering the allegations in Paragraph 218 of the pleading, this Defendant repeats and realleges its responses in the above paragraphs.
8. This Defendant admits the allegations in Paragraphs 219, 220 and 221 of the pleading to the extent they are consistent with the filed pleadings in this matter; to the extent the allegations are inconsistent with the filed pleadings, this Defendant denies the same and demands strict proof thereof.
9. This Defendant denies the allegations in Paragraphs 222, 223, 224, 225, 226, 227 and 228 of the pleading to the extent the allegations are directed at this Defendant and demands strict proof thereof; to the extent the allegations concern other parties, this Defendant lacks knowledge and information sufficient to either admit or deny the allegations of the pleading and therefore denies the same and demands strict proof thereof.
10. In answering the allegations in Paragraph 229 of the pleading, this Defendant repeats and realleges its responses in the above paragraphs.

11. This Defendant denies the allegations in Paragraphs 230, 231, 232, 233, 234, and 235 of the pleading to the extent the allegations are directed at this Defendant and demands strict proof thereof; to the extent the allegations concern other parties, this Defendant lacks knowledge and information sufficient to either admit or deny the allegations of the pleading and therefore denies the same and demands strict proof thereof.

12. In answering the allegations in Paragraph 236 of the pleading, this Defendant repeats and realleges its responses in the above paragraphs.

13. This Defendant denies the allegations in Paragraphs 237, 238, 239, 240, 241 and 242 of the pleading to the extent the allegations are directed at this Defendant and demands strict proof thereof; to the extent the allegations concern other parties, this Defendant lacks knowledge and information sufficient to either admit or deny the allegations of the pleading and therefore denies the same and demands strict proof thereof.

14. In answering the allegations in Paragraph 243 of the pleading, this Defendant repeats and realleges its responses in the above paragraphs.

15. The allegations in Paragraphs 244 through 268 of the pleading are not directed at this Defendant; therefore a response is not required. To the extent the allegations can be interpreted as making a claim against this Defendant, they are hereby denied.

16. In answering the allegations in Paragraph 269 of the pleading, this Defendant repeats and realleges its responses in the above paragraphs.

17. This Defendant denies the allegations in Paragraphs 270 through 280 of the pleading to the extent the allegations are directed at this Defendant and demands strict proof thereof; to the extent the allegations concern other parties, this Defendant lacks knowledge and information sufficient to either admit or deny the allegations of the pleading and therefore denies the same and demands strict proof thereof.

18. In answering the allegations in Paragraph 281 of the pleading, this Defendant repeats and realleges its responses in the above paragraphs.

19. The allegations in Paragraphs 282 through 286 of the pleading are not directed at this Defendant; therefore a response is not required. To the extent the allegations can be interpreted as making a claim against this Defendant, they are hereby denied.

20. In answering the allegations in Paragraph 287 of the pleading, this Defendant repeats and realleges its responses in the above paragraphs.

21. The allegations in Paragraphs 288 through 304 of the pleading are not directed at this Defendant; therefore a response is not required. To the extent the allegations can be interpreted as making a claim against this Defendant, they are hereby denied.

22. In answering the allegations in Paragraph 305 of the pleading, this Defendant repeats and realleges its responses in the above paragraphs.

23. The allegations in Paragraphs 306 through 313 of the pleading are not directed at this Defendant; therefore a response is not required. To the extent the allegations can be interpreted as making a claim against this Defendant, they are hereby denied.

24. In answering the allegations in Paragraph 314 of the pleading, this Defendant repeats and realleges its responses in the above paragraphs.

25. The allegations in Paragraphs 315 through 320 of the pleading are not directed at this Defendant; therefore a response is not required. To the extent the allegations can be interpreted as making a claim against this Defendant, they are hereby denied.

26. In answering the allegations in Paragraph 321 of the pleading, this Defendant repeats and realleges its responses in the above paragraphs.

27. The allegations in Paragraphs 322 through 329 of the pleading are not directed at this Defendant; therefore a response is not required. To the extent the allegations can be interpreted as making a claim against this Defendant, they are hereby denied.

28. In answering the allegations in Paragraph 330 of the pleading, this Defendant repeats and realleges its responses in the above paragraphs.

29. The allegations in Paragraphs 331 through 333 of the pleading are not directed at this Defendant; therefore a response is not required. To the extent the allegations can be interpreted as making a claim against this Defendant, they are hereby denied.

30. This Defendant denies the Wherefore paragraph of the pleading.

31. This Defendant denies each and every allegation of the pleading not hereinabove specifically admitted.

FOR A SECOND DEFENSE
AND BY WAY OF AN AFFIRMATIVE DEFENSE THERETO
(Failure to State a Claim)

32. Lennar has failed to state facts sufficient to constitute a cause of action against this Defendant pursuant to Rule 12(b)(6), SCRCP, and Lennar's claims should be dismissed.

FOR A THIRD DEFENSE
AND BY WAY OF AN AFFIRMATIVE DEFENSE THERETO
(Failure to Mitigate)

33. Lennar failed to mitigate its damages as required by law.

FOR A FOURTH DEFENSE
AND BY WAY OF AN AFFIRMATIVE DEFENSE THERETO
(Waiver, Estoppel, Laches)

34. Lennar's claims may be barred by the doctrines of waiver, estoppel and/or laches.

FOR A FIFTH DEFENSE
AND BY WAY OF AN AFFIRMATIVE DEFENSE THERETO
(Statute of Frauds)

35. Lennar's claims are barred by the statute of frauds.

FOR A SIXTH DEFENSE
AND BY WAY OF AN AFFIRMATIVE DEFENSE THERETO
(Statute of Limitations)

36. This Defendant asserts that some or all of the claims against it are barred by applicable statute of limitations or statute of repose.

FOR A SEVENTH DEFENSE
AND BY WAY OF AN AFFIRMATIVE DEFENSE THERETO
(Notice to Lennar)

37. Lennar's claims are barred to the extent that it discovered or should have discovered and was aware of any defects and nevertheless unreasonably proceeded to purchase or make use of the product, labor or services provided.

FOR AN EIGHTH DEFENSE
AND BY WAY OF AN AFFIRMATIVE DEFENSE THERETO
(Intervening Acts of Third-Parties)

38. Lennar's damages, if any, are the direct and proximate result of intervening and superseding acts of third parties not affiliated with this Defendant and not under its domain or control.

FOR A NINTH DEFENSE
AND BY WAY OF AN AFFIRMATIVE DEFENSE THERETO
(Failure to Join a Necessary Party)

39. Lennar failed to join a party necessary to this litigation as required by Rule 19, SCRCP, and Lennar's claims should be dismissed pursuant to Rule 12(b)(7), SCRCP.

FOR A TENTH DEFENSE
AND BY WAY OF AN AFFIRMATIVE DEFENSE THERETO
(Contributory/Comparative Negligence)

40. Any damage suffered by Lennar is the direct and proximate result of its comparative and contributory negligence and Lennar's recovery should be barred or, alternatively, reduced proportionately to Lennar's comparative negligence.

FOR AN ELEVENTH DEFENSE
AND BY WAY OF AN AFFIRMATIVE DEFENSE THERETO
(Open and Obvious)

41. Lennar either knew or should have known of any alleged deficiencies in the allegedly purchased materials or labor and services, and accepted the same with such knowledge. As a result, Lennar's recovery should be barred.

FOR A TWELFTH DEFENSE
AND BY WAY OF AN AFFIRMATIVE DEFENSE THERETO
(Unclean Hands)

42. Lennar has unclean hands and may not recover in indemnity.

FURTHER ANSWERING THE THIRD PARTY COMPLAINT AND BY WAY OF A FOURTH PARTY COMPLAINT AGAINST BARANOV FLOORING, LLC, DJ CONSTRUCTION SERVICES, LLC, CREATIVE WOOD FLOORS, LLC, GERALDO CUNHA, EBENEZER FLOORING, LLC, ENMANUEL FLOORING AND SIDING, LLC, EUSI FLOORING AND COVERING, LLC, NICOLAS FLORES, ALEXANDER MARTINEZ, ISIDRU MEJIA, JUAN PEREZ SON, ERNESTO M. PEREZ, N&B CONSTRUCTION, LLC, JOSE DIAS RODRIGUES, LIVIA SOUSA, JOSE BETIO PEREIRA, JOSE PAZ CASTRO HERNANDEZ, DIVINIO APARECIDO CORGOSINHO, RICARDO CHICHE, CEBS CONSTRUCTION, BAYSHORE SIDING AND FLOORING, SEBASTIO LUIZ DE ARAUJO, AND JOHN DOES 1-4

43. Decor re-alleges and reiterates the above paragraphs as if fully set forth herein.

44. The Defendant Decor is a corporation organized and existing under the laws of a state outside of South Carolina and which conducted business in Berkeley County, South Carolina.

45. The Fourth Party Defendants Baranov Flooring, LLC, DJ Construction Services, LLC, Creative Wood Floors, LLC, Geraldo Cunha, Ebenezer Flooring, LLC, Enmanuel Flooring and Siding, LLC, Eusi Flooring and Covering, LLC, Nicolas Flores, Alexander Martinez, Isidru Mejia, Juan Perez Son, Ernesto M. Perez, N&B Construction, LLC, Jose Dias Rodrigues, Livia Sousa, Jose Betio Pereira, Jose Paz Castro Hernandez, Divinio Aparecido Corgosinho, Ricardo Chiche, Cebs Construction, Bayshore Siding and Flooring, Sebastio Luiz De Araujo, and John Does 1-4 (hereinafter "Flooring Subcontractors" or "Fourth Party Defendants") are citizens and residents of South Carolina, and/or are corporations organized and existing under the laws of the State of South Carolina, and, at all times relevant hereto, conducted business in Berkeley County, South Carolina.

46. At the time of construction of the Project, the Flooring Subcontractors were in the business of construction which included labor and material installation for flooring and related components, as well as other miscellaneous work.

47. Décor subcontracted with the Flooring Subcontractors to provide work on the Project, which includes, but is not limited to, labor and material installation for flooring and related components, as well as other miscellaneous work.

48. As a result of the alleged deficiencies in the construction of the Project, claims have been asserted against Decor as set forth in the Plaintiffs', Third Party Plaintiff's and Co-Defendants' filed pleadings, incorporated herein by reference.

49. If the allegations in the Plaintiffs' Third Party Plaintiff's, and Co-Defendants' filed pleadings are true, which have been denied by Décor, fault lies with the Fourth Party Defendant Flooring Subcontractors.

FOR A FIRST CAUSE OF ACTION
AS TO THE FLOORING SUBCONTRACTORS
(Negligence)

50. Decor re-alleges and reiterates the above paragraphs as if fully set forth herein.

51. The Fourth Party Defendants were under a duty to use due care in the performance of the tasks referenced above and to perform those tasks in a manner compliant with their contracts with Décor, the project plans, applicable building codes, industry standards, and manufacturers' instructions.

52. If the Plaintiffs', Third Party Plaintiff's and other parties' allegations against Decor, which have been denied by Decor, are true, the Fourth Party Defendants were negligent, careless, reckless, willful and/or wanton in failing to properly carry out their tasks and by failing to employ practices and methods of construction in conformance with its contract with Décor, the project plans, applicable building codes, industry standards and/or manufacturers' instructions.

53. As a direct and proximate result of the negligence of the Fourth Party Defendants, Décor is involved in litigation in which it faces liability for the work performed by or at the direction of the Fourth Party Defendants and has incurred costs and expenses in order to protect its interests.

54. Decor is informed and believes that it is entitled to judgment against the Fourth Party Defendants for any amount which Decor may be required to pay to the Plaintiffs, Third Party Plaintiff or other parties herein as a result of the Fourth Party Defendants' negligence.

FOR A SECOND CAUSE OF ACTION
AS TO FLOORING SUBCONTRACTORS
(Breach of Contract)

55. Decor re-alleges and reiterates the above paragraphs as if fully set forth herein.

56. Decor and the Fourth Party Defendants entered into contracts, by which the Fourth Party Defendants were required to perform work on the Project.

57. The Fourth Party Defendants failed to properly perform work required under the contract(s) to be performed on the Project that has resulted in actual damages to Decor.

58. The contract between Decor and Flooring Subcontractors required Flooring Subcontractors to complete labor and material installation for flooring and related components, as well as other miscellaneous work.

59. The terms of the contract required Fourth Party Defendants to provide construction goods and services for the structure that, among other things, would produce a quality building free from defects and otherwise in conformance of all contract documents, including all building codes and industry standards.

60. The Fourth Party Defendants breached the contract(s) by failing to provide appropriate construction goods and services to the structure, by failing to perform its work in a careful, diligent and workmanlike manner, by failing to provide goods and services that

resulted in a quality building free from defects and otherwise in conformance with all contract documents, and failing to provide goods and services that were in conformity with all appropriate building codes and industry standards.

61. As a result of these breaches of contract, Decor has incurred damages in the amount of any money that it is adjudged to owe the Plaintiffs, Third Party Plaintiff or other parties, or which is paid to Plaintiffs, Third Party Plaintiff or other parties in settlement of claims against it, plus any and all attorneys' fees and costs incurred by Decor in defending the claims against Decor.

FOR A THIRD CAUSE OF ACTION
AS TO FLOORING SUBCONTRACTORS
(Breach of Warranties)

62. Decor re-alleges and reiterates the above paragraphs as if fully set forth herein.

63. The Fourth Party Defendants expressly or impliedly warranted to Decor that all work performed would be performed in a careful, diligent and workmanlike manner, and that any materials and/or services designed, supplied or sold by them for use on the Project would be merchantable and fit for their intended or specific purpose.

64. The Fourth Party Defendants breached their implied and/or express warranties of merchantability, workmanlike service, and/or fitness for a particular or intended purpose in the construction of the Project.

65. If the Plaintiffs', Third Party Plaintiff's and other parties' allegations against Decor, which have been denied by Decor, are true, the Fourth Party Defendants breached the applicable warranties including express warranties, implied warranties of workmanlike service and/or merchantability of fitness for a particular purpose.

66. As a direct and proximate result of the breach of warranties by the Fourth Party Defendants, Decor has become involved in litigation in which it faces liability for work done by the Fourth Party Defendants and which has caused Decor to incur costs and expenses in order to defend itself and protect its interest.

67. Decor is informed and believes that it is entitled to a judgment against the Fourth Party Defendants for any amount which Decor may be required to pay to Plaintiffs, Third Party Plaintiff, or other parties herein as a result of the Fourth Party Defendants' breach of warranties, plus any and all attorneys' fees and costs incurred by Decor in defending the

claims against Decor and arising out of the acts and activities of the Fourth Party Defendants.

FOR A FOURTH CAUSE OF ACTION
AS TO FLOORING SUBCONTRACTORS
(Indemnity – Equitable and Contractual)

68. Decor re-alleges and reiterates the above paragraphs as if fully set forth herein.

69. Decor subcontracted with the Flooring Subcontractors to complete labor and material installation for flooring and related components, as well as other miscellaneous work.

70. As a result of the alleged defective work of the Fourth Party Defendants, Decor has been sued in this litigation.

71. In the event that Plaintiffs', Third Party Plaintiff's or other parties' allegations are proved to be true, then the Fourth Party Defendants are required by a theory of equity and/or by contract to indemnify Decor for any and all liability imposed upon them as a result of this action. Said indemnification to include any and all costs and attorneys' fees associated with this action, as well as any amounts they are required to pay to the Plaintiffs.

WHEREFORE, having fully answered the Third Party Complaint and asserted a Fourth Party Complaint, this Defendant requests that the Third Party Complaint be dismissed against them, and Plaintiffs and Fourth Party Defendants be assessed with the costs and fees associated with responding to this action.

In the alternative, the Defendant request recovery from the Fourth Party Defendants as follows:

a. For an amount equal to the amount of damages that the Plaintiffs, Third Party Plaintiff and/or other parties recover against the Defendant and fees and costs incurred by the Defendant in defending this action;

b. For contribution in the amount reflecting the Fourth Party Defendants' pro-rata share of damages awarded Plaintiff or Third Party Plaintiff;

c. Such other and further relief this Court deems just and proper.

--SIGNATURE BLOCK ON FOLLOWING PAGE--

RICHARDSON PLOWDEN & ROBINSON, P.A.

By: _____

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ATTORNEYS FOR DÉCOR CORPORATION

January 29, 2016
Charleston, South Carolina

STATE OF SOUTH CAROLINA	IN THE COURT OF COMMON PLEAS
COUNTY OF BERKELEY	NINTH JUDICIAL CIRCUIT
PATRICIA DAMICO AND LENNA LUCAS, INDIVIDUALLY AND ON BEHALF OF ALL OTHERS SIMILARLY SITUATED, JOSHUA AND BRETTANY BUETOW, EDWARD AND SYLVIA DENGG, JONATHAN AND THERESA DOUGLASS, ANTHONY AND STACEY RAY, DANNY AND ELLEN DAVIS MORROW, CZARA AND CHAD ENGLAND, BRYAN AND CYNTHIA CAMARA, AND MATTHEW COLLINS, Plaintiffs, vs. LENNAR CAROLINAS, LLC, SPRING GROVE PLANTATION DEVELOPMENT, INC., MANALE LANDSCAPING, LLC, SUPER CONCRETE OF SC, INC., SOUTHERN GREEN, INC., TJB TRUCKING/LEASING, LLC, PARAGON SITEWORK CONSTRUCTORS, INC., CIVIL SITE ENVIRONMENTAL, INC., AND RICK BRYANT, Defendants.	CASE NO. 2014-CP-08-02424 **ANSWER OF ALPHA OMEGA CONSTRUCTION GROUP, INC.**
LENNAR CAROLINAS, LLC, Third Party Plaintiff, vs.	

FILED
2015 FEB 13 PM 4:17
BERKELEY C.C.P.S.C.

THE EARTHWORKS GROUP, INC., VOLKMAR CONSULTING SERVICES, LLC, GEOMETRICS CONSULTING, LLC, LAND/SITE SERVICES, INC., MYERS LANDSCAPING, INC., A.C. & A. CONCRETE, INC., KNIGHT'S CONCRETE PRODUCTS, INC., KNIGHT'S REDI-MIX, INC., COASTAL CONCRETE SOUTHEAST, LLC, COASTAL CONCRETE SOUTHEAST II, LLC, GUARANTEED FRAMING, LLC, OZZY CONSTRUCTION, LLC, CONSTRUCTION APPLICATORS CHARLESTON, LLC, LA NEW ENTERPRISES, LLC, DECOR CORPORATION, DVS, INC., RAUL MARTINEZ MASONRY, LLC, ALPHA OMEGA CONSTRUCTION GROUP, INC., SOUTH CAROLINA EXTERIORS, LLC, BUILDERS FIRSTSOURCE-SOUTHEAST GROUP, LLC, AND LOW COUNTRY RENOVATIONS AND SIDING, LLP.

Third Party Defendants.

The Defendant Alpha Omega Construction Group, Inc. ("Alpha Omega") files this Answer to the Answer, Crossclaims and Third-Party Complaint (hereinafter "Third-Party Complaint") of Lennar Carolinas, LLC ("Third-Party Plaintiff" or "Lennar"). Defendant notes that each and every allegation of this complaint not specifically admitted is denied.

1-162. Paragraphs 1 through 161 of the Third-Party Complaint do not related to Alpha Omega and require no response. To the extent any of these paragraphs in any manner may be construed as alleging any wrongdoing, improper act, breach of any duty or any liability whatsoever on the part of Alpha Omega, they are denied.

163. Alpha Omega has insufficient information to respond to the allegations contained in paragraph 163 of the Third-Party Complaint.

164. Alpha Omega has insufficient information to respond to the allegations contained in paragraph 164 of the Third-Party Complaint.

165. Alpha Omega has insufficient information to respond to the allegations contained in paragraph 165 of the Third-Party Complaint.

166. Alpha Omega has insufficient information to respond to the allegations contained in paragraph 166 of the Third-Party Complaint.

167. Alpha Omega has insufficient information to respond to the allegations contained in paragraph 167 of the Third-Party Complaint.

168. Alpha Omega has insufficient information to respond to the allegations contained in paragraph 168 of the Third-Party Complaint.

169. Alpha Omega has insufficient information to respond to the allegations contained in paragraph 169 of the Third-Party Complaint.

170. Alpha Omega has insufficient information to respond to the allegations contained in paragraph 170 of the Third-Party Complaint.

171. Alpha Omega has insufficient information to respond to the allegations contained in paragraph 171 of the Third-Party Complaint.

172. Alpha Omega has insufficient information to respond to the allegations contained in paragraph 172 of the Third-Party Complaint.

173. Alpha Omega has insufficient information to respond to the allegations contained in paragraph 173 of the Third-Party Complaint.

174. Alpha Omega has insufficient information to respond to the allegations contained in paragraph 174 of the Third-Party Complaint.

175. Alpha Omega has insufficient information to respond to the allegations contained in paragraph 175 of the Third-Party Complaint.

176. Alpha Omega has insufficient information to respond to the allegations contained in paragraph 176 of the Third-Party Complaint.

177. Alpha Omega has insufficient information to respond to the allegations contained in paragraph 177 of the Third-Party Complaint.

178. Alpha Omega has insufficient information to respond to the allegations contained in paragraph 178 of the Third-Party Complaint.

179. Alpha Omega has insufficient information to respond to the allegations contained in paragraph 179 of the Third-Party Complaint.

180. Alpha Omega has insufficient information to respond to the allegations contained in paragraph 180 of the Third-Party Complaint.

181. Alpha Omega has insufficient information to respond to the allegations contained in paragraph 181 of the Third-Party Complaint.

182. Alpha Omega has insufficient information to respond to the allegations contained in paragraph 182 of the Third-Party Complaint.

183. Alpha Omega has insufficient information to respond to the allegations contained in paragraph 183 of the Third-Party Complaint.

184. Alpha Omega has insufficient information to respond to the allegations contained in paragraph 184 of the Third-Party Complaint.

185. Alpha Omega has insufficient information to respond to the allegations contained in paragraph 185 of the Third-Party Complaint.

186. Alpha Omega has insufficient information to respond to the allegations contained in paragraph 186 of the Third-Party Complaint.

187. Alpha Omega has insufficient information to respond to the allegations contained in paragraph 187 of the Third-Party Complaint.

188. Alpha Omega has insufficient information to respond to the allegations contained in paragraph 188 of the Third-Party Complaint.

189. Alpha Omega has insufficient information to respond to the allegations contained in paragraph 189 of the Third-Party Complaint.

190. Alpha Omega has insufficient information to respond to the allegations contained in paragraph 190 of the Third-Party Complaint.

191. Alpha Omega has insufficient information to respond to the allegations contained in paragraph 191 of the Third-Party Complaint.

192. Alpha Omega has insufficient information to respond to the allegations contained in paragraph 192 of the Third-Party Complaint.

193. Alpha Omega has insufficient information to respond to the allegations contained in paragraph 193 of the Third-Party Complaint.

194. Alpha Omega has insufficient information to respond to the allegations contained in paragraph 194 of the Third-Party Complaint.

195. Alpha Omega has insufficient information to respond to the allegations contained in paragraph 195 of the Third-Party Complaint.

196. Alpha Omega has insufficient information to respond to the allegations contained in paragraph 196 of the Third-Party Complaint.

197. Alpha Omega has insufficient information to respond to the allegations contained in paragraph 197 of the Third-Party Complaint.

198. Alpha Omega has insufficient information to respond to the allegations contained in paragraph 198 of the Third-Party Complaint.

199. Alpha Omega has insufficient information to respond to the allegations contained in paragraph 199 of the Third-Party Complaint.

200. Alpha Omega has insufficient information to respond to the allegations contained in paragraph 200 of the Third-Party Complaint.

201. Alpha Omega has insufficient information to respond to the allegations contained in paragraph 201 of the Third-Party Complaint.

202. Alpha Omega has insufficient information to respond to the allegations contained in paragraph 202 of the Third-Party Complaint.

203. Alpha Omega has insufficient information to respond to the allegations contained in paragraph 203 of the Third-Party Complaint.

204. Alpha Omega has insufficient information to respond to the allegations contained in paragraph 204 of the Third-Party Complaint.

205. Alpha Omega has insufficient information to respond to the allegations contained in paragraph 205 of the Third-Party Complaint.

206. Alpha Omega has insufficient information to respond to the allegations contained in paragraph 206 of the Third-Party Complaint.

207. Alpha Omega has insufficient information to respond to the allegations contained in paragraph 207 of the Third-Party Complaint.

208. Alpha Omega has insufficient information to respond to the allegations contained in paragraph 208 of the Third-Party Complaint.

209. Alpha Omega has insufficient information to respond to the allegations contained in paragraph 209 of the Third-Party Complaint.

210. Alpha Omega admits the allegations of paragraph 210 of the Third-Party Complaint.

211. Alpha Omega craves reference to any written agreements or documents which establish the work, services or materials it provided as a response to the allegations contained in paragraph 211 of the Third-Party Complaint and denies any allegation inconsistent therewith.

212. Alpha Omega has insufficient information to respond to the allegations contained in paragraph 212 of the Third-Party Complaint.

213. Alpha Omega has insufficient information to respond to the allegations contained in paragraph 213 of the Third-Party Complaint.

214. Alpha Omega has insufficient information to respond to the allegations contained in paragraph 214 of the Third-Party Complaint.

215. Alpha Omega has insufficient information to respond to the allegations contained in paragraph 215 of the Third-Party Complaint.

216. Alpha Omega has insufficient information to respond to the allegations contained in paragraph 216 of the Third-Party Complaint.

217. Alpha Omega has insufficient information to respond to the allegations contained in paragraph 217 of the Third-Party Complaint.

AS TO THE FIRST CROSSCLAIM OR THIRD-PARTY CLAIM AGAINST SPRING GROVE AND SUBCONTRACTOR AND SUPPLIER DEFENDANTS (Indemnity)

218. Responding to paragraph 218 of the Third-Party Complaint, Alpha Omega repeats and realleges each and every answer to the Third-Party Complaint as if fully set forth herein verbatim.

219. Alpha Omega craves reference to the document referenced in paragraph 219 of the Amended Third-Party Complaint and denies any allegation that its actions were in any manner improper.

220. Alpha Omega craves reference to the document referenced in paragraph 220 of the Amended Third-Party Complaint.

221. Alpha Omega has insufficient information to respond to the allegations contained in paragraph 221 of the Third-Party Complaint and therefore denies the same. Alpha Omega notes, however, Plaintiffs have brought no claims against it in this matter.

222. Paragraph 222 of the Third-Party Complaint states a conclusion of law which the Alpha Omega is neither required to admit nor deny. Notwithstanding, Alpha Omega denies these allegations.

223. Paragraph 223 of the Third-Party Complaint states a conclusion of law which the Alpha Omega is neither required to admit nor deny. Notwithstanding, Alpha Omega denies these allegations.

224. Paragraph 224 of the Third-Party Complaint states a conclusion of law which the Alpha Omega is neither required to admit nor deny. Notwithstanding, Alpha Omega denies these allegations.

225. Paragraph 225 of the Third-Party Complaint states a conclusion of law which the Alpha Omega is neither required to admit nor deny. Notwithstanding, Alpha Omega denies these allegations.

226. Paragraph 226 of the Third-Party Complaint states a conclusion of law which the Alpha Omega is neither required to admit nor deny. Notwithstanding, Alpha Omega denies these allegations.

227. Paragraph 227 of the Third-Party Complaint states a conclusion of law which the Alpha Omega is neither required to admit nor deny. Notwithstanding, Alpha Omega denies these allegations.

228. Paragraph 228 of the Third-Party Complaint states a conclusion of law which the Alpha Omega is neither required to admit nor deny. Notwithstanding, Alpha Omega denies these allegations.

AS TO THE SECOND CROSSCLAIM OR THIRD-PARTY CLAIM AGAINST SPRING GROVE AND SUBCONTRACTOR AND SUPPLIER DEFENDANTS (Negligence/Gross Negligence)

229. Responding to paragraph 229 of the Third-Party Complaint, Alpha Omega repeats and realleges each and every answer to the Third-Party Complaint as if fully set forth herein verbatim.

230. Alpha Omega has insufficient information to respond to the allegations contained in paragraph 230 of the Third-Party Complaint and therefore denies the same.

231. Alpha Omega craves reference to the document referenced in paragraph 231 of the Amended Third-Party Complaint.

232. Alpha Omega denies the allegations contained in paragraph 232 of the Third-Party Complaint as related to it.

233. Alpha Omega has insufficient information to respond to the allegations contained in paragraph 233 of the Third-Party Complaint and therefore denies the same.

234. Paragraph 234 of the Third-Party Complaint states a conclusion of law which the Alpha Omega is neither required to admit nor deny. Notwithstanding, Alpha Omega denies these allegations.

235. Paragraph 235 of the Amended Third-Party Complaint states a conclusion of law which the Alpha Omega is neither required to admit nor deny. Notwithstanding, Alpha Omega denies these allegations.

AS TO THE THIRD CROSSCLAIM OR THIRD-PARTY CLAIM AGAINST SPRING GROVE AND SUBCONTRACTOR AND SUPPLIER DEFENDANTS (Breach of Warranty)

236. Responding to paragraph 236 of the Amended Third-Party Complaint, Alpha Omega repeats and realleges each and every answer to the Amended Third-Party Complaint as if fully set forth herein verbatim.

237. Alpha Omega denies the allegations contained in paragraph 237 of the Third-Party Complaint as related to it.

238. Alpha Omega craves reference to the document referenced in paragraph 238 of the Amended Third-Party Complaint.

239. Alpha Omega craves reference to the document referenced in paragraph 239 of the Amended Third-Party Complaint.

240. Paragraph 240 of the Third-Party Complaint states a conclusion of law which the Alpha Omega is neither required to admit nor deny. Notwithstanding, Alpha Omega denies these allegations as related to it.

241. Alpha Omega has insufficient information to respond to the allegations contained in paragraph 241 of the Third-Party Complaint and therefore denies the same.

242. Paragraph 242 of the Amended Third-Party Complaint states a conclusion of law which the Alpha Omega is neither required to admit nor deny. Notwithstanding, Alpha Omega denies these allegations.

AS TO THE FOURTH CROSSCLAIM OR THIRD-PARTY CLAIM AGAINST SPRING GROVE
(Breach of Contract)

243-268. Paragraphs 243 through 268 of the Third-Party Complaint do not related to Alpha Omega and require no response. To the extent any of these paragraphs in any manner may be construed as alleging any wrongdoing, improper act, breach of any duty or any liability whatsoever on the part of Alpha Omega, they are denied.

AS TO THE FIFTH CROSSCLAIM OR THIRD-PARTY CLAIM AGAINST SUBCONTRACTOR AND SUPPLIER DEFENDANTS
(Breach of Contract)

269. Responding to paragraph 269 of the Amended Third-Party Complaint, Alpha Omega repeats and realleges each and every answer to the Amended Third-Party Complaint as if fully set forth herein verbatim.

270. Alpha Omega denies the allegations contained in paragraph 270 of the Third-Party Complaint as written.

271. Alpha Omega denies the allegations contained in paragraph 271 of the Third-Party Complaint as written and craves reference to the terms and conditions of any contract Alpha Omega allegedly entered.

272. Alpha Omega denies the allegations contained in paragraph 272 of the Third-Party Complaint as written and craves reference to the terms and conditions of any contract Alpha Omega allegedly entered.

273. Paragraph 273 of the Third-Party Complaint states a conclusion of law which the Alpha Omega is neither required to admit nor deny. Notwithstanding, Alpha Omega denies these allegations.

274. Paragraph 274 of the Third-Party Complaint states a conclusion of law which the Alpha Omega is neither required to admit nor deny. Notwithstanding, Alpha Omega denies these allegations.

275. Alpha Omega has insufficient information to respond to the allegations contained in paragraph 275 of the Third-Party Complaint and therefore denies the same.

276. Paragraph 276 of the Amended Third-Party Complaint states a conclusion of law which the Alpha Omega is neither required to admit nor deny. Notwithstanding, Alpha Omega denies these allegations.

277. Alpha Omega denies the allegations contained in paragraph 277 of the Third-Party Complaint as written and craves reference to the terms and conditions of any contract Alpha Omega allegedly entered.

278. Paragraph 278 of the Amended Third-Party Complaint states a conclusion of law which the Alpha Omega is neither required to admit nor deny. Notwithstanding, Alpha Omega denies these allegations.

279. Paragraph 279 of the Third-Party Complaint states a conclusion of law which the Alpha Omega is neither required to admit nor deny. Notwithstanding, Alpha Omega denies these allegations.

280. Paragraph 280 of the Third-Party Complaint states a conclusion of law which the Alpha Omega is neither required to admit nor deny. Notwithstanding, Alpha Omega denies these allegations.

AS TO THE SIXTH CROSSCLAIM OR THIRD-PARTY CLAIM AGAINST BUILDS FIRSTSOURCE
(Strict Liability/Products Liability)

281-286. Paragraphs 281 through 286 of the Third-Party Complaint do not related to Alpha Omega and require no response. To the extent any of these paragraphs in any manner may be construed as alleging any wrongdoing, improper act, breach of any duty or any liability whatsoever on the part of Alpha Omega, they are denied.

AS TO THE SEVENTH CROSSCLAIM OR THIRD-PARTY CLAIM AGAINST DESIGN AND ENGINEER DEFENDANTS
(Indemnity)

287-304. Paragraphs 287 through 304 of the Third-Party Complaint do not related to Alpha Omega and require no response. To the extent any of these paragraphs in any manner may be construed as alleging any wrongdoing, improper act, breach of any duty or any liability whatsoever on the part of Alpha Omega, they are denied.

AS TO THE EIGHT CROSSCLAIM OR THIRD-PARTY CLAIM AGAINST DESIGN AND ENGINEER DEFENDANTS
(Negligence)

305-313. Paragraphs 305 through 313 of the Third-Party Complaint do not related to Alpha Omega and require no response. To the extent any of these paragraphs in any manner may be construed as alleging any wrongdoing, improper act, breach of any duty or any liability whatsoever on the part of Alpha Omega, they are denied.

AS TO THE NINTH CROSSCLAIM OR THIRD-PARTY CLAIM AGAINST DESIGN AND ENGINEER DEFENDANTS
(Breach of Warranties)

314-320. Paragraphs 314 through 320 of the Third-Party Complaint do not related to Alpha Omega and require no response. To the extent any of these paragraphs in any manner may be construed as alleging any wrongdoing, improper act, breach of any duty or any liability whatsoever on the part of Alpha Omega, they are denied.

AS TO THE TENTH CROSSCLAIM OR THIRD-PARTY CLAIM AGAINST DESIGN AND ENGINEER DEFENDANTS
(Breach of Contract)

321-329. Paragraphs 321 through 329 of the Third-Party Complaint do not related to Alpha Omega and require no response. To the extent any of these paragraphs in any manner may be construed as alleging any wrongdoing, improper act, breach of any duty or any liability whatsoever on the part of Alpha Omega, they are denied.

AS TO THE ELEVENTH CROSSCLAIM OR THIRD-PARTY CLAIM AGAINST DESIGN AND ENGINEER DEFENDANTS
(Non-Delegable Duty/Vicarious Liability)

330-333. Paragraphs 330-333 through 329 of the Third-Party Complaint do not related to Alpha Omega and require no response. To the extent any of these paragraphs in any manner may be construed as alleging any wrongdoing, improper act, breach of any duty or any liability whatsoever on the part of Alpha Omega, they are denied.

RESPONDING TO THIRD–PARTY PLAINTIFF'S AD DAMNUM AND/OR PRAYER FOR RELIEF

334. Alpha Omega denies that Third-Party Plaintiff is entitled to recovery as prayed for in Third-Party Plaintiff's *Ad Damnum* Clause and/or Prayer for Relief.

FURTHER ANSWERING AND FOR
A FURTHER AND AFFIRMATIVE DEFENSE
(Failure to State a Claim)

335. Third-Party Plaintiff has failed to state facts sufficient to constitute a cause of action against Alpha Omega and the Third-Party Complaint should be dismissed pursuant to Rule 12(b)(6), *SCRCP*.

FURTHER ANSWERING AND FOR
A FURTHER AND AFFIRMATIVE DEFENSE
(Statute of Limitations)

336. The Third-Party Complaint is barred by the South Carolina statute of limitations.

FURTHER ANSWERING AND FOR
A FURTHER AND AFFIRMATIVE DEFENSE
(Statue of Repose)

337. The Third-Party Complaint is barred by the South Carolina statute of repose.

FURTHER ANSWERING AND FOR
A FURTHER AND AFFIRMATIVE DEFENSE
(Failure to Mitigate)

338. The Third-Party Complaint is barred by Third-Party Plaintiff's failure to mitigate its damages.

FURTHER ANSWERING AND FOR
A FURTHER AND AFFIRMATIVE DEFENSE
(Waiver, Estoppel, Laches)

339. The Third-Party Complaint is barred by the doctrines of waiver, estoppel, and/or laches.

FURTHER ANSWERING AND FOR
A FURTHER AND AFFIRMATIVE DEFENSE
(Intervening Acts of Third Parties)

340. Third-Party Plaintiff's damages, if any, are the direct and proximate result of intervening and superseding acts of third parties not affiliated with Alpha Omega and not under its domain or control.

FURTHER ANSWERING AND FOR
A FURTHER AND AFFIRMATIVE DEFENSE
(Contributory/Comparative Negligence)

341. Any damage suffered by Third-Party Plaintiff, which damages are denied, is the direct and proximate result of its own comparative and contributory negligence, and its recover should be barred or, alternatively, reduced in proportion to the same degree as to Third-Party Plaintiff's comparative negligence.

FURTHER ANSWERING AND FOR
A FURTHER AND AFFIRMATIVE DEFENSE
(Lack of Proximate Cause)

342. Any damages sustained by the Third-Party Plaintiff, which damages are denied, were proximately caused and occasioned by the acts and omissions of Third-Party Plaintiff or others, said acts and omissions being the sole cause of Third-Party Plaintiff's alleged damages. Alpha Omega pleads the intervening acts and omissions of Third-Party Plaintiff or others as a complete bar to this action.

FURTHER ANSWERING AND FOR
A FURTHER AND AFFIRMATIVE DEFENSE
(Acceptance)

343. If Alpha Omega performed any work for Third-Party Plaintiff, then Third-Party Plaintiff accepted the work of Alpha Omega after inspecting it and are now barred from asserting claims based upon that work.

FURTHER ANSWERING AND FOR
A FURTHER AND AFFIRMATIVE DEFENSE
(Certification of Occupancy)

344. Alpha Omega affirmatively asserts that the property at issue was designed, constructed and certified for occupancy in conformity with the then applicable and prevailing industry, construction and governmental standards, regulations and/or statutory requirements.

FURTHER ANSWERING AND FOR
A FURTHER AND AFFIRMATIVE DEFENSE
(Comparative Negligence)

345. Any damages suffered by the Third-Party Plaintiff, which damages are denied, were proximately caused in whole or in part by the Third-Party Plaintiff's conduct and any award of damages should be reduced by the degree of Third-Party Plaintiff's negligence and, if Third-Party Plaintiff is deemed to be more than 50% responsible for its injuries, Third-Party Plaintiff's claim should be barred in its entirety.

FURTHER ANSWERING AND FOR
A FURTHER AND AFFIRMATIVE DEFENSE
(Negligent Acts and Omissions of Others)

346. Third-Party Plaintiffs' claims, if any, are the result of negligent acts and omissions of other entities or persons over whom Alpha Omega had no control, barring Third-Party Plaintiff's claims against Alpha Omega.

FURTHER ANSWERING AND FOR
A FURTHER AND AFFIRMATIVE DEFENSE
(Failure to Join Parties)

347. Third-Party Plaintiff's Third-Party Complaint is barred by Third-Party Plaintiff's failure to join as a party to this action a party or parties in whose absence complete relief cannot be accorded among those already parties, thereby subjecting these Third-Party Defendants

(including Alpha Omega) to a substantial risk of incurring double, multiple or otherwise inconsistent obligations.

FURTHER ANSWERING AND FOR A FURTHER AND AFFIRMATIVE DEFENSE (Spoliation of Evidence)

348. Third-Party Plaintiff's claims may be barred by the doctrine of spoliation of evidence.

FURTHER ANSWERING AND FOR A FURTHER AND AFFIRMATIVE DEFENSE (Disclaimer of Warranty)

349. On information and belief, any warranties allegedly provided by Alpha Omega have been disclaimed, modified, and/or excluded.

FURTHER ANSWERING AND FOR A FURTHER AND AFFIRMATIVE DEFENSE (Expiration of Warranty)

350. Third-Party Plaintiff voided any warranties, either express or implied, and Third-Party Plaintiff's warranty claim should therefore be dismissed.

FURTHER ANSWERING AND FOR A FURTHER AND AFFIRMATIVE DEFENSE (No Warranty)

351. Alpha Omega would allege and show that it made no warranties of any kind, express or implied, or any representations of any nature to Third-Party Plaintiff, and such constitutes a complete defense.

FURTHER ANSWERING AND FOR
A FURTHER AND AFFIRMATIVE DEFENSE
(No Reliance on Warranties)

352. If the Alpha Omega made any warranties to Third-Party Plaintiff, which is denied, Third-Party Plaintiff's claims for breach of warranties are barred because Third-Party Plaintiff did not rely on any warranties allegedly made by Alpha Omega.

FURTHER ANSWERING AND FOR
A FURTHER AND AFFIRMATIVE DEFENSE
(Failure to Maintain)

353. Upon information and belief, Third-Party Plaintiff failed to properly maintain the property in question.

FURTHER ANSWERING AND FOR
A FURTHER AND AFFIRMATIVE DEFENSE
(Lack of Notice)

354. Third-Party Plaintiff failed to give Alpha Omega notice of alleged breach of warranty within a reasonable time after discovering same, and its claims are barred by operation of law including but not limited to § 36-2-607 of the South Carolina Code of Laws.

FURTHER ANSWERING AND FOR
A FURTHER AND AFFIRMATIVE DEFENSE
(Plans and Specifications)

355. If Alpha Omega performed any work for Third-Party Plaintiff, then Alpha Omega performed the work in accordance with the plans and specifications furnished and warrantied by the general contractor, owner/developer and architect, thereby discharging any duties, contractual or otherwise, that Alpha Omega allegedly may have or have had to Third-Party Plaintiff or to any other person or entity. Accordingly, Third-Party Plaintiff may not maintain this action or recover damages from Alpha Omega.

FURTHER ANSWERING AND FOR
A FURTHER AND AFFIRMATIVE DEFENSE
(Set-Off)

356. If Alpha Omega is unable to avail itself of its other defenses, then in the alternative, Alpha Omega is entitled to the set-off provided § 42-1-580, Code of Laws of South Carolina, 1976, as amended.

FURTHER ANSWERING AND FOR
A FURTHER AND AFFIRMATIVE DEFENSE
(Unconstitutionality of Punitive Damages)

357. To the extent the Third-Party Complaint includes a claim for punitive damages, Third-Party Plaintiff's claims for punitive damages violate the Fifth, Sixth, Seventh, and Fourteenth Amendments of the Constitution of the United States and Article I of the Constitution of the State of South Carolina in the following particulars:

a. The Third-Party Plaintiff's claims for punitive damages violate the Fifth Amendment of the Constitution of the United States and Article I of the Constitution of the State of South Carolina for the following reasons:

   i) The double-jeopardy clause is violated because multiple awards of punitive damages can be imposed upon the Third-Party Defendants for the same act or omission, and because an award of punitive damages can be imposed upon the Third-Party Defendants, even though the Third-Party Defendants were convicted or acquitted of a factually related defense in an underlying criminal proceeding; and

   ii) The self-incrimination clause is violated because Third-Party Defendants can be compelled to give testimony against them;

b. The Third-Party Plaintiff's claim for punitive damages violates the Sixth and Fourteenth Amendments Fifth Amendment of the Constitution of the United States and Article I of the Constitution of the State of South Carolina because such damages may be imposed according to the lesser standard of proof applicable in civil cases, whereas punitive damages are a fine or penalty and are quasi-criminal in nature and, as such require the "beyond the reasonable doubt" standard of proof;

c. The Third-Party Plaintiff's claim for punitive damages violates the Third-Party Defendants' rights to access to the courts guaranteed by the Seventh and

Fourteenth Amendments because the threat of an award of unlimited punitive damages chills the Third-Party Defendants' exercise of that right;

d. The Third-Party Plaintiff's claims for punitive damages violate the due process and equal protection clauses of the Fourteenth Amendment of the Constitution of the United States and Article I of the Constitution of the State of South Carolina for the following reasons:

i) The standard or test for determining the requisite mental state of Third-Party Defendants for imposition of punitive damages is void for vagueness;

ii) Insofar as punitive damages are not measured against actual injury to the Third-Party Plaintiff and are left up to the discretion of the jury, there is no objective standard that limits the amount of such damages that may be awarded, and the amount of punitive damages that may be awarded is indeterminate at the time of Third-Party Defendants' alleged egregious conduct;

iii) In cases involving more than one Third-Party Defendant, the evidence of the net worth of each is admissible, and the jury is permitted to award punitive damages in differing amounts based upon the affluence of a given Third-Party Defendant;

iv) The tests or standards for the imposition of punitive damages differ from state to state, such that a specific act or omission of a given Third-Party Defendant may or may not result in the imposition of punitive damages, or may result in differing amounts of punitive damages, depending upon the state in which the suit is filed, such that the Third-Party Defendant is denied equal protection of law; and

v) Punitive damages may be imposed without a requisite showing of hatred, spite, ill will or wrongful motive.

FURTHER ANSWERING AND FOR A FURTHER AND AFFIRMATIVE DEFENSE (Non-Economic Damages)

358. To the extent applicable, Alpha Omega pleads S.C. Code Ann. §§ 15-32-520 and -530.

FURTHER ANSWERING AND FOR
A FURTHER AND AFFIRMATIVE DEFENSE
(Limited to Contractual Remedies)

359. If Alpha Omega performed work for Third-Party Plaintiff pursuant to a contract, then Third-Party Plaintiff's exclusive remedies, if any, are limited to its contractual cause of action and any applicable contractual remedies.

FURTHER ANSWERING AND FOR
A FURTHER AND AFFIRMATIVE DEFENSE
(Economic Loss Rules)

360. Alpha Omega would alleged and show that Third-Party Plaintiff's claims are barred by the economic loss rule.

FURTHER ANSWERING AND FOR
A FURTHER AND AFFIRMATIVE DEFENSE
(Unclean Hands)

361. Any equitable claims against Alpha Omega fail because Third-Party Plaintiff has unclean hands.

FURTHER ANSWERING AND FOR
A FURTHER AND AFFIRMATIVE DEFENSE
(Jones v. Gilstrap)

362. Third-Party Plaintiff failed to plead a cause of action for breach of contract in conformity with Jones v. Gilstrap.

FURTHER ANSWERING AND FOR
A FURTHER AND AFFIRMATIVE DEFENSE
(Failure to Provide Contract)

363. To the extent Third-Party Plaintiff alleges contractual causes of action, it failed to attach or cite relevant contractual provisions, thus barring such claims as a matter of law.

FURTHER ANSWERING AND FOR
A FURTHER AND AFFIRMATIVE DEFENSE
(Lack of Relationship)

364. There does not exist a relationship between Third-Party Plaintiff and Alpha Omega sufficient to support a claim for indemnity between them and such constitutes a complete defense for the claim for indemnity.

FURTHER ANSWERING AND FOR
A FURTHER AND AFFIRMATIVE DEFENSE
(Lack of Privity)

365. Third-Party Plaintiff's claims are barred due to the lack of privity between it and Alpha Omega.

FURTHER ANSWERING AND FOR
A FURTHER AND AFFIRMATIVE DEFENSE
(Indemnity Not Allowed Between Joint Tortfeasors)

366. Third-Party Plaintiff was negligent, grossly negligent, willful, wanton, and reckless in the particulars set forth in the Plaintiffs' Complaint, and the damages sustained by the Plaintiffs, if any, were due to and caused by and were the direct and proximate result of the negligence, gross negligence, recklessness, willfulness, and wantonness of Third-Party Plaintiff, combining and concurring with the alleged negligence of Alpha Omega (the existence of which is expressly denied), and therefore Third-Party Plaintiff is at best a joint tortfeasors, and such constitutes a complete defense to any claim for indemnity.

FURTHER ANSWERING AND FOR
A FURTHER AND AFFIRMATIVE DEFENSE
(Inconsistent Causes of Action)

367. Third-Party Plaintiff seeks inconsistent relief for inconsistent causes of action.

FURTHER ANSWERING AND FOR
A FURTHER AND AFFIRMATIVE DEFENSE
(Improper Use, Abuse, and Lack of Proper Maintenance)

368. Defendant will show that the damages, if any, were, upon information and belief, caused by the improper use, abuse or lack of proper maintenance of the structures.

FURTHER ANSWERING AND FOR
A FURTHER AND AFFIRMATIVE DEFENSE
(Reliance Upon Other Defendants' Defenses)

369. Further answering the Third-Party Complaint, Alpha Omega hereby incorporates by reference, as if fully set forth herein, and reserves its right to rely upon, any and all defenses, affirmative and otherwise, raised, pleaded, or otherwise asserted by any and all other defendants and third-party defendants to this action, to the extent that such defenses are not inconsistent with Alpha Omega's position.

FURTHER ANSWERING AND FOR
A FURTHER AND AFFIRMATIVE DEFENSE
(Reliance on Additional Defenses)

370. Alpha Omega hereby gives notice that it intends to rely upon such other affirmative defenses and specifically does not waive any and all defenses as may become available or apparent during the course of discovery, and thus reserves the right to amend its Answer to assert any such defenses. To the extent the court determines any of Lennar's claims are as stated and not equitable indemnity claims disguised as such, Alpha Omega demands a jury trial on all claims to which it is entitled to a jury trial.

WHEREFORE, having fully set forth its Answer to the Third-Party Complaint, Alpha Omega would pray that the Third-Party Complaint be dismissed, for the costs of this action, and for such other and further relief as this Court may deem just and proper.

[Signature on following page.]

YOUNG CLEMENT RIVERS, LLP

By: Stephen L. Brown

Stephen L. Brown
Catherine H. Chase
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Attorneys for Alpha Omega Construction Group, Inc.

Charleston, South Carolina

Dated: January 13, 2016

CERTIFICATE OF MAILING

I hereby certify that a copy of the foregoing pleading was mailed to all counsel of record in this proceeding this 13th day of January, 2016.

Kathie B. [illegible]

JAN 13 PM 4:18
BERKELEY COUNTY, S.C.

YCRLAW
Young Clement Rivers, LLP
CELEBRATING 50 YEARS OF LEGAL SERVICE
50 YEARS

Kathleen B. Barnes
Secretary
Direct Dial: (843) 720-5488
Direct Fax: (843) 579-1369
E-mail: kbarnes@ycrlaw.com

January 13, 2016

VIA HAND DELIVERY
The Honorable Mary P. Brown
Berkeley County Clerk of Court
P.O. Box 219
Moncks Corner, SC 29461-0219

Re: Patricia Damico and Lenna Lucas, individually and on behalf of all others similarly situated, Joshua and Brettany Buetow, Edward and Sylvia Dengg, Jonathan and Theresa Douglass, Anthony and Stacey Ray, Danny and Ellen Davis Morrow, Czara and Chad England, Bryan and Cynthia Camara, and Matthew Collins v. Lennar Carolinas, LLC, et al.
Case No.: 2014-CP-08-02424
YCR File: 10857-20160042

Dear Ms. Brown:

Attached please find the original and one copy of the Answer of Alpha Omega Construction Group, Inc. Please file the original and return a court-stamped copy to the bearer of this letter.

By copy of this to all counsel of record, I am serving them with a copy of the same.

With best wishes and kindest regards, I am

Sincerely,

YOUNG CLEMENT RIVERS, LLP

Kathleen B. Barnes
Secretary

KBB
Enclosures
Cc: All Counsel of Record (via US Mail and email)

STATE OF SOUTH CAROLINA	)	THE COURT OF COMMON PLEAS
	)	
COUNTY OF BERKELEY	)	DOCKET NO. 2014-CP-08-2424
	)	
	)	
	)	
PATRICIA DAMICO, et al	)	
	)	
Plaintiffs	)	
	)	
vs.	)	
	)	
LENNAR CAROLINAS, LLC et al	)	
	)	
Defendants	)	
	)	
	)	
	)	
	)	TRANSCRIPT OF RECORD

April 11, 2016
Moncks Corner, S. Carolina

B E F O R E:

THE HONORABLE J. C. NICHOLSON, JUDGE

A P P E A R A N C E S:

JOHN C. HAYES, IV, ESQ.
MICHAEL JORDON, ESQ.
Attorneys for plaintiffs

FREDERICK ELLIOTTE QUINN, IV, ESQ.
Attorney for the defendant

TRIPPETT BOINEAU, III, ESQ.
Attorney for Spring Grove

CHIP EMGE, JR., ESQ.
Attorney for Civil Site Environmental

JOYCE C. RUEGER, CVR-M
Circuit Court Reporter

STATE OF SOUTH CAROLINA	)	THE COURT OF COMMON PLEAS
	)	
COUNTY OF BERKELEY	)	DOCKET NO. 2014-CP-08-2424
	)	
	)	
	)	
PATRICIA DAMICO, et al	)	
	)	
Plaintiffs	)	
	)	
vs.	)	
	)	
LENNAR CAROLINAS, LLC et al	)	
	)	
Defendants	)	
	)	
	)	
	)	
	)	TRANSCRIPT OF RECORD

April 11, 2016
Moncks Corner, S. Carolina

B E F O R E:

THE HONORABLE J. C. NICHOLSON, JUDGE

A P P E A R A N C E S: (continued)

CATHERINE CHASE, ESQ.
Attorney for Alpha Omega Construction Group

MICHAEL WRIGHT, ESQ.
Attorney for Super Concrete of S.C.

CHRISTIE VARNADO, ESQ.
Attorney for Guaranteed Framing

ELIZABETH BLACKWELL, ESQ.
Attorney for Construction Applicators of Charleston, LLC

JOYCE C. RUEGER, CVR-M
Circuit Court Reporter

STATE OF SOUTH CAROLINA	)	THE COURT OF COMMON PLEAS
	)	
COUNTY OF BERKELEY	)	DOCKET NO. 2014-CP-08-2424
	)	
	)	
	)	
PATRICIA DAMICO, et al	)	
	)	
Plaintiffs	)	
	)	
vs.	)	
	)	
LENNAR CAROLINAS, LLC et al	)	
	)	
Defendants	)	
	)	
	)	
	)	
	)	TRANSCRIPT OF RECORD

April 11, 2016
Moncks Corner, S. Carolina

B E F O R E:

THE HONORABLE J. C. NICHOLSON, JUDGE

A P P E A R A N C E S: (continued)

RONALD TATE, ESQ.
Attorney for Volkmar Consulting

KATIE MIERS, ESQ.
Attorney for A.C. & A Concrete

JENNY HONEYCUTT, ESQ.
Attorney for S.C. Exteriors

JOYCE C. RUEGER, CVR-M
Circuit Court Reporter

INDEX TO PROCEEDINGS

	PAGE
PROCEEDINGS	5
MOTION TO COMPEL ARBITRATION	
Remarks by Mr. Hayes	5
Remarks by Mr. Quinn	7
Reply by Mr. Hayes	20
Remarks by Mr. Boineau	29
Remarks by Mr. Emge	31
Remarks by Ms. Chase	32
Remarks by Mr. Wright	33
Remarks by Ms. Varnado	35
Remarks by Ms. Blackwell	37
Remarks by Mr. Tate	38
Remarks by Ms. Miars	39
Remarks by Ms. Honeycutt	40
Reply by Mr. Quinn	43
Response by Mr. Hayes	52
CERTIFICATE OF THE COURT REPORTER	56

INDEX TO EXHIBITS

No exhibits were introduced

PROCEEDINGS

THE COURT: Damico v Lennar Carolinas. This is a motion to compel arbitration I believe?

MR. HAYES: That's correct, Your Honor.

THE COURT: It's just five after 1:00. I guess we'll give them a few more minutes. What is the basis for wanting it? Is it in a contract or what is -- brief me a little bit about the background while we're waiting on him; not your position but the background.

THE COURT REPORTER: Could we start with your name?

MR. HAYES: I'm sorry; I'm John Hayes for the plaintiffs along with Michael Jordan here for the plaintiffs. This is a subdivision case in a place called the Abbey, which is a portion of a subdivision called Spring Grove. It's right down the road from here. They are having multiple defect issues as least that we allege, multiple defect issues such as all the backyards flood and they never dry out.

They have foundation cracks and huge cracks. I sent the court some photos. They have huge cracks in their homes which cause structural problems. Some of them are going to have to move out. It's just not a very nice place to live right now unfortunately, Your Honor. And we have filed this on behalf of some individuals and as a proposed class.

THE COURT: But the class hasn't been certified right?

MR. HAYES: No sir, Your Honor. The class has not been certified.

THE COURT: Where does the arbitration issue come in?

MR. HAYES: There is arbitration in the purchase and sale agreement on the first page but it doesn't -- it's not underlined as required by South Carolina statute so it does not comply with the South Carolina statute. It's in there and then there is another provision that is in the deed but of course my client never signed the deed nor was he even given the deed until after the purchase of the home. And then one other place they put it in was in this warranty that they get on a C.D. Our reasons are -- well, you tell me how far you want me to go with it.

THE COURT: That's far enough. Whose motion is it; I'm sorry?

MR. HAYES: It's Lennar's. And they've also got a motion not only against my clients but against I don't know six or seven defendants. I'll let them add it. As far as I know they all oppose it too but I'll let them speak for themselves.

THE COURT: Who is the lawyer?

MR. HAYES: Jim McGee and Elliotte Quinn.

THE COURT: I'm trying to find them on this long list.

[Whereupon, the court reviews documents]

THE COURT: Well, I guess we -- I'm just going to move to the next one ---

MR. QUINN: --- Your Honor, I'm sorry. I ran into traffic on the way; I apologize. Elliotte Quinn for Lennar, the movant.

THE COURT: Okay. It's your motion?

MR. QUINN: Yes, sir.

THE COURT: I'll be glad to hear you.

MR. QUINN: Your Honor, this is a construction defect case related to a neighborhood here in Berkeley County in Moncks Corner, 69 single family homes, and Lennar served basically as the general contractor, the builder in the neighborhood. And we're just moving to compel arbitration for all of the plaintiffs as well as defendants and third party defendants ---

THE COURT: --- are they the general contractor?

MR. QUINN: Yes sir, Your Honor.

THE COURT: Developer and contractor?

MR. QUINN: There are some distinctions in terms of developer. There is another entity Spring Grove Plantation development that actually originally owned the land and developed the neighborhood. Lennar purchased

the finished lots from Spring Grove.

THE COURT: Purchased what?

MR. QUINN: The finished lots and then built homes on ---

THE COURT: --- they bought all 69 lots?

MR. QUINN: Yes, Your Honor, all 69.

THE COURT: And he built on all 69 of them?

MR. QUINN: That's correct.

THE COURT: Okay. Go ahead.

MR. QUINN: So Your Honor, moving to compel essentially all of the parties. There are four applicable arbitration agreements here. Primary would be the purchase and sale agreement with all the plaintiffs. It has its own arbitration provision. There is also a limited warranty that Lennar provides to homeowners. It has an arbitration provision. There are restrictive covenants for the neighborhood that also has an arbitration provision and then all of the deeds transferring the lots to the owners also have arbitration provisions. So we're moving to compel arbitration under all of those.

Having received plaintiff's opposition my understanding is that opposes it on two grounds. The first would be opposes it on the basis that it doesn't comply with the South Carolina Uniform Arbitration Act.

Your Honor, I would submit that the FAA very clearly applies. The contract, the purchase and sale agreement as well as the limited warranty specify that the FAA apply and U.S. Supreme Court and South Carolina Supreme Court precedent if the contract says that that's the governing law it's the governing law. So I think we can pretty easily dispense with the FAA issue unless you have questions there.

The second challenge plaintiffs have are as to unconscionability. And Your Honor plaintiffs want to compare the arbitration agreement in the limited warranty deed to the recent D.R. Horton decision. But as an initial matter plaintiffs don't challenge as unconscionable the arbitration agreement in the purchase and sale agreement or in the restrictive covenants or in the deed. So that in itself is sufficient to go ahead and compel arbitration. They only challenge one of the four.

But if we get into that one, the limited warranty, I think the terms of our limited warranty are completely distinguishable from the D.R. Horton decision. That was a pretty unique case where the builder basically said this limited warranty and what we are willing to do to your home is all there is. You can't get any monetary damages in any way. You have to participate in

arbitration. And so far any kind of statutory remedies, any tort remedies our limited warranty doesn't do that. Actually our purchase and sale agreement and our limited warranty specifically contemplates an arbitrator making a monetary award. It does have limitations on the limited warranty but it's a contract; every contract has to define its scope. So there aren't the same kinds of limitations that are in the D.R. Horton case.

And in the D.R. Horton case it was essentially a one-sided -- there wasn't mutuality of obligation. Here we do have mutuality and in fact we have the flip from the D.R. Horton situation. Here plaintiffs in certain instances can actually go to court. Lennar is bound if plaintiffs submit a claim to arbitration we're bound to participate. So it actually is to plaintiff's benefit; not our benefit.

So I don't think there are any oppressive terms but then not only do they need to show oppressive terms to show unconscionability they also need to show a lack of a meaningful choice. And as to a lack of meaningful choice they need to submit some kind of evidence. There is a Court of Appeals holding that says that there is nothing in the record to show you lack a meaningful choice. It's insufficient; you haven't established that element. Plaintiffs have submitted an affidavit today basically

immediately before the hearing which I think under Rule 6 would be untimely and you don't need to consider it anyways but if you were to consider it it's still not sufficient to establish a lack of a meaningful choice.

The affidavit states that one of the ten plaintiffs purchased her home from Lennar. She states that the home was completed at the time she purchased it yet I went back and looked and I have the documents I can provide you the building permit isn't in the record but I have a copy of that, the certificate of occupancy is. Neither of those two documents were issued at the time she entered into the agreement so the home wasn't finished.

Then she claims that she wasn't offered an opportunity to negotiate. Well, to start you don't have to be offered an opportunity to negotiate; you have to ask to negotiate certain terms. And then that statement also isn't supported by the record. If you look at her contract she negotiated the price. It's actually handwritten in on the contract.

She negotiated for different changes to her home. I think there is specific reference to a GE washer and dryer that she wanted. She negotiated a mortgage contingency. She negotiated other contingencies and stipulations related to the home. So she clearly negotiated a number of different items. And she doesn't

make any statement that she asked to change the terms of the contract and was rejected. So I don't think it establishes a lack of meaningful choice but that all goes to adhesion. And even if she shows this is an adhesion contract she would still have to show that we did something to try to hide the arbitration terms. And they are actually very clearly in capital letters across the top of our purchase and sale agreement says this contract is subject to binding arbitration. The same thing for the covenants, the same thing for the deed and limited warranty ---

THE COURT: --- how would you negotiate a covenant that has already been placed when you go in and buy the property. How is there any possibility of negotiating that as well as the deed?

MR. QUINN: Your Honor, the covenant ---

THE COURT: --- because the seller prepares the deed. So how can that be negotiated; those two items?

MR. QUINN: So I was referencing more than ---

THE COURT: --- you put the covenants in the court house and they're there so there is no negotiation there; it's there.

MR. QUINN: Certainly you're not negotiating the terms of that arbitration provision ---

THE COURT: --- well, you said you could negotiate.

I'm just asking you how you negotiate those two items.

MR. QUINN: So I think the purchase and sale agreement alone is sufficient grounds and there were negotiations there ---

THE COURT: --- let me see your purchase agreement. Do you have a copy of it?

MR. QUINN: Sure.

THE COURT: And you say it's in the deed, in the covenants of the purchase, and the limited warranty. Let me see your limited warranty.

[Whereupon, Mr. Quinn provides documents to the court]

THE COURT: Now you're saying this is applicable under South Carolina arbitration or federal arbitration?

MR. QUINN: Federal, both. Either, Your Honor, but I think federal ---

THE COURT: --- which do you claim it is under?

MR. QUINN: The primary one would be the federal arbitration act applies.

THE COURT: Do you think it's a federal arbitration act?

MR. QUINN: Absolutely, yes.

THE COURT: Okay.

MR. QUINN: But I think there are arbitration agreements that satisfy the requirements of the South

Carolina act but I believe that the FAA applies to that agreement that you have there.

THE COURT: I've got the covenants and the limited warranty right?

MR. QUINN: Yes, Your Honor. That's ---

THE COURT: --- and you say it's under the covenants and the deed. Where else did you say it was?

MR. QUINN: The covenants and the deed, the limited warranty, and the purchase and sale agreement.

THE COURT: All right. Anything else you want to tell me?

MR. QUINN: So Your Honor, I've basically covered for plaintiffs I don't think they can show that the SCUAA applies and can't establish unconscionability. Also ---

THE COURT: --- but you think it's an adhesion contract? It might not be unconscionable but is it an adhesion contract?

MR. QUINN: No, I don't think --

THE COURT: --- you don't think it's an adhesion contract?

MR. QUINN: No. There are significant changes within each of these agreements for each of the homes. This isn't where you go and buy something for ten dollars where it is the same good over and over. You're purchasing a home. Our agreement specifically states it

would be beneficial for you to consult a lawyer ---

THE COURT: --- I'm not trying to say it's unconscionable. I'm just saying that first of all there has to be adhesion.

MR. QUINN: I agree ---

THE COURT: --- you got to tell me whether it's conscionable or unconscionable.

MR. QUINN: But I think that the actual record before us doesn't show that it was an adhesion contract. These purchasers were making selections.

THE COURT: Well, if I walk in to buy this house from you that you are constructing and you got it in the covenants, you got it in the deed, you've got it in the Bill of Sale, and you've got it in the warranty which are all prepared how is it not adhesion? Where can I negotiate any of that with you?

MR. QUINN: And so the covenants, Your Honor, we didn't actually draft the covenants.

THE COURT: But you're responsible for them.

MR. QUINN: So the developer did and we ---

THE COURT: --- you're the one who brought up the covenants; not me.

MR. QUINN: Absolutely, and I think they are an applicable arbitration provision. We didn't draft them but we certainly bought the lots subject to the

covenants. The negotiations, the changes that I see in the agreements are in the actual purchase and sale agreements where you can see that there are different selections made and then also in the construction file where you can see that this homeowner told Lennar I want my house to have these components and these changes and the different homeowner made different selections.

So I don't think it was here's the house. You can buy it for 200,000 dollars or not and if you want it you have to sign this contract. There is an ongoing negotiation between the parties. Lennar builds homes based on selections made by the buyers and is willing to work with them as the agreement show on the terms of the agreement.

[Whereupon, the court reviews documents]

THE COURT: Is this is the standard contract that you used in all the 69 sales?

MR. QUINN: Your Honor, I'm happy to provide you all ten for the plaintiffs if you would like. They are ---

THE COURT: --- I didn't ask you that. I said is this the standard contract you used on all 69 sales?

MR. QUINN: There are variations between them but they are substantially similar.

THE COURT: Any changes allowed on them other than

the first page where you talk about the price?

MR. QUINN: So Your Honor, there are various areas within the contract where selections can be made and then there are a number of riders and addenda that get added. For example, and I think maybe not the one you have but another one I'm thinking of there is a mortgage, not a mortgage, a home sale contingency so there is an extra addenda that gets added to the contract due to that request of the homeowner.

[Whereupon, the court reviews documents]

THE COURT: And referring to your warranty page nine would the damage to landscaping include sodding, sprinkler system, building -- carports. Would any of that be negotiated on this limited warranty? Have they negotiated that with you, the purchase negotiation?

MR. QUINN: I think that is the standard warranty. I don't know if they are negotiable. I haven't seen anything to suggest that they aren't.

THE COURT: What about the cap on the limited warranty consequential damages not covered. Is that negotiable?

MR. QUINN: Your Honor, I'm happy to go into each of those individual ---

THE COURT: --- was that negotiable by the purchasers?

MR. QUINN: Your Honor, there's nothing in the record to suggest whether it was or wasn't. But that's also outside of the arbitration provision and the law provides that looking at unconscionability we just look at the terms of the arbitration provision.

THE COURT: I wasn't talking about unconscionability. I was talking whether it was an adhesion contract or not. You got to get there first.

MR. QUINN: Sure.

THE COURT: You said you didn't think it was an adhesion.

MR. QUINN: No, I don't.

THE COURT: Then why do you keep arguing about unconscionability?

MR. QUINN: Because I think adhesion is one element of lack of meaningful choice and that's an element of unconscionability. So I think the first step they would need to show is adhesion, then they could use that to work towards lack of meaningful choice and then use that towards unconscionability.

THE COURT: Okay. Anything else?

MR. QUINN: Your Honor, so that is essentially the argument as to plaintiffs but then also moving as to almost all of the defendants. There are maybe two or three that we didn't actually contract with but all the

others moving to compel arbitration within. I'm happy to -- I mean I've submitted for the record there are subcontracts, contracts with all of these parties requiring them to submit to arbitration as well. I could go through those individually. I think I am going to hear some opposition from some of those subcontractors. Some of the contracts postdate the work.

I can present the law to you that says that that's okay. There's a fraud arbitration provision that says it covers any work that they do for us so it encompasses their work. And then there are some others where contracts for projects that may be different projects. There are still very broad provisions so it encompass their work. So that's the gist of subcontractors. I'm happy to go into further detail or address those however you'd like.

THE COURT: It's your motion.

MR. QUINN: Okay. And so I think based on what we have submitted we've shown that plaintiffs have actually have multiple arbitration provisions that cover their claims here. And then there are agreements with almost all of the defendants that cover their claim that require them to submit to the arbitration as well. So unless you have any further questions, Your Honor, that's our motion.

THE COURT: Okay. Yes, sir?

MR. HAYES: Your Honor, we do contest all the four arbitration agreement -- not agreements but arbitration clauses that are in there. You know as a standard as this court aptly pointed out that the deed they wouldn't even have gotten a deed until after they closed on the house and they certainly didn't sign it so that shouldn't be in there. As far as the purchase and sale agreement on its face it doesn't comply with the South Carolina ---

THE COURT: --- he says it's under the -- in his opinion it's under the federal system.

MR. HAYES: Right, Your Honor, but it's not ---

THE COURT: --- how is it -- is this a South Carolina corporation? How is this not some form of interstate commerce?

MR. HAYES: Well, even though they are called Lennar of the Carolinas they are incorporated up in Delaware is my understanding.

THE COURT: Right.

MR. HAYES: However, if you would look at the D.R. Horton case they specifically say that South Carolina has an interest in the sale of property in South Carolina is an intrastate activity. And that's what this is. This is a sale of property to these individuals. I think they like to call it a construction contract. It's not really

that. It's -- if you're lucky you can pick your home and pick out what colors you want to paint the wall. Or maybe you one dishwasher versus another one but other than that it's a strictly a purchase of a sale of a purchase of a home. And many of our clients didn't even get that choice. Ms. Damico through her affidavit in regards to the memorandum that we received on Friday specifically said her house was already built and it was completed when she purchased it.

She's here today and she can also say that if you want to take any testimony from her. I'll leave that to the court's discretion. In addition if you take their own affidavit from a fellow named, I assume he works for them, Gabriel Cooper he says the plaintiffs, Tamarra [phonetic], Collins, and Douglas a certificate of occupancy had already been issued when they entered into the contract with Lennar. So this isn't I go out there and ---

THE COURT: --- what had already been issued? I'm sorry.

MR. HAYES: I'm sorry, sir?

THE COURT: What had already been issued?

MR. HAYES: A certificate of occupancy.

THE COURT: Okay.

MR. HAYES: So it's not an issue of these people

ran out and said I want you to build me this home. This isn't like me going out to hire a construction company to go out and build me a home on a piece of property. This is -- they are a developer. I guess they could loosely be considered a contractor but they are a developer. They sell this land as Lennar neighborhood. It is not a contract for the construction of a home.

And going again back to the D.R. Horton case which is not that old of a case it specifically says that that is intrastate commerce, the state has an interest in it and it is not interstate commerce. So that's one aspect of it. There is also in regards to the -- even if it was interstate commerce Your Honor, which we argue it is not and ---

THE COURT: --- what about your case with the law firm that split up and they said it was interstate because they took some depositions out of state and made some phone calls out of state?

MR. HAYES: I saw that case, Your Honor.

THE COURT: You saw that case?

MR. HAYES: I saw that case and I thought ---

THE COURT: --- what about that case? This is a local law firm, Charleston law firm.

MR. HAYES: Your Honor, I understand that but I'll say this. Number one I'm not really sure they ---

THE COURT: --- how is a Delaware corporation doing business in South Carolina not interstate?

MR. HAYES: Because they are here, they subjected to themselves to our law. If they are selling homes as a developer then it's not interstate anymore ---

THE COURT: --- you're saying the D.R. Horton case stands for the proposition that it's the purchase of the home that is interstate not intrastate.

MR. HAYES: Right. It specifically doesn't say it goes to it. It doesn't delineate in the D.R. Horton case where D.R. Horton is located as far as my recollection of reading it does not differentiate where D.R. Horton. It talks about where the home, the sale of the home went and that South Carolina had a specific interest because it was South Carolina property.

It kind of reminds me, Your Honor, of one case and you may know this and have a better sports memory than I do but it was a coach I believe that flew down to look at either University of South Carolina or Clemson to look into entering into a contract with them. He was from out of state, flew down here signed a contract, went back home, had a change of heart and told them I'm not going to do that. It ended up being a lawsuit and it ended up taking place down here in South Carolina. They said the contract took place in South Carolina and the trial would

take place in South Carolina. And the choice of law would take place in South Carolina. I can't remember the name of the case off the top of my head but I do remember that.

And that's it. Just from South Carolina she purchased this home here. It was already built. It's interstate commerce. To say that because they choose one dishwasher or another there is probably half the stuff in this courtroom probably came from somewhere else but that doesn't make this courtroom subject to interstate commerce we hope.

THE COURT: Okay. What's your next argument?

MR. HAYES: In regards to ---

THE COURT: --- in regards to that the limited warranty doesn't address -- there is nothing about on the first page where it talks about its subject of arbitration ---

MR. HAYES: --- that's correct ---

THE COURT: --- the contract for sale does.

MR. HAYES: The contract for sale does but doesn't -- it's not in conformance with the exact statute that it said. In South Carolina the statute ---

THE COURT: --- it's not in bold print.

MR. HAYES: It's not in bold print but it's not underlined either. And to conform with the statute you

either conform with it or you don't conform with it. They didn't conform with the statute because they didn't underline it or put it in bold print so it doesn't conform with the South Carolina statute. As far as the unconscionability I'd like to address that if the court...

THE COURT: Please do.

MR. HAYES: Okay. The unconscionability specifically says and I'll try to keep it somewhat brief. It says consequential damages not covered Lennar shall not be liable for and expressly waive recovery of any consequential damages, lost profits, damages to personal property, any personal injury of any kind, any medical or hospital expenses, cost of food, moving, storage, relocation expenses for rental value of the home. That includes damage to land, out buildings, car ports, landscaping.

No loss of use is covered. If you have to leave your home there is no loss of use covered. Any loss or damage that is caused or made worse with any of the following causes: microorganism, fungus, decay, wet rot, dry rot, soft rot, rotting of any kind and mold. Well, when houses leak and you get water in them, Your Honor, they rot. So under this contract there is no redress for that. Then it says except as prohibited by laws of the

state all other warranties express or implied including but not limited to any implied warranty of habitability are expressly disclaimed and waived. If you look going back to the D.R. Horton again I've actually even done a chart on page 15 of my memorandum which compares the D.R. Horton's warranty that the case sites in the D.R. Horton case with Lennar's warranty. I believe that the court will find they are very spot on; very close to each other. And therefore it is unconscionable.

I will tell you this. This isn't in my memorandum but I also think it's also unconscionable the fact that they cannot, and I know this is arbitration issue, avail themselves of our court system. This triple A that they put in their arbitration clause costs the homeowners a lot of money. It could cost five times more money than it would ever cost them to go to court so its unconscionability. And the reason that is unconscionability is because it places ---

THE COURT: --- where does it say they have to go to arbitration?

MR. HAYES: What's that?

THE COURT: Where does it say they have to go to arbitration?

MR. HAYES: It does. The triple A, Arbitration -- American Arbitration Association. It's extremely

expensive and it pretty much places most plaintiffs out of the ability to arbitrate. It's extraordinarily expensive to do that where they pay good tax dollars to be able to hopefully avail themselves of this court. To me I believe that's unconscionable. That may be more of a soapbox than anything else but that's what it is. Your Honor ---

THE COURT: --- they had the other case where the poor old lady had to go somewhere out to Little Rock, Arkansas or somewhere and they say she can do it by phone.

MR. HAYES: Yes, I believe I saw that ---

THE COURT: --- do you remember the name of that case?

MR. HAYES: I don't remember the name of that case, Your Honor.

THE COURT: plaintiff

MR. HAYES: You know again, unconscionable I think we go over it very well in our brief but also as a practical matter for this case I don't know why they would want to -- I know they say everybody is compelled to arbitration but I think you'll find that a lot of people don't even have contracts with them and they're going to argue that they are not compelled to arbitration. But this is going to end up if it was

compelled to arbitration they would have to in my opinion go piecemeal which would end up with having some of it in arbitration and other parts of it in Circuit Court which would cause a lot of confusion, expense and...

THE COURT: You could just stay the action in Circuit Court.

MR. HAYES: We would argue that they be able to go ahead and move forward with their case against the other defendants as opposed to having to litigate two cases, Your Honor. That would be our position.

THE COURT: Okay.

MR. HAYES: Is there anything other than that Your Honor would like me to address?

THE COURT: No, that's fine. In your opinion does it meet any of the exceptions in South Carolina other than what you have already mentioned; other than unconscionable issue?

MR. HAYES: Well, as far as well I think it's unconscionable but I also think if you take the position that it should be held against the drafter of the document if you take that provision in South Carolina if there is ambiguous terms it should be held against the drafter of the document. We've got at least according to their account four different arbitration agreements in different aspects of these documents that are not all the

same arbitration agreements. So they all conflict with each another but we didn't draft them, Your Honor.

THE COURT: He's not sure which one he wants to go under yet. He wants to try all four and see which one sticks.

MR. HAYES: I understand.

THE COURT: Thank you very much. Anybody else on the subs or anyone else want to address the court on the issue of arbitration?

MR. BOINEAU: Your Honor, I'd like to.

THE COURT: Yes, sir.

MR. BOINEAU: Your Honor, Trippett Boineau on behalf of Spring Grove ---

THE COURT REPORTER: --- I'm sorry, tell me your name again please?

MR. BOINEAU: Trippett Boineau; I'm sorry. Your Honor, counsel for Lennar mentioned agreements with all the subcontractors and the other parties. There is a contract between my client Spring Grove who was the original owner of this property and Lennar. That contract was dated October 22, 2010. What that contract is missing is any arbitration provision at all. There is nothing in there. They didn't submit a contract with Horton to however many thousand pages of exhibits they did submit there was no contract. Your Honor, because of

that we argue that my client, Spring Grove, should not be subject to arbitration in this particular case. If you read their memorandum they try and say that the deeds from Spring Grove and Lennar require arbitration, Your Honor, but they reference those in exhibits Q and R, I believe to their memorandum. There is no arbitration clause in those.

Then lastly they reference covenants and restrictions which they are exhibit M to their memorandum in support of arbitration. And while those covenants are signed by my client and as he said they didn't draft them. They didn't have anything to do with the drafting of them. It's not a contract between us and Lennar. The covenants certainly don't relate to construction defect claims.

The covenants and restrictions I think the argument that Lennar makes on that is completely out of the realm of what we're arguing about in this case. This case is not about the covenants and restrictions. First, the arbitration clause in there, which again is exhibit M has nothing to do -- is not a contract between Spring Grove and Lennar. There is no signature lock on there for the two of them where they have agreed. This is setting up the HOA. The second part of that, Your Honor, is that even if somehow the board found that this arbitration

clause was there and did apply doesn't apply to these type claims. There is some case law as the court knows I think it's the Jest River -- Pools case [phonetic] where it talks about the types of torts and whether they are subject to the arbitration provision.

Your Honor, the plaintiff has claims against us and Lennar has claims against us. Obviously, we think it would be beneficial to have all those heard at the same time to be able to defend both those claims at the same time. But certainly as it relates to our client, Your Honor, whether the court agrees to stay it or whatever happens to just deny the motion in total the claims against us should be heard in this court, Your Honor. And Lennar can show nothing between us and them that suggests otherwise.

THE COURT: Thank you Mr. Boineau.

MR. BOINEAU: Thank you, Your Honor.

THE COURT: Anybody else?

MR. EMGE: Yes sir, Your Honor. My name is Chip Emge, E-M-G-E I represent Civil Site Environmental. We did the civil designs for the roadways and some of the infrastructure. Civil Site has absolutely no contract with Lennar. Civil Site did contract with Spring Grove, the developer, and so there is no contract between Lennar and Civil Site. Lennar has attached to its memorandum a

draft contract for another project that has absolutely nothing to do with this. It's not executed and they are trying to bootstrap arbitration in this case into the arbitration provision in that unsigned agreement.

So, Your Honor, we do not believe we are under any obligation to arbitrate this matter because there is no contract between Civil Site and Lennar where it specifies that arbitration should occur.

MS. CHASE: Your Honor, Catherine Chase for Alpha Omega Construction Group.

THE COURT: What group?

MS. CHASE: Alpha Omega Construction Group. I have a memorandum which I would like to hand up.

[Whereupon, Ms. Chase provides documents to the court]

THE COURT: Mr. Boineau, what's the name of your client again?

MR. BOINEAU: Spring Grove Development, Your Honor.

THE COURT: Spring Grove?

MR. BOINEAU: Spring Grove, yes sir.

THE COURT: Okay.

MS. CHASE: Your Honor, my points are two and I will make them quickly. First I am a subcontractor of Lennar for only 16 of the 69 homes and actually if a class were to be certified, which we would oppose, but out of the

subject homes two of them only we have done work on. First ground for opposing arbitration is we expect this case to follow the normal course of a construction case of Mr. Hayes asserting direct claims against my client, who is a third party defendant. There is no agreement between my client, who was the roofer, and his client to arbitrate. So we would be stuck in a situation of being compelled to arbitrate with Lennar but also having to defend ourselves in Circuit Court.

The reason that we contend we should not have to arbitrate with Lennar is that the agreement that was presented is postdated the work that we performed. We were completed with the work in 2014 and the agreement that Lennar has submitted was not entered until August 2015 at which time this case was already pending and they possibly even knew that there may be a claim against us.

We do not believe that the arbitration language in that contract contemplated Alpha Omega having to arbitrate these claims and we do not believe that is broad enough. So for those two reasons we oppose Lennar's motion to compel us into arbitration. Thank you.

THE COURT: All right. Thank you very much.

MR. WRIGHT: Good afternoon, Your Honor. Michael Wright for Super Concrete.

THE COURT: Super Concrete?

MR. WRIGHT: Super Concrete of S.C., Inc. And we've submitted a brief in opposition to Lennar's motion. It was submitted last week. I'll let the brief stand for itself but just briefly I would say that we concur with Mr. Hayes and Trippett regarding their positions.

We were originally brought into this case as a third party defendant of Lennar. Subsequently we have had direct claims alleged by us against the plaintiffs. We have absolutely no agreement with the plaintiffs whatsoever to arbitrate their claims. We are some of the few parties that were brought in by Lennar and we served discovery on them. And prior to them even moving to compel arbitration they have for over a year now refused to ever engage in any discovery to comply with the South Carolina Rules of Civil Procedure.

They haven't produced any engineer's reports, neither have the plaintiffs. And we feel that our contracts one, does not comply with the South Carolina statute; it has no verbiage at all on the first page on arbitration, two, the written contracts that Lennar has produced say that they are regarding the Myrtle Beach division and project. There is no reference whatsoever to the Abbey. They reference Myrtle Beach projects we assume and they were signed three years before Lennar

ever even purchased these properties. So we would argue that the arbitration provisions that are in there don't relate to this project and we don't even have written contracts for this project.

THE COURT: Okay.

MS. VARNADO: Your Honor, Christie Varnado. I represent Guaranteed Framing ---

THE COURT: --- represent who?

MS. VARNADO: Guaranteed Framing.

THE COURT REPORTER: What was your first name again?

MS. VARNADO: Christie. And I have a brief to hand up.

[Whereupon, Ms. Varnado provides documents to the court]

MS. VARNADO: Your Honor, Guaranteed Framing has been also moved to compel arbitration against -- by Lennar based on two contracts. The most recent contract they are relying on is a 2015 agreement similar as you heard from Ms. Chase that agreement postdates all of Guarantee Framing's work at the project. Lennar's argument I believe is that the 2015 contract is broad enough that it would encompass work and projects that were completed prior to entering into that contract. They, I guess, between a language about any dealings

between the parties but you have to have more than that. You have to have a relationship between the agreement and the claims. And in this instance the claims that are part of the lawsuit are a project that was completed long before the 2015 contract was entered into. And so there is no link between the project going forward in other areas and other locations ---

THE COURT: --- who hired you for the framing?

MS. VARNADO: I'm sorry?

THE COURT: Who hired you to do the framing?

MS. VARNADO: Lennar.

THE COURT: Okay.

MS. VARNADO: But they hired us under a 2007 contract.

THE COURT: Okay.

MS. VARNADO: And that work was completed long before the 2015 contract for other projects in other locations.

THE COURT: Well, the 2007 didn't have anything to say about arbitration?

MS. VARNADO: I'll get to that next.

THE COURT: Okay.

MS. VARNADO: The 2007 is an interesting arbitration arrangement and puts us in an interesting position here because it says if Lennar is compelled by a buyer to

arbitrate then Guarantee Framing agrees it would arbitrate. And so under the terms of the 2007 contract if Lennar is successful in compelling plaintiffs to arbitrate then Guaranteed Framing under the 2007 contract concedes that it must. But otherwise that paragraph is really a waiver of jury trial.

And really what the main part of that paragraph is a dispute between Lennar and Guaranteed Framing should take place in a bench trial as opposed to a jury trial. And so that is the only circumstances under which under the 2007 agreement wherein Guaranteed Framing is required to arbitrate otherwise it is supposed to be in Circuit Court in a bench trial.

THE COURT: Okay.

MS. VARNADO: And the other issue as others have pointed out does not meet the FAA. There is no underlying on the first page.

THE COURT: Anybody else?

MS. BLACKWELL: Good morning, Your Honor. My name is Elizabeth Blackwell and I'm here on behalf of David Cobb with Turner Padgett ---

THE COURT: --- on behalf of who?

MS. BLACKWELL: Turner Padgett, David Cobb. We represent Construction Applicators of Charleston, LLC.

THE COURT: Construction Applicators, okay. I'll

be glad to hear you.

MS. BLACKWELL: Thank you, Your Honor. Just very briefly we also oppose the motion on the grounds that we don't believe there is intrastate commerce. Our company is a very small South Carolina construction company, everything they did was here and they don't believe that they should be compelled to arbitrate.

THE COURT: That's the reason you don't think it should arbitrate. It's not intrastate?

MS. BLACKWELL: Interstate; I'm sorry, Your Honor. So we agree with the other parties.

THE COURT: Okay. Thank you very much. Anybody else?

MR. TATE: Your Honor, I'm Ronald Tate for Volkmar Consulting.

THE COURT: For who?

MR. TATE: Volkmar, V-O-L-K-M-A-R. Your Honor, they are soil engineers. They are located here in Berkeley County. What could be more intrastate than actually doing work to determine soil characteristics? In South Carolina we've got a contract as well. There is no arbitration notice on the front page at all. The contract otherwise did not meet the requirements of the South Carolina arbitration ---

THE COURT: --- but there is an arbitration clause?

MR. TATE: There is an arbitration clause but it fails under the state requirements, Your Honor. And there is no possibility that this is to be considered federally.

THE COURT: Well, like I said I didn't think a law firm in Charleston would be federal relief either but they did some depositions and made some phone calls to North Carolina.

MR. TATE: Yes, sir. We join in the other arguments that have been made in this case.

THE COURT: Okay.

MS. MIARS: Yes, Your Honor. My name is Katie Miars, I have A.C. & A Concrete.

THE COURT: Which one?

MS. MIARS: A.C. & A Concrete. And I'm just going to ---

THE COURT: --- who did you pour concrete for?

MS. MIARS: Where?

THE COURT: Foundation or roads or what?

MS. MIARS: It's interesting that you bring that up because ---

THE COURT: --- or driveway or what?

MS. MIARS: Well, to date we have seen that six months after the C.O. my company might have come out and spent around about 248 dollars -- been paid about 248

dollars. We're assuming that was to make some sort of small patch to a driveway.

THE COURT: That's all you did? You didn't pour the driveway?

MS. MIARS: For 248 dollars I don't think so. If I could get one poured for that I would take it in a heartbeat. But my company is a South Carolina company and there is no agreement or underlining or mention of arbitration on the first page.

My contract actually says all communities in coastal Carolinas, which is I believe very broad when we're talking about two lots in one neighborhood or even this law suit which is the Abbey which is one specific neighborhood inside of the larger Spring Grove. So all communities in all coastal Carolina pretty much leaves it from Beaufort up to Hilton Head and beyond; maybe Myrtle Beach and beyond. So I would basically just concur with everyone else said.

THE COURT: Okay. Thank you very much. Anybody else for it or against it?

MS. HONEYCUTT: Good afternoon, Your Honor, I'm Jenny Honeycutt, H-O-N-E-Y-C-U-T-T. I represent S.C. Exteriors. I have an argument similar ---

THE COURT: --- hold on just a second let me find you on this list. You represent who?

MS. HONEYCUTT: S.C. Exteriors brought in by Lennar.
THE COURT: You're in the third parties?
MS. HONEYCUTT: Yes sir, so far.
THE COURT: You're in the third party or the fourth party?
MS. HONEYCUTT: Third. I'd like to bring a fourth party though; that's my next point.
THE COURT: South Carolina Exteriors, LLC?
MS. HONEYCUTT: Yes, sir. Like Ms. Chase we are one of the roofers. We worked on three ---
THE COURT: --- hold on just a second. I can't write and listen to you at the same time.
[Whereupon, the court reviews documents]
THE COURT: Go ahead.
MS. HONEYCUTT: We worked on three of the ten homes even according to Lennar's affidavit. So we haven't worked on all of the homes ---
THE COURT: --- what did you put up vinyl or what?
MS. HONEYCUTT: We're the roofer, one of the roofers like Ms. Chase.
THE COURT: Oh, you're roofers, okay.
MS. HONEYCUTT: Yes, sir. Our argument is similar to Ms. Varnado's in that our arbitration provision is derivative. It's basically a waiver of our right to a jury trial and if we have to arbitrate with a third party

then we agree to arbitrate. So it's contingent on the plaintiffs succeeding in its claim for arbitration against the plaintiff. In that case maybe we have to arbitrate but ---

THE COURT: --- well, in this case it's the defendant that want to arbitrate. What does that do to the clause?

MS. HONEYCUTT: It just said -- my provision just says that I agree if Lennar has to arbitrate with a third party that my work is part of it I will arbitrate.

THE COURT: Okay.

MS. HONEYCUTT: My work isn't part of two thirds of what is at issue here so far. So we would incorporate the arguments of other counsel and oppose the arbitration.

THE COURT: Okay. Thank you very much. Anybody else? Everybody else is in agreement with arbitration? I thought you said all the subs wanted arbitration?

MR. QUINN: I never said that.

THE COURT: Pardon?

MR. QUINN: I said I never said that.

THE COURT: I thought you said the vast majority of them wanted arbitration.

MR. QUINN: I'm sorry, Your Honor. I said I'm moving to compel almost all of them.

THE COURT: Oh, okay.

MR. QUINN: I told you I may get a little opposition from a couple.

THE COURT: Well, it's more than a couple.

MR. QUINN: Yes, it's more than a couple.

THE COURT: Yes, a couple is two right? I'll be glad to hear you.

MR. QUINN: Your Honor, if I may respond to some of those points? Since we heard from them last we could take some of the subcontractor entities. First, the way these contracts work some of the subcontractor entitles are complaining saying this contract appears to be from Myrtle Beach or it doesn't specify the Abbey.

The way these tract home builders operate they enter into one master contract with a subcontractor and it says we are going to issue you P.O.'s for work -- sorry, purchase orders for work on this lot and this lot in this neighborhood. Those get incorporated in the contract and you do that work. And if you look at each of these agreements, and it's spelled out in Mr. Malch's [phonetic] affidavit, that's how this works.

And then the arbitration agreements for the subcontractors they are flow down arbitration agreements. Parties can freely contract as to how they want to resolve their disputes. Lennar agrees with the

subcontractors. Hey, if we get sued by a homeowner let's all agree that we are going to resolve this through arbitration for all the reasons that parties like arbitration. There is nothing untoward about a flow down arbitration provision.

Subcontractors also talk about the FAA and the South Carolina Uniform Arbitration Act. Some opposed it on the grounds that this isn't interstate commerce and the first page doesn't have the notice required by the South Carolina Uniform Arbitration Act. If you look at it's the Brentwood Homes decision footnote 8 very clearly says that any contract for construction is interstate commerce and then has a number of citations to earlier cases so all these parties performing work for Lennar, its interstate commerce because it's a construction contract.

If that's not enough Lennar is a Delaware limited liability company so all of these companies in South Carolina performing work for them this is two companies from different states operating together. So the FAA applies and there is no need to have a notice required by the South Carolina Uniform Arbitration Act. Then addressing some of the more specific concerns from subcontractor ---

THE COURT: --- what's the South Carolina case you're talking about?

MR. QUINN: Your Honor, that's the Brentwood Homes case. I apologize; I can't remember the name of the second party. It's a more recent Court of Appeals case.

THE COURT: Okay.

MR. QUINN: Addressing some of the specific concerns from specific parties Alpha Omega isn't concerned about the fact that plaintiffs could assert claims against them and Lennar has asserted claims against them. Arbitration is favored, it is understood by courts that it may result in piecemeal resolution in certain cases that's just the nature of it. But there won't be these dual proceedings that they are concerned about because you can stay the underlying case while the arbitration is resolved.

And if they are that concerned about plaintiff's claims they can submit to allow plaintiffs to assert claims against them in the arbitration.

THE COURT: Well, you can stay the arbitration while the rest of them proceed.

MR. QUINN: They could just let us out and move on.

THE COURT: They could do it either way.

MR. QUINN: And then, Your Honor, a number of the subcontractors have made arguments about how the contracts postdate their work. And I have two responses there. The first is that under South Carolina law under

the law across the United States the fact that your contract is missing doesn't mean you can't still rely on the contract. You can present evidence to show the contract is missing, here's what it was, it existed, it had an arbitration provision in it. And Mr. Malch's [phonetic] affidavit does exactly that. And I can cite you different cases where courts have compelled arbitration on that basis. So here all these bits that Mr. Malch [phonetic] says we don't let anybody on a job site unless they have a contract with us all the contracts have arbitration provisions.

But if that isn't enough all these contracts that postdate the work have a very broad arbitration provision. I think it says regarding materials supplied and or work performed by or through you, the subcontractor. And there is the Vestry [phonetic] decision in South Carolina and a number of other decisions in other jurisdictions that say parties can agree to as broad an arbitration provision as they want.

They can say any work we've ever done together if a dispute arises we'll agree to arbitrate it. And that's essentially what has happened here. And there are decisions that very clearly say the fact that you enter into the contract after the issues that give rise to the claim have already occurred you can still be required to

arbitrate it. So the fact that the contracts postdate the work doesn't change the analysis. As to Spring Grove Plantation, Mr. Boineau, he wants to talk just about the covenants but he admits that there is a contract with Lennar.

I didn't realize that Spring Grove was going to argue against its own covenants so I didn't include and my client just recently found a copy of the contract with Spring Grove. I'm happy to provide that. It very specifically provides that Spring Grove agrees they are going to submit the lots in the Abbey to the covenants. So the arbitration provisions are essentially incorporated into the contract. There is a federal District Court case in South Carolina essentially the same facts held. We've incorporated those arbitration provisions.

So incorporated in the contract and then the second basis would be if you look at the covenants Mr. Boineau wants to tell you that they don't encompass these claims; they are not in agreement with Lennar. South Carolina law pretty clearly states that covenants are a contract. It's just a word for a contract related to real property and by accepting the property you agree to the terms of the covenant, you contract. If you look at these covenants they state that any dispute between Spring

Grove and an owner related to lots will be submitted to arbitration. Well Spring Grove transferred lots to Lennar so we became an owner. And we have a dispute with Spring Grove and it defines lots as including the use, ownership of not only the lots but also any structure on the lots.

And I think this dispute and this case entirely arises from plaintiff's claims about their use and ownership of the structures on their lots and their lots in general. So I think the covenants do very clearly encompass the claims asserted in this case. And then I think the last subcontractor or contracting party I need to address is Civil Site Environmental.

I've already discussed to you about how if a contract if missing you can still rely on the arbitration provision. For CSE my client was able to track down a contract for a nearby neighborhood that has very broad arbitration provisions that applies to any work that CSE has done for Lennar. Couldn't find the signed copy but did find that and tells me CSE did that work.

Since then I also found out from my client CSE came back in and contracted with Lennar to design some drainage changes in the Abbey and I now have that contract I can provide as well. And it very clearly says any work CSE has ever done for Lennar will be subject to

arbitration. So I think CSE is also subject to arbitration provisions.

And then sort of backtracking all the back to plaintiffs, the plaintiffs first want to talk about interstate commerce. And Mr. Hayes wanted to talk to you about I think he was saying the D.R. Horton decision but how the holding there is that the sale of real estate is intrastate not interstate commerce. I submit to you we don't have to go that far.

If you look at these contracts with the plaintiffs both the purchase and sale agreements and the limited warranty it very clearly says it must be submitted to arbitration pursuant to the FAA. So basically there is a choice of law provision that selects the FAA as the governing law. The SCUAA does not apply. And there is case law in South Carolina, the United States Supreme Court around the nation holding that if the parties agree to the law that applies that's the law that applies. You don't even have to go into the interstate commerce analysis.

If we want to go into the interstate commerce analysis it doesn't change the result. The case that Mr. Hayes was citing to you it very clearly discusses a completed dwelling. And that's all it was. The case says its holding is if you are selling real estate then

that is an intrastate transaction and doesn't involve interstate commerce. But here we have significantly more than that. Here the contracts that the plaintiffs entered into in numerous instances as set out in our memorandum discussed the construction of the properties. There are also a number of documents in support of our motion that show where homeowners made selections.

Mr. Hayes suggests that Ms. Damico's home was completed at the time that she purchased it. I would submit if you look at the record that is incorrect. The certificate of occupancy showing that her home was livable wasn't issued until I want to say at least more than six months after she entered into the contract with Lennar.

And if that isn't enough our contract with the purchasers provide that even if the home was nearly complete you still get to walk through, determine anything that you think doesn't meet the applicable construction standards and direct Lennar to do additional work.

So the contract specifically contemplates Lennar performing construction work, not just transferring finished real estate as is here -- so it's much more than that. So you could get to the interstate commerce analysis, still interstate commerce here because

construction in the contract. And then going back to unconscionability Mr. Hayes raises a number of provisions with you. They are all outside of the arbitration provisions. They are not relevant to whether the arbitration provision itself is unconscionable or whether it is enforceable.

Plaintiffs can take issue with those. They will have an opportunity to challenge those if they want but that becomes an issue for the arbitrator. They can raise that before the arbitrator. They can say the consequential damages waiver isn't enforceable; that's fine. But that doesn't decide whether arbitration occurs or not. Additionally plaintiffs want to suggest that this case is exactly the same as the D.R. Horton decision but it is very different. The D.R. Horton decision the warranty there said that warranty is the only ---

THE COURT: --- I think you already told me that ---

MR. QUINN: --- the only warranty ---

THE COURT: --- previously didn't you?

MR. QUINN: I was mentioning that, Your Honor yes and then ---

THE COURT: --- you already told me that. Anything else?

MR. QUINN: I can be done whenever you're ready. I don't think we get to the unconscionability analysis. I

can lay out additional reasons why it is different from D.R. Horton, but that's what I submit to you, Your Honor.

THE COURT: Okay. Mr. Hayes, anything you want to add very briefly?

MR. HAYES: I'll try to be brief. They would quote the case that you brought up Brentwood for two reasons. One we talked about the case where the attorney had a falling out with his firm and went out of state. It says I'm just quoting the Brentwood case, in Matthews this court held that interstate commerce was not involved in contract for sale of a commercial building located in South Carolina to out of state parties even though incidental to the sale the parties utilized the services of a North Carolina engineer and procured financing from a Pennsylvania lender.

And so ruling the court found the transaction was outside the scope of the FAA because it was unable to discern from the evidence presented whether the contract required respondent to administer anything related to interstate commerce.

And lastly it says this right near that paragraph; this court has continued to adhere to the view that the development of real estate is an inherently intrastate transaction. Now I want to key on that word. It doesn't just say the sale it says the development of real estate

is an inherently intrastate transaction.

THE COURT REPORTER: Intra?

MR. HAYES: Intra with an A; I-N-T-R-A state. It said the development of land within South Carolina borders is the quintessential example of a purely intrastate activity.

A couple more points and then I will sit down Your Honor. Not all the homeowners involved in this case had any arbitration agreement because they are not original purchasers so not everybody in this case has any arbitration agreement with Lennar. Of course we've gone over the adhesion of the unconscionability aspects so I won't go through that too much again. And the other thing was that unlike the case about the depositions there is no evidence that my clients went out of state and did anything in regards to the purchase of their home. There is no evidence of that whatsoever.

THE COURT: Okay. Thank y'all very much. Give me an opportunity to look at your briefs. Did you mark these what you filed with the court, the limited warranty and your contracts?

MR. QUINN: Your Honor, I have filed them with the court.

THE COURT: Okay. Let me give you these back.

[Whereupon, the court returns documents to Mr.

Quinn]

THE COURT: Thank you very much.

MS. HONEYCUTT: Your Honor, may I beg the court's indulgence on another matter?

THE COURT: Yes ma'am, what matter?

MS. HONEYCUTT: I filed a motion to amend.

MR. HAYES: No objection from the plaintiffs, Your Honor.

MS. HONEYCUTT: There is no objection and I filed a motion to amend. We just identified a subcontractor that worked for one of the roofers me, being South Carolina Exteriors. Can I get an order from the court executed so that I can go ahead and bring that party in to all of this so they don't miss out?

THE COURT: That's fine.

MS. CHASE: Your Honor, similarly I have filed a motion to amend to bring in a subcontractor ---

THE COURT: --- hold on a second.

MS. CHASE: For the court reporter Catherine Chase for Alpha Omega Construction Company. I had filed a motion to amend and have been working to get the parties consent and I believe I have consent now from everybody here to bring in two subcontractors who had not previously been identified.

THE COURT: All right. You got an order?

MS. CHASE: I do, Your Honor.

MS. CHASE: Thank you, Your Honor. Did anybody object?

MR. HAYES: Not from the plaintiffs.

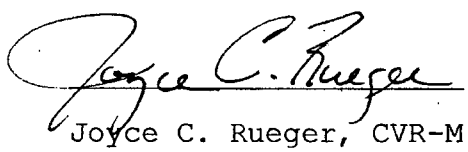
********END OF TRANSCRIPT OF RECORD********

C E R T I F I C A T E

I, the undersigned, Joyce C. Rueger, Official Circuit Court Reporter for the Ninth Judicial Circuit of the State of South Carolina, do hereby certify that the foregoing is a true, accurate, and complete Transcript of Record of the proceedings had and evidence introduced in the trial of the captioned case, relative to appeal, in the Court of Common Pleas, Berkeley County, South Carolina on the 11th day of April, 2016.

I do further certify that I am neither of kin, counsel, nor interest to any party hereto.

December 28, 2016



Joyce C. Rueger, CVR-M
Court Reporter

STATE OF SOUTH CAROLINA

COUNTY OF BERKELEY

IN THE COURT OF COMMON PLEAS

CASE NO.: 2014-CP-08-02424

PATRICIA DAMICO, JOSHUA AND BRETTANY BUETOW, EDWARD AND SYLVIA DENGG, JONATHAN AND THERESA DOUGLASS, ANTHONY AND STACEY RAY, DANNY AND ELLEN DAVIS MORROW, AND MATTHEW COLLINS, Individually and Derivatively as acting on behalf of the Spring Grove Plantation Homeowners Association,

Plaintiffs,

vs.

LENNAR CAROLINAS, LLC, SPRING GROVE PLANTATION DEVELOPMENT, INC., VOLKMAR CONSULTING SERVICES, LLC, AND MANALE LANDSCAPING, LLC,

Defendants.

FILED
2015 JUN -1 AM 2:02
MARY BERRY
CLERK OF COURT
BERKELEY COUNTY, SC

LENNAR CAROLINAS, LLC'S MOTION TO COMPEL ARBITRATION

LENNAR CAROLINAS, LLC

Third-Party Plaintiff,

vs.

SUPER CONCRETE OF SC, INC., SOUTHERN GREEN, INC., SOUTHERN GREEN TURF CARE, INC., AND TJB TRUCKING/LEASING, LLC,

Third-Party Defendants.

PLEASE TAKE NOTICE THAT Defendant Lennar Carolinas, LLC ("Lennar"), by and through its below-signed attorneys, moves to dismiss or stay this action and to compel Plaintiffs Patricia Damico, Joshua and Brettany Buetow, Edward and Sylvia Dengg, Jonathan and Theresa

Douglass, Anthony and Stacey Ray, Danny and Ellen Davis Morrow, and Matthew Collins (collectively "Plaintiffs"), and Defendants and Third-Party Defendants Super Concrete of SC, Inc., Southern Green, Inc., Southern Green Turf Care, Inc., Manale Landscaping, LLC, and TJB Trucking/Leasing, LLC (collectively "Defendants"), to participate in mandatory binding arbitration as provided by their agreements with Lennar.

Lennar moves to compel arbitration pursuant to the Federal Arbitration Act, 9 U.S.C. § 1, *et seq.*, or alternatively, the South Carolina Uniform Arbitration Act, S.C. Code Ann. § 15-48-10, *et seq.* The basis for this Motion is that the claims asserted in Plaintiffs' Complaint, which is attached as Exhibit A, and the crossclaims and third-party claims asserted by Lennar against Defendants, as set out in the pleadings attached as Exhibit B and Exhibit C, are subject to mandatory and binding arbitration under the terms of Plaintiffs' Purchase and Sale Agreements and Defendants' subcontractor agreements with Lennar. Plaintiffs' Purchase and Sale Agreements are incorporated herein as Exhibit 1 through Exhibit 7 to the Affidavit of Robert Mauch, a copy of which is attached hereto as Exhibit D. Defendants' subcontractor agreements with Lennar (the "Subcontractor Agreements") are attached hereto as Exhibit 22 through Exhibit 31 to the Affidavit of Robert Mauch.

South Carolina law favors the resolution of disputes through arbitration. *See Zabinski v. Bright Acres Assocs.*, 346 S.C. 580, 596–97, 553 S.E.2d 110, 118 (2001). Therefore, any disputes that fall within the scope of an arbitration clause must be submitted to arbitration. *See Zabinski*, 346 S.C. at 592, 553 S.E.2d at 116 ("Unless a court can say with positive assurance that the arbitration clause is not susceptible to an interpretation that covers the dispute, arbitration should generally be ordered."). Because the disputes between Plaintiffs, Lennar, and Defendants fall within the scope of the respective arbitration provisions, Lennar respectfully

requests an Order dismissing the action in its entirety or staying the action pending arbitration and compelling Plaintiffs and Defendants to arbitrate their claims in accordance with the Purchase and Sale Agreements and the Subcontractor Agreements.

This Motion is based on and will be supported by the pleadings in this action, the attached Affidavit of Robert Mauch, all exhibits attached hereto and incorporated herein by reference, the controlling statutes, applicable caselaw, any additional affidavits, an appropriate memorandum of law to be filed, any additional documents required by the Court, and such supporting arguments as may be submitted in connection herewith.

PARKER POE ADAMS & BERNSTEIN LLP
200 Meeting Street, Suite 301
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Attorneys for Lennar Carolinas, LLC

June 1, 2015

STATE OF SOUTH CAROLINA

IN THE COURT OF COMMON PLEAS

COUNTY OF BERKELEY

Patricia Damico et al., ☐ Plaintiff	)	CASE NO. 2014-CP-08-02424
v.	)	
Lennar Carolinas, LLC, et al., ☒ Defendant.	)	**MOTION AND ORDER INFORMATION FORM AND COVER SHEET**

Plaintiff's Attorney: John C. Hayes, IV, Esq.	Defendant's Attorney: F. Elliotte Quinn
Bar No.	Bar No. 100450
Address: Hayes Law Firm, LLC 180 Meeting Street, Suite 330 Charleston, SC 29401	Address: Parker Poe Adams & Bernstein, LLP 200 Meeting Street, Suite 301 Charleston, SC 29401
phone: 843-805-7003 fax:	phone: 843/727-2650 fax:
email: jhayes@hayeslaw.org other:	email: elliottequinn@parkerpoe.com other:

☒ **MOTION HEARING REQUESTED (attach written motion and complete SECTIONS I and III)**
☐ **FORM MOTION, NO HEARING REQUESTED (complete SECTIONS II and III)**
☐ **PROPOSED ORDER/CONSENT ORDER (complete SECTIONS II AND III)**

SECTION I: Hearing Information

Nature of Motion: Amended Motion to Compel Arbitration

Estimated Time Needed: 30 minutes Court Reporter Needed: ☒ YES ☐ NO

SECTION II: Motion/Order Type

☒ Written motion attached
☐ Form Motion/Order

I hereby move for relief ~~or action by the court as~~ set forth in the attached proposed order.

Signature of Attorney for ☐ Plaintiff / ☒ Defendant Date Submitted: 3/30/16

SECTION III: Motion Fee

☐ PAID – AMOUNT: ____
☒ EXEMPT: (check reason)
- ☐ Rule to Show Cause in Child or Spousal Support
- ☐ Domestic Abuse or Abuse and Neglect
- ☐ Indigent Status ☐ State Agency v. Indigent Party
- ☐ Sexually Violent Predator Act ☐ Post-Conviction Relief
- ☐ Motion for Stay in Bankruptcy
- ☒ Motion for Publication ☐ Motion for Execution (Rule 69, SCRCP)
- ☐ Proposed order submitted at request of the court; or, reduced to writing from motion made in open court per judge's instructions
  Name of Court Reporter:
- ☐ Other:

JOCELYN P. BROWN CLERK OF COURT BERKELEY COUNTY, S.C. 16 MAR 30 PM 3:18

JUDGE'S SECTION

☐ Motion Fee to be paid upon filing of the attached order.
☐ Other:

JUDGE

CODE: _____ Date: _____

CLERK'S VERIFICATION

Collected by: _____ Date Filed:

☐ MOTION FEE COLLECTED: _____
☐ CONTESTED – AMOUNT DUE: _____

SCCA/233 (11-03)

STATE OF SOUTH CAROLINA

COUNTY OF BERKELEY

PATRICIA DAMICO, AND LENNA LUCAS, Individually and on behalf of all other similarly situated, JOSHUA AND BRETTANY BUETOW, EDWARD AND SYLVIA DENGG, JONATHAN AND THERESA DOUGLASS, ANTHONY AND STACEY RAY, DANNY AND ELLEN DAVIS MORROW, CZARA AND CHAD ENGLAND, BRYAN AND CYNTHIA CAMARA, AND MATTHEW COLLINS,

Plaintiffs,

v.

LENNAR CAROLINAS, LLC, SPRING GROVE PLANTATION DEVELOPMENT, INC., MANALE LANDSCAPING, LLC, SUPER CONCRETE OF SC, INC., SOUTHERN GREEN, INC. TJB TRUCKING/LEASING, LLC, PARAGON SITE CONSTRUCTORS, INC., CIVIL SITE ENVIRONMENTAL AND RICK BRYANT, Individually.

Defendants.

LENNAR CAROLINAS, LLC,

Third-Party Plaintiff,

THE EARTHWORKS GROUP, INC., VOLKMAR CONSULTING SERVICES, LLC, GEOMETRICS CONSULTING, LLC, LAND/SITE SERVICES, INC., MYERS LANDSCAPING, INC., A.C. & A. CONCRETE, INC., KNIGHT'S CONCRETE PRODUCTS, INC., KNIGHT'S REDI-MIX, INC., COASTAL CONCRETE SOUTHEAST, LLC,

IN THE COURT OF COMMON PLEAS

CASE NO.: 2014-CP-08-02424

AMENDED MOTION TO COMPEL ARBITRATION

FILED
16 MAR 30 PM 3:19
MARY P. BROWN
CLERK OF COURT
BERKELEY COUNTY, S.C.

COASTAL CONCRETE SOUTHEAST II, LLC, GUARANTEED FRAMING, LLC, OZZY CONSTRUCTION, LLC, CONSTRUCTION APPLICATORS CHARLESTON, LLC, LA NEW ENTERPRISES, LLC, DÉCOR CORPORATION, DVS, INC., RAUL MARTINEZ MASONRY, LLC, ALPHA OMEGA CONSTRUCTION GROUP, INC., SOUTH CAROLINA EXTERIORS, LLC, BUILDERS FIRSTSOURCE-SOUTHEAST GROUP, LLC, AND LOW COUNTRY RENOVATIONS AND SIDING, LLP,

Third-Party Defendants.

DÉCOR CORPORATION,

Fourth Party Plaintiff,

v.

BARANOV FLOORING, LLC, DJ CONSTRUCTION SERVICES, LLC, CREATIVE WOOD FLOORS, LLC, GERALDO CUNHA, EBENEZER FLOORING, LLC, ENMANUEL FLOORING AND SIDING, LLC, EUSI FLOORING AND COVERING, LLC, NICOLAS FLORES, ALEXANDER MARTINEZ, ISIDRU MEJIA, JUAN PEREZ SON, ERNESTO M. PEREZ, N&B CONSTRUCTION, LLC, JOSE DIAS RODRIGUES, LIVIA SOUSA, JOSE BETIO PEREIRA, JOSE PAZ CASTRO HERNANDEZ, DIVINIO APERECIDO CORGOSINHO, RICARDO CHICHE, CEBS CONSTRUCTION, BAYSHORE SIDING AND FLOORING, SEBASTIO LUIZ DE ARAUJO, AND JOHN DOES 1-4,

Fourth-Party Defendants.

PLEASE TAKE NOTICE THAT Defendant Lennar Carolinas, LLC ("Lennar"), by and through its undersigned counsel, moves to stay this action and to compel to submit to mandatory, binding arbitration, as provided by their agreements with Lennar, the governing property documents, and other records, Plaintiffs (collectively "Plaintiffs"):

- Joshua and Brettany Buetow,
- Bryan and Cynthia Camara,
- Matthew Collins,
- Patricia Damico,
- Edward and Sylvia Dengg,
- Jonathan and Theresa Douglass,
- Czara and Chad England,
- Lenna Lucas,
- Danny and Ellen Davis Morrow,
- Anthony and Stacey Ray,

and Defendants and Third-Party Defendants (collectively "Defendants"):

- A.C.&A. Concrete, Inc.;
- Alpha Omega Construction Group, Inc.;
- Builders FirstSource-Southeast Group, LLC;
- Coastal Concrete Southeast, LLC;
- Coastal Concrete Southeast II, LLC;
- Construction Applicators Charleston, LLC;
- Civil Site Environmental, Inc.;
- Décor Corporation;

- DVS, Inc.;
- Guaranteed Framing, LLC;
- Knight's Concrete Products, Inc.;
- Knight's Redi-Mix, Inc.;
- LA New Enterprises, LLC;
- Land/Site Services, Inc.;
- Manale Landscaping, LLC;
- Myers Landscaping, Inc.;
- Ozzy Construction, LLC;
- Raul Martinez Masonry, LLC;
- South Carolina Exteriors, LLC;
- Southern Green, Inc.;
- Spring Grove Plantation Development, Inc.;
- Super Concrete of SC, Inc.;
- TJB Trucking/Leasing, LLC; and
- Volkmar Consulting Services, LLC.

Lennar moves to compel arbitration pursuant to the Federal Arbitration Act, 9 U.S.C. § 1, *et seq.*, or alternatively, the South Carolina Uniform Arbitration Act, S.C. Code Ann. § 15-48-10, *et seq.* The basis for this Motion is that the claims asserted in Plaintiffs' First Amended Complaint, the cross-claims and third-party claims asserted by Lennar against Defendants, as set out in Lennar's Answer to Plaintiffs' First Amended Complaint, Cross-Claims, and Third-Party Complaint, and all cross-claims and counterclaims asserted by Defendants against Lennar are subject to mandatory and binding arbitration under the terms of Plaintiffs' Purchase and Sale

Agreements, Lennar's Limited Warranty; the deeds to Plaintiffs' residences, the deed from Defendant Spring Grove Plantation Development, Inc. to Lennar of the lots in The Abbey at Spring Grove Plantation, a residential development in Moncks Corner in which Plaintiffs' residences are located ("The Abbey"), the applicable covenants and restrictions, and Defendants' supplier, subcontractor, or consultant agreements with Lennar.

Plaintiffs' Purchase and Sale Agreements are incorporated herein as Exhibit 1 through Exhibit 10 to the Affidavit of Robert Mauch ("Mauch Affidavit"), a copy of which is attached hereto as Exhibit A. The construction and sales file for Plaintiffs' residences are incorporated herein as Exhibit 11 through Exhibit 19, and the HUD Statements are incorporated as Exhibit 20 through Exhibit 28 to the Mauch Affidavit. Lennar's Limited Warranty is incorporated herein as Exhibit 29 to the Mauch Affidavit. Defendants' supplier, subcontractor, and consultant agreements with Lennar, as well as documents related to Lennar's relationship with Defendants, are attached hereto as Exhibit 30 through Exhibit 60 to the Mauch Affidavit. Lennar's records reflecting the purchase orders issued to subcontractor defendants and payments made for work, services, and materials supplied to The Abbey is attached hereto as Exhibit 61 to the Mauch Affidavit.

The deeds for Plaintiffs' residences are attached hereto as Exhibit B through Exhibit N. The Amended and Restated Declaration of Covenants, Conditions, Restrictions, Easements, Charges and Liens for Spring Grove Plantation Community, which constitutes the covenants and restrictions applicable to Plaintiffs' residences, is attached hereto as Exhibit O. The Amendment for Annexation of Lots to Spring Grove Plantation Community, pursuant to which the lots in The Abbey, including Plaintiffs' residences, were subjected to those covenants and restrictions, is attached hereto as Exhibit P. The deeds by which Defendant Spring Grove Plantation

Development, Inc. conveyed the lots in The Abbey to Lennar are attached hereto as Exhibit Q and Exhibit R.

Federal law and South Carolina law favor the resolution of disputes through arbitration. *See Landers v. Fed. Deposit Ins. Corp.*, 402 S.C. 100, 109, 739, S.E.2d 209, 213 (2013). Therefore, any disputes that fall within the scope of an arbitration clause must be submitted to arbitration. *See Zabinski*, 346 S.C. at 592, 553 S.E.2d at 116 ("Unless a court can say with positive assurance that the arbitration clause is not susceptible to an interpretation that covers the dispute, arbitration should generally be ordered."). Moreover, "any doubt as to whether [claims are] subject to arbitration must be resolved in favor of arbitration." *Hall v. Green Tree Servicing, LLC*, 413 S.C. 267, 275, 776 S.E.2d 91, 96 (Ct. App. 2015). Because the disputes between Plaintiffs, Lennar, and Defendants fall within the scope of the respective arbitration provisions, Lennar respectfully requests an Order staying the action pending arbitration and compelling Plaintiffs and Defendants to arbitrate their claims.

This Motion is based on and will be supported by the pleadings in this action, the attached Affidavit of Robert Mauch, all exhibits attached hereto and incorporated herein by reference, the controlling statutes, applicable caselaw, any additional affidavits, any appropriate memoranda of law filed in support of this Motion, any additional documents required by the Court, and such supporting arguments as may be submitted in connection herewith.

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Attorneys for Lennar Carolinas, LLC

March 30, 2016

EXHIBIT A

STATE OF SOUTH CAROLINA

COUNTY OF BERKELEY

IN THE COURT OF COMMON PLEAS

CASE NO.: 2014-CP-08-02424

PATRICIA DAMICO, AND LENNA LUCAS, Individually and on behalf of all other similarly situated, JOSHUA AND BRETTANY BUETOW, EDWARD AND SYLVIA DENGG, JONATHAN AND THERESA DOUGLASS, ANTHONY AND STACEY RAY, DANNY AND ELLEN DAVIS MORROW, CZARA AND CHAD ENGLAND, BRYAN AND CYNTHIA CAMARA, AND MATTHEW COLLINS,

Plaintiffs,

v.

LENNAR CAROLINAS, LLC, SPRING GROVE PLANTATION DEVELOPMENT, INC., MANALE LANDSCAPING, LLC, SUPER CONCRETE OF SC, INC., SOUTHERN GREEN, INC. TJB TRUCKING/LEASING, LLC, PARAGON SITE CONSTRUCTORS, INC., CIVIL SITE ENVIRONMENTAL AND RICK BRYANT, Individually.

Defendants.

LENNAR CAROLINAS, LLC,

Third-Party Plaintiff,

THE EARTHWORKS GROUP, INC., VOLKMAR CONSULTING SERVICES, LLC, GEOMETRICS CONSULTING, LLC, LAND/SITE SERVICES, INC., MYERS LANDSCAPING, INC., A.C. & A. CONCRETE, INC., KNIGHT'S CONCRETE PRODUCTS, INC., KNIGHT'S REDI-MIX, INC., COASTAL CONCRETE SOUTHEAST, LLC,

AFFIDAVIT OF ROBERT MAUCH IN SUPPORT OF LENNAR CAROLINAS, LLC'S AMENDED MOTION TO COMPEL ARBITRATION

COASTAL CONCRETE SOUTHEAST II, LLC, GUARANTEED FRAMING, LLC, OZZY CONSTRUCTION, LLC, CONSTRUCTION APPLICATORS CHARLESTON, LLC, LA NEW ENTERPRISES, LLC, DÉCOR CORPORATION, DVS, INC., RAUL MARTINEZ MASONRY, LLC, ALPHA OMEGA CONSTRUCTION GROUP, INC., SOUTH CAROLINA EXTERIORS, LLC, BUILDERS FIRSTSOURCE-SOUTHEAST GROUP, LLC, AND LOW COUNTRY RENOVATIONS AND SIDING, LLP,

Third-Party Defendants.

DÉCOR CORPORATION,

Fourth Party Plaintiff,

v.

BARANOV FLOORING, LLC, DJ CONSTRUCTION SERVICES, LLC, CREATIVE WOOD FLOORS, LLC, GERALDO CUNHA, EBENEZER FLOORING, LLC, ENMANUEL FLOORING AND SIDING, LLC, EUSI FLOORING AND COVERING, LLC, NICOLAS FLORES, ALEXANDER MARTINEZ, ISIDRU MEJIA, JUAN PEREZ SON, ERNESTO M. PEREZ, N&B CONSTRUCTION, LLC, JOSE DIAS RODRIGUES, LIVIA SOUSA, JOSE BETIO PEREIRA, JOSE PAZ CASTRO HERNANDEZ, DIVINIO APERECIDO CORGOSINHO, RICARDO CHICHE, CEBS CONSTRUCTION, BAYSHORE SIDING AND FLOORING, SEBASTIO LUIZ DE ARAUJO, AND JOHN DOES 1-4,

Fourth-Party Defendants.

PERSONALLY APPEARED before me, Robert Mauch, who being first duly sworn, deposes and says:

The following is given of my own personal knowledge and based upon the business records of Lennar Carolinas, LLC ("Lennar") maintained in the ordinary course of business.

1. I am Vice-President-Finance & Controller for Lennar.

2. Attached hereto as Exhibit 1 through Exhibit 9, respectively, are copies of the Purchase and Sale Agreements (the "Purchase and Sale Agreements") between Plaintiffs and Lennar for the construction and sale of the residences that are the subject of this action in The Abbey at Spring Grove Plantation ("The Abbey"), a residential development in Moncks Corner, South Carolina, in which Defendant Spring Grove Plantation Development, Inc. developed the infrastructure, lots, and homesites, and Lennar constructed and sold the residences to purchasers. The Purchase and Sale Agreements are organized as follows:

(a) Exhibit 1: Joshua and Brettany Buetow,

(b) Exhibit 2: Bryan and Cynthia Camara,

(c) Exhibit 3: Matthew Collins,

(d) Exhibit 4: Patricia Damico,

(e) Exhibit 5: Edward and Sylvia Dengg,

(f) Exhibit 6: Jonathan and Theresa Douglass,

(g) Exhibit 7: Chad and Czara England,

(h) Exhibit 8: Danny Morrow,

(i) Exhibit 9: Anthony Ray.

3. Plaintiff Lenna Lucas purchased her residence in The Abbey from Paula Sellers, who originally purchased that residence from Lennar. The Purchase and Sale Agreement entered

into between Sellers and Lennar for the construction and sale of Lucas's residence, which is the subject of this action, is attached hereto as Exhibit 10.

4. The first page of the Purchase and Sale Agreements states in bold, capital letters: **"PURSUANT TO SECTION 15-48-10, SOUTH CAROLINA CODE OF LAWS, 1976, AS AMENDED, THIS SHALL CONSTITUTE WRITTEN NOTICE THAT THIS AGREEMENT IS SUBJECT TO MANDATORY BINDING ARBITRATION PURSUANT TO SECTION 16 OF THIS AGREEMENT."**

5. The mandatory arbitration clause in Section 16 of the Purchase and Sale Agreements provides that the parties agree that the Agreements involve interstate commerce and that any dispute must be submitted to binding arbitration pursuant to the Federal Arbitration Act, 9 U.S.C. §§ 1, *et seq.*

6. Specifically, Section 16 of the Purchase and Sale Agreements provides that all disputes arising under or related to the Purchase and Sale Agreements, Plaintiffs' residences, or the Spring Grove community, as well as all disputes arising by virtue of any purported representation, promise, or warranty made by Lennar, and any dispute relating to property damage sustained by Plaintiffs are all subject to the mandatory arbitration provision in Section 16.

7. Attached hereto as Exhibit 11 through Exhibit 19, respectively, are the relevant portions of Lennar's construction and sale files for Plaintiffs' residences.

8. Exhibits 11 through 19, and the Purchase and Sale Agreements, Exhibits 1 through 10, reflect that homeowners in The Abbey, including Plaintiffs, negotiated and made selections concerning the construction of their residences, including, among other things, the model, fixture, and design details for their residences.

9. The construction and sale of Plaintiffs' residences involved interstate commerce in numerous respects, including, among other things, construction materials and equipment that were manufactured outside of South Carolina and interstate mail and electronic communications. As shown on the construction contracts attached hereto and discussed below, numerous contractors who supplied work or materials for Plaintiffs' residences are corporations incorporated in and/or operating from states other than South Carolina, including Alpha Omega Construction Group, Inc.; Builders FirstSource-Southeast Group, LLC; Coastal Concrete Southeast Group, LLC; Coastal Concrete Southeast Group II, LLC; and Décor Corporation.

10. As reflected on the U.S. Department of Housing & Urban Development Settlement Statement ("HUD Statement") for each Plaintiff, attached hereto as Exhibit 20 through Exhibit 28, the financing for the purchase of nearly all of Plaintiffs' residences was provided by lenders located in states other than South Carolina and involved in interstate commerce. Specifically, as listed on the HUD Statements, Universal American Mortgage Company, LLC located in Clearwater, Florida was the lender for the purchase of the residences of Joshua and Brettany Buetow, Matthew Collins, Patricia Damico, Danny and Ellen Davis Morrow, and Anthony and Stacey Ray. USAA Federal Savings Bank located in San Antonio, Texas was the lender for the purchase of the residence of Jonathan and Theresa Douglass. Navy Federal Credit Union located in Pensacola, Florida was the lender for the purchase of the residence of Chad and Czara England.

11. Moreover, at the time of purchase, several Plaintiffs were residents of states other than South Carolina. Specifically, Matthew Collins was a resident of Pennsylvania. (Ex. 3.) Edward and Sylvia Dengg were residents of Kentucky. (Ex. 5.) Jonathan and Theresa Douglass

were residents of Virginia. (Ex. 6.) Chad and Czara England were residents of California. (Ex. 7.) Anthony Ray was a resident of Virginia. (Ex. 9.)

12. Attached hereto as Exhibit 29 is Lennar's Limited Warranty referenced in and incorporated into the Purchase and Sale Agreements through section 5 in Rider B.

13. The Limited Warranty provides for the resolution of disputes through arbitration. Specifically, the Limited Warranty provides that "Buyer specifically agrees that this transaction involves interstate commerce" and that any "Dispute" not resolved through mediation "shall thereafter be submitted to binding arbitration as provided by the Federal Arbitration Act (9 U.S.C. §§ 1 et seq.)." (Ex. 29 at 6.)

14. The Limited Warranty defines "Disputes" as including, but not limited to:

> any and all controversies, disputes or claims (1) arising under, or related to your Purchase and Sale Agreement, the Property, the Community (as these terms are defined in Buyer's Purchase and Sale Agreement) or any dealings between Buyer and Seller . . .; (2) arising by virtue of any representations, promises or warranties alleged to have been made by Seller or Seller's representative; and (3) relating to personal injury or property damage alleged to have been sustained by Buyer, Buyer's children or other occupants of the Property, or in the Community.

(Ex. 29 at 6.)

15. The Limited Warranty transfers to subsequent purchasers of residences in The Abbey and provides the same rights and obligations for subsequent purchasers, including the obligation to submit disputes to arbitration, as for original purchasers, providing:

> TRANSFERABILITY
> All of your rights and obligations under the Lennar Limited Warranty shall, unless previously released by you, or your successor fully transfer to each successor owner of the Home, including any mortgagee in possession, for the remainder of the applicable Warranty Term and any transfer shall in no way affect, increase or reduce the coverage under the Lennar Limited Warranty for its unexpired term. If you sell your Home during the Warranty Term, you agree to give this Warranty Booklet to the successor owner, to inform the successor owner of warranty rights, and to otherwise make it possible for the successor owner to fulfill the successor owner's obligations under the terms of the Lennar Limited Warranty. **If you are an owner other than the original purchaser of the**

Home, you are bound by all the terms and conditions of the Lennar Limited Warranty including, but not limited to, claims procedures and the requirement to submit any disputes that may arise under the Lennar Limited Warranty to binding arbitration.

(Ex. 29 at 2–3.)

16. In the ordinary course of business, Lennar enters into a contract with each of its subcontractors, suppliers, and consultants for all materials to be supplied and work and services to be performed for Lennar.

17. Lennar requires every subcontractor or consultant to execute a written contract with Lennar before it authorizes the subcontractor or consultant to perform any work or services for Lennar. Lennar does not and would not permit a subcontractor or consultant to perform work or services at or for a project without first having entered into a written contract with Lennar.

18. Lennar's standard practice is to include in all contracts with subcontractors and consultants a provision requiring the subcontractor or consultant to submit to binding arbitration for the resolution of all disputes involving any materials, work, or services provided by the subcontractor or consultant for Lennar.

19. Attached hereto as Exhibit 30 is a copy of the Master Trade Partner Agreement entered into on February 26, 2013, between Lennar and A.C.&A. Concrete, Inc. ("A.C.&A.").

20. Section 1 of the Master Trade Partner Agreement between Lennar and A.C.&A. provides that A.C.&A. will perform work or supply materials at locations specified in work agreements and purchase orders to be issued by Lennar and which are incorporated into the Master Trade Partner Agreement.

21. Section 15 of the Master Trade Partner Agreement between Lennar and A.C.&A. requires the resolution of any claim or dispute between Lennar and A.C.&A. related to the Agreement or "any dealings between the parties" through "final and binding arbitration."

Section 15 also requires A.C.&A. "to participate as a party in, and be bound by, any mediation and arbitration proceedings" between Lennar and a homeowner where the claim or dispute relates to "materials supplied or work performed by or through" A.C.&A. (Ex. 30, Master Trade Partner Agreement at 15.)

22. Attached hereto as Exhibit 31 is the Master Trade Partner Agreement entered into on August 7, 2015, between Lennar and Alpha Omega Construction Group, Inc. ("Alpha Omega").

23. Section 1 of the Master Trade Partner Agreement between Lennar and Alpha Omega provides that Alpha Omega will perform work or supply materials at locations specified in purchase orders to be issued by Lennar and which are incorporated into the Master Trade Partner Agreement.

24. Section 21 of the Master Trade Partner Agreement between Lennar and Alpha Omega provides that if Lennar is involved in arbitration with a third party and Lennar or any other party joins Alpha Omega as a party to that arbitration, any claim or dispute between Lennar and Alpha Omega "shall be resolved in such proceeding." (Ex. 31, Master Trade Partner Agreement at 17.)

25. Attached hereto as Exhibit 32 is the Contractor Base Agreement entered into on September 20, 2007, between Lennar and Builders FirstSource-Southeast Group, LLC ("Builders FirstSource").

26. Section 1 of the Contractor Base Agreement between Lennar and Builders FirstSource provides that Builders FirstSource will perform work or supply materials at locations specified in purchase orders to be issued by Lennar and which are incorporated into the Contractor Base Agreement.

27. Section 15 of the Contractor Base Agreement between Lennar and Builders FirstSource provides that if Lennar is a party to an arbitration action and believes that Builders FirstSource is liable, in whole or in part, for the claims made in the arbitration, "the disputes between them will be fully and finally resolved in such arbitration." (Ex. 32, Contractor Base Agreement at 7.)

28. Attached hereto as Exhibit 33 is the Supplier Base Agreement entered into on August 12, 2009, between Lennar and Coastal Concrete Southeast, LLC ("Coastal Concrete").

29. Section 1 of the Supplier Base Agreement between Lennar and Coastal Concrete provides that Coastal Concrete will perform work or supply materials at locations specified in purchase orders to be issued by Lennar and which are incorporated into the Supplier Base Agreement.

30. Section 19 of the Supplier Base Agreement between Lennar and Coastal Concrete provides that if Lennar is a party to an arbitration action and believes Coastal Concrete is liable, in whole or in part, for the claims made in the arbitration, "the disputes between them will be fully and finally resolved in such arbitration." (Ex. 33, Supplier Base Agreement at 7.)

31. The corporate filing records attached hereto as Exhibit 34 were obtained from the records of the South Carolina Secretary of State and the Delaware Department of State, and reflect that on September 9, 2009, a new entity, Coastal Concrete Southeast II, LLC ("Coastal Concrete II") was formed in Delaware, and as of November 6, 2009, Coastal Concrete II was authorized to conduct business in South Carolina. As of July 7, 2011, Coastal Concrete had withdrawn its authority to conduct business in South Carolina.

32. Attached hereto as Exhibit 35 are the relevant portions of Lennar's Vendor Payment record reflecting the work and materials supplied for the construction of the residences

in The Abbey and which show payments to Coastal Concrete II for work performed and/or materials supplied in The Abbey after July 7, 2011, when Coastal Concrete withdrew its authorization to conduct business in South Carolina.

33. Attached hereto as Exhibit 36 are correspondence from a Coastal Concrete II employee to Lennar indicating Coastal Concrete II replaced and assumed the business of Coastal Concrete and records from Lennar's files reflecting the change in Lennar's system by which Coastal Concrete II replaced Coastal Concrete.

34. Attached hereto as Exhibit 37 is the Subcontract Agreement entered into on January 20, 2009, between Lennar and Construction Applicators Charleston, LLC ("Construction Applicators").

35. Section 1 of the Subcontract Agreement between Lennar and Construction Applicators provides that Construction Applicators will perform work or supply materials at locations specified in purchase orders to be issued by Lennar.

36. Section 14 of the Subcontract Agreement between Lennar and Construction Applicators provides that in the event a claim or controversy arises between Lennar and a third-party regarding materials supplied and/or work performed by Construction Applicators and the claim or controversy is subject to binding arbitration, Construction Applicators will participate in and be bound by the arbitration. (Ex. 37, Subcontract Agreement at 8.)

37. From my review of the project documents retained in Lennar's records, my understanding is that Civil Site Environmental, Inc. ("CSE") was retained by and contracted with Spring Grove Plantation Development, Inc. to perform civil engineering services, including grading, drainage, and stormwater system design, for The Abbey.

38. CSE contracted with Lennar and provided engineering services for another project, a residential development known as Fairmont South.

39. Attached hereto as Exhibit 38 is a copy of a draft retained in Lennar's records of a General Agreement for Consulting Services to be executed between Lennar and CSE for civil engineering services to be performed for Fairmont South.

40. The first page of the draft General Agreement for Consulting Services between Lennar and CSE for Fairmont South states: "Dispute resolution. Consultant is advised that this agreement requires that certain disputes be resolved by arbitration, all as more specifically set forth in section 21 below." (Ex. 38, Draft General Agreement for Consulting Services at 1.)

41. Section 21 of the draft General Agreement for Consulting Services between Lennar and CSE for Fairmont South provides: "[I]n the event a claim or controversy arises between [Lennar] and any third party regarding materials supplied and/or work performed by or through [CSE,], and such claim or controversy is subject to binding arbitration between owner and the third party, [CSE] agrees to participate as a party in any mediation or arbitration, and to be bound by any arbitration proceedings or arbitration ruling in such arbitration." (Ex. 38, Draft General Agreement for Consulting Services at 8.)

42. The executed contract between Lennar and CSE for its work and services in Fairmont South has not been found in Lennar's records. I conducted a diligent search in all locations where I believed the contract could be located and have not located the contract to date. Lennar did not intentionally lose or destroy the contract. I will continue to diligently search for the executed contract and if found, I will provide a copy to Lennar's counsel in this action. A copy of the executed contract between Lennar and CSE for its work and services in Fairmont

South would have been provided to CSE when the agreement was signed and should be retained in CSE's records.

43. Attached hereto as Exhibit 39 is the Contractor Base Agreement entered into on June 26, 2007, between Lennar and Décor Corporation ("Décor").

44. Section 1 of the Contractor Base Agreement between Lennar and Decor provides that Decor will perform work or supply materials at locations specified in purchase orders to be issued by Lennar and which are incorporated into the Contractor Base Agreement.

45. Section 15 of the Contractor Base Agreement between Lennar and Décor provides that if Lennar is a party to an arbitration action and believes that Décor is liable, in whole or in part, for the claims made in the arbitration, then any disputes between Lennar and Décor will be fully and finally resolved in the arbitration. (Ex. 39, Contractor Base Agreement at 7.)

46. Attached hereto as Exhibit 40 is the Contractor Base Agreement entered into on June 26, 2007, between Lennar and DVS, Inc. ("DVS").

47. Section 1 of the Contractor Base Agreement between Lennar and DVS provides that DVS will perform work or supply materials at locations specified in purchase orders to be issued by Lennar and which are incorporated into the Contractor Base Agreement.

48. Section 15 of the Contract Base Agreement between Lennar and DVS provides that if Lennar is a party to an arbitration action and believes that DVS is liable, in whole or in part, for the claims made in the arbitration, then any disputes between Lennar and DVS will be fully and finally resolved in the arbitration. (Ex. 40, Contract Base Agreement at 6.)

49. Attached hereto as Exhibit 41 is the Contractor Base Agreement entered into on May 15, 2007, between Lennar and Guaranteed Framing, LLC ("Guaranteed Framing").

50. Section 1 of the Contractor Base Agreement between Lennar and Guaranteed Framing provides that Guaranteed Framing will perform work or supply materials at locations specified in purchase orders to be issued by Lennar and which are incorporated into the Contractor Base Agreement.

51. Section 15 of the May 15, 2007 Contractor Base Agreement between Lennar and Guaranteed Framing provides that if Lennar is a party to an arbitration action and believes that Guaranteed Framing is liable, in whole or in part, for the claims made in the arbitration, then any disputes between Lennar and Guaranteed Framing will be fully and finally resolved in the arbitration. (Ex. 41, Contractor Base Agreement at 6.)

52. Attached hereto as Exhibit 42 is a more recent Master Trade Partner Agreement entered into on August 6, 2015, between Lennar and Guaranteed Framing.

53. Section 1 of Amendment Number 3 to the August 6, 2015 Master Trade Partner Agreement between Lennar and Guaranteed Framing provides that "any claim or controversy that arises out of or relates to, directly or indirectly, . . . any dealings between the parties" "shall be resolved by final and binding arbitration." Amendment Number 3 further provides: "Should a claim or controversy arise between [Lennar] and a buyer of a residence regarding materials supplied or work performed by or through [Guaranteed Framing], [Guaranteed Framing] agrees to participate as a party in, and be bound by, any mediation and arbitration proceedings between [Lennar] and the buyer."

54. Attached hereto as Exhibit 43 are documents obtained from searches of the online records of the South Carolina Secretary of State. As reflected therein, "Knight's Block" is not an entity registered with the South Carolina Secretary of State, but Knight's Redi-Mix, Inc. ("Knight's Redi-Mix"), Knight's Concrete Products, Inc. ("Knight's Concrete"), and Knight's

Companies, Inc. ("Knight's Companies") are all South Carolina corporations registered with the South Carolina Secretary of State.

55. Attached hereto as Exhibit 44 are pages from the Knight's Companies website at www.knightscompanies.com. Included therein is a homepage for Knight's Companies which indicates that "Knight's Block" and Knight's Redi-Mix are subsidiaries of Knight Companies and a page for "Knight's Block" which is referred to as a "division of Knight's Companies." Also included therein is a page for the executives of Knight's Companies, and among the executives is Michael B. "Pete" Knight whose biographical description states: "After successfully overseeing these two companies, he felt the need to expand his knowledge and Knight's Companies by establishing Knight's Concrete Products DBA Knight's Block in 2004."

56. Attached hereto as Exhibit 45 is the Business Partner Agreement entered into on March 13, 2007, between Lennar and "Knight's Block," *i.e.*, Knight's Concrete.

57. Section 1 of the Business Partner Agreement between Lennar and Knight's Concrete provides that Knight's Concrete will perform work or supply materials at locations specified in purchase orders to be issued by Lennar and which are incorporated into the Business Partner Agreement.

58. Section 14 of the Business Partner Agreement between Lennar and Knight's Concrete provides that "[i]f a controversy or claim arises out of or [is] related to this Agreement" the parties will resolve the dispute through "final and binding arbitration" and further provides: "Should a dispute arise between [Lennar] and a buyer of a residence regarding materials supplied or work performed by [Knight's Concrete], [Knight's Concrete] agrees to participate in, and be bound by, arbitration proceedings between [Lennar] and the buyer." (Ex. 45, Business Partner Agreement at 7.)

59. Attached hereto as Exhibit 46 is the Business Partner Agreement entered into on March 13, 2007, between Lennar and Knight's Redi-Mix.

60. Section 1 of the Business Partner Agreement between Lennar and Knight's Redi-Mix provides that Knight's Redi-Mix will perform work or supply materials at locations specified in purchase orders to be issued by Lennar and which are incorporated into the Business Partner Agreement.

61. Section 14 of the Business Partner Agreement between Lennar and Knight's Redi-Mix provides that "[i]f a controversy or claim arises out of or [is] related to this Agreement" the parties will resolve the dispute through "final and binding arbitration" and further provides: "Should a dispute arise between [Lennar] and a buyer of a residence regarding materials supplied or work performed by [Knight's Redi-Mix], [Knight's Redi-Mix] agrees to participate in, and be bound by, arbitration proceedings between [Lennar] and the buyer." (Ex. 46, Business Partner Agreement at 7.)

62. Attached hereto as Exhibit 47 is the Master Trade Partner Agreement entered into on October 8, 2012, between Lennar and LA New Enterprises, Inc. ("LA New").

63. Section 1 of the Master Trade Partner Agreement between Lennar and LA New provides that LA New will perform work or supply materials at locations specified in purchase orders to be issued by Lennar and which are incorporated into the Master Trade Partner Agreement.

64. Section 1 of Amendment Number 3 to the Master Trade Partner Agreement between Lennar and LA New provides that "any claim or controversy that arises out of or relates to, directly or indirectly, this Agreement or any dealings between the parties" "shall be resolved by final and binding arbitration." Amendment Number 3 further provides: "Should a claim or

controversy arise between [Lennar] and a buyer of a residence regarding materials supplied or work performed by or through [LA New], [LA New] agrees to participate as a party in, and be bound by, any mediation and arbitration proceedings between [Lennar] and the buyer."

65. Attached hereto as Exhibit 48 is the Master Trade Partner Agreement entered into on April 5, 2013, between Lennar and Land/Site Services, Inc. ("Land/Site").

66. Section 1.2 of the Master Trade Partner Agreement between Lennar and Land/Site specifies the location of the work to be performed by Land/Site as "Spring Grove-The Abbey."

67. Section 15 of the Master Trade Partner Agreement between Lennar and Land/Site provides that "any claim or controversy that arises out of or relates to, directly or indirectly, this Agreement or any dealings between the parties" "shall be resolved by final and binding arbitration." Section 15 further provides: "Should a claim or controversy arise between [Lennar] and a buyer of a residence regarding materials supplied or work performed by or through [Land/Site], [Land/Site] agrees to participate as a party in, and be bound by, any mediation and arbitration proceedings between [Lennar] and the buyer." (Ex. 48, Master Trade Partner Agreement at 20.)

68. Attached hereto as Exhibit 49 is the Contractor Base Agreement entered into on September 22, 2008, between Lennar and Manale Landscaping, LLC ("Manale").

69. Section 1 of the Contractor Base Agreement between Lennar and Manale provides that Manale will perform work or supply materials at locations specified in purchase orders to be issued by Lennar and which are incorporated into the Contractor Base Agreement.

70. Section 15 of the Contractor Base Agreement between Lennar and Manale provides that if Lennar is a party to an arbitration action and believes Manale is liable, in whole

or in part, for the claims made in the arbitration, the disputes between Lennar and Manale "will be fully and finally resolved in such arbitration." (Ex. 49, Contractor Base Agreement at 6.)

71. Attached hereto as Exhibit 50 is the Contractor Base Agreement entered into on June 18, 2007, between Lennar and Myers Landscaping, Inc. ("Myers").

72. Section 1 of the Contractor Base Agreement between Lennar and Myers provides that Myers will perform work or supply materials at locations specified in purchase orders to be issued by Lennar and which are incorporated into the Contractor Base Agreement.

73. Section 15 of the Contractor Base Agreement between Lennar and Myers provides that if Lennar is a party to an arbitration action and believes Myers is liable, in whole or in part, for the claims made in the arbitration, the disputes between Lennar and Myers "will be fully and finally resolved in such arbitration." (Ex. 50, Contractor Base Agreement at 6.)

74. Attached hereto as Exhibit 51 are a 2007 Subcontract Agreement and a 2007 Supplier Base Agreement between Lennar and Ozzy Construction, LLC ("Ozzy").

75. Section 1 of the Subcontract Agreement between Lennar and Ozzy provides that Ozzy will perform work or supply materials at locations specified in purchase orders to be issued by Lennar and which are incorporated into the Subcontract Agreement.

76. Section 1 of the Supplier Base Agreement between Lennar and Ozzy provides that Ozzy will perform work or supply materials at locations specified in purchase orders to be issued by Lennar and which are incorporated into the Supplier Base Agreement.

77. Section 14 of the Subcontract Agreement between Lennar and Ozzy provides: "[I]n the event a claim or controversy arises between [Lennar] and any third party regarding materials supplied and/or work performed by or through [Ozzy], and such claim or controversy is subject to binding arbitration between [Lennar] and the third party, [Ozzy] agrees to

participate as a party in any mediation or arbitration, and to be bound by any arbitration proceedings or arbitration ruling in such arbitration." (Ex. 51, Subcontract Agreement at 8.)

78. Section 19 of the Supplier Base Agreement between Lennar and Ozzy provides that if Lennar is a party to an arbitration action and believes Ozzy is liable, in whole or in part, for the claims made in the arbitration, then the disputes between Lennar and Ozzy "will be fully and finally resolved in such arbitration." (Ex. 51, Supplier Base Agreement at 7.)

79. Attached hereto as Exhibit 52 is the Contractor Base Agreement entered into September 7, 2007, between Lennar and Raul Martinez Masonry, LLC ("Martinez").

80. Section 1 of the Contractor Base Agreement between Lennar and Martinez provides that Martinez will perform work or supply materials at locations specified in purchase orders to be issued by Lennar and which are incorporated into the Contractor Base Agreement.

81. Section 15 of the Contractor Base Agreement between Lennar and Martinez provides that if Lennar is a party to an arbitration action and believes Martinez is liable, in whole or in part, for the claims made in the arbitration, then the disputes between Lennar and Martinez "will be fully and finally resolved in such arbitration." (Ex. 52, Contractor Base Agreement at 6.)

82. Attached hereto as Exhibit 53 is the Subcontract Agreement entered into on April 12, 2010, between Lennar and South Carolina Exteriors, LLC ("SC Exteriors").

83. Section 1 of the Subcontract Agreement between Lennar and SC Exteriors provides that SC Exteriors will perform work or supply materials at locations specified in purchase orders to be issued by Lennar.

84. Section 14 of the Subcontract Agreement between Lennar and SC Exteriors provides: "[I]n the event a claim or controversy arises between contractor and any third party

regarding materials supplied and/or work performed by or through [SC Exteriors], and such claim or controversy is subject to binding arbitration between [Lennar] and the third party, [SC Exteriors] agrees to participate as a party in any mediation or arbitration, and to be bound by any arbitration proceedings or arbitration ruling in such arbitration." (Ex. 53, Subcontract Agreement at 8.)

85. Attached hereto as Exhibit 54 is the Subcontract Agreement entered into July 22, 2010, between Lennar and Southern Green, Inc. ("Southern Green").

86. Section 1 of the Subcontract Agreement between Lennar and Southern Green provides that Southern Green will perform work or supply materials at locations specified in purchase orders to be issued by Lennar.

87. Section 14 of the Subcontract Agreement between Lennar and Southern Green provides: "[I]n the event a claim or controversy arises between contractor and any third party regarding materials supplied and/or work performed by or through [Southern Green], and such claim or controversy is subject to binding arbitration between [Lennar] and the third party, [Southern Green] agrees to participate as a party in any mediation or arbitration, and to be bound by any arbitration proceedings or arbitration ruling in such arbitration." (Ex. 54, Subcontract Agreement at 8.)

88. Attached hereto as Exhibit 55 are a Subcontract Agreement and a Supplier Base Agreement both entered into on June 10, 2008, between Lennar and Super Concrete of SC, Inc. ("Super Concrete").

89. Section 1 of the Subcontract Agreement between Lennar and Super Concrete provides that Super Concrete will perform work or supply materials at locations specified in purchase orders to be issued by Lennar.

90. Section 1 of the Supplier Base Agreement between Lennar and Super Concrete provides that Super Concrete will perform work or supply materials at locations specified in purchase orders to be issued by Lennar and which are incorporated into the Supplier Base Agreement.

91. Section 14 of the Subcontract Agreement between Lennar and Super Concrete provides: "[I]n the event a claim or controversy arises between contractor and any third party regarding materials supplied and/or work performed by or through [Super Concrete], and such claim or controversy is subject to binding arbitration between [Lennar] and the third party, [Super Concrete] agrees to participate as a party in any mediation or arbitration, and to be bound by any arbitration proceedings or arbitration ruling in such arbitration." (Ex. 55, Subcontract Agreement at 8.)

92. Section 19 of the Supplier Base Agreement between Lennar and Super Concrete provides that if Lennar is a party to an arbitration action and believes Super Concrete is liable, in whole or in part, for the claims made in the arbitration, then the disputes between Lennar and Super Concrete "will be fully and finally resolved in such arbitration." (Ex. 55, Supplier Base Agreement at 7.)

93. Attached hereto as Exhibit 56 is a Master Trade Partner Agreement entered into on July 9, 2012, between Lennar and TJB Trucking/Leasing, LLC ("TJB").

94. Section 1 of the Master Trade Partner Agreement between Lennar and TJB provides that TJB will perform work or supply materials at locations specified in purchase orders to be issued by Lennar. The Master Trade Partner Agreement also specifies that the location where the work was to be performed was "The Abbey @ Spring Grove."

95. Section 15 of the July 9, 2012 Master Trade Partner Agreement between Lennar and TJB provides that if Lennar is a party to an arbitration action and believes TJB is liable, in whole or in part, for the claims made in the arbitration, then the disputes between Lennar and TJB "will be fully and finally resolved in such arbitration." (Ex. 56, Master Trade Partner Agreement at 14.)

96. Attached hereto as Exhibit 57 is a Master Trade Partner Agreement entered into on April 17, 2013, between Lennar and TJB.

97. Section 1 of the Master Trade Partner Agreement between Lennar and TJB provides that TJB will perform work in "The Abbey."

98. Section 15 of the April 17, 2013 Master Trade Partner Agreement between Lennar and TJB provides that "any claim or controversy that arises out of or relates to, directly or indirectly, this agreement or any dealings between the parties" "shall be resolved by final and binding arbitration." Section 15 further provides: "Should a claim or controversy arise between [Lennar] and a buyer of a residence regarding materials supplied or work performed by or through [TJB], [TJB] agrees to participate as a party in, and be bound by, any mediation and arbitration proceedings between [Lennar] and the buyer." (Ex. 57, Master Trade Partner Agreement at 20.)

99. Attached hereto as Exhibit 58 is a General Agreement for Consulting Services entered into on July 31, 2012, between Lennar and Volkmar Consulting Services, LLC ("Volkmar").

100. The first page of the July 31, 2012 General Agreement for Consulting Services between Lennar and Volkmar states: "Dispute Resolution. Consultant is advised that this

agreement requires that certain disputes be resolved by arbitration, all as more specifically set forth in section 21 below." (Ex. 58, General Agreement for Consulting Services at 1.)

101. Section 21 of the July 31, 2012 General Agreement for Consulting Services between Lennar and Volkmar provides: "[I]n the event a claim or controversy arises between [Lennar] and any third party regarding materials supplied and/or work performed by or through [Volkmar,], and such claim or controversy is subject to binding arbitration between owner and the third party, [Volkmar] agrees to participate as a party in any mediation or arbitration, and to be bound by any arbitration proceedings or arbitration ruling in such arbitration." (Ex. 58, General Agreement for Consulting Services at 7.)

102. Lennar maintains electronic records of its contracts with subcontractors and consultants and the work or services performed and amounts paid pursuant to those contracts.

103. Attached hereto as Exhibit 59 are two images from Lennar's electronic records system showing that Lennar entered into a written contract with contract number 13522251 with Volkmar for the performance of geotechnical engineering services, including soil density and bearing tests, in The Abbey, including for Plaintiffs' residences.

104. Exhibit 59 also shows that the contract with Volkmar was for $23,555 of geotechnical services and Volkmar billed Lennar $23,555 for the performance of those services in The Abbey.

105. From my review of Lennar's records, all contracts entered into between Lennar and Volkmar contained arbitration provisions requiring Volkmar to submit to final, binding arbitration for the resolution of any disputes involving Volkmar's work for Lennar.

106. Attached hereto as Exhibit 60 is a copy of a draft retained in Lennar's records of a General Agreement for Consulting Services to be executed between Lennar and Volkmar for

geotechnical services to be performed for lots in Pocket M in Spring Grove, which is The Abbey and Plaintiffs' lots therein.

107. The first page of the draft General Agreement for Consulting Services states: "Dispute resolution. Consultant is advised that this agreement requires that certain disputes be resolved by arbitration, all as more specifically set forth in section 21 below." (Ex. 60, Draft General Agreement for Consulting Services at 1.)

108. Section 21 of the draft General Agreement for Consulting Services provides: "[I]n the event a claim or controversy arises between [Lennar] and any third party regarding materials supplied and/or work performed by or through [Volkmar,], and such claim or controversy is subject to binding arbitration between owner and the third party, [Volkmar] agrees to participate as a party in any mediation or arbitration, and to be bound by any arbitration proceedings or arbitration ruling in such arbitration." (Ex. 60, Draft General Agreement for Consulting Services at 7.)

109. The executed contract between Lennar and Volkmar for its work and services in The Abbey has not been found in Lennar's records. I conducted a diligent search in all locations where I believed the contract could be located and have not located the contract to date. Lennar did not intentionally lose or destroy the contract. I will continue to diligently search for the executed contract and if found, I will provide a copy to Lennar's counsel in this action. A copy of the executed contract between Lennar and Volkmar for its work and services in The Abbey would have been provided to Volkmar when the agreement was signed and should be retained in Volkmar's records.

110. Attached hereto as Exhibit 61 is Lennar's Vendor Payment record for The Abbey which shows the purchase orders issued to each supplier or subcontractor, the residence the

purchase order was issued for, the scope of work to be performed or materials to be supplied per the purchase order, and the payments made to the subcontractor or supplier for the work performed or materials supplied.

FURTHER AFFIANT SAYETH NOT.

Robert Mauch

Robert Mauch

Sworn to and subscribed before me
this 30 day of March ___, 2016

Notary Public for South Carolina
My commission expires: 11-13-25

EXHIBIT 1

TO EXHIBIT A – AFFIDAVIT OF ROBERT MAUCH

DocuSign Envelope ID: FE983F7E-23D3-4363-A285-A9837E4C8338

Lennar Carolinas, LLC
1941 Savage Road, Ste. 100-C
Charleston, South Carolina 29407
843-388-8989

PURCHASE AND SALE AGREEMENT

PURSUANT TO SECTION 15-48-10, SOUTH CAROLINA CODE OF LAWS, 1976, AS AMENDED, THIS SHALL CONSTITUTE WRITTEN NOTICE THAT THIS AGREEMENT IS SUBJECT TO MANDATORY BINDING ARBITRATION PURSUANT TO SECTION 16 OF THIS AGREEMENT.

THIS PURCHASE AND SALE AGREEMENT (together with the Riders and Addenda attached hereto and incorporated by reference herein, this "Agreement") is made and entered into as of the twenty-ninth day of APRIL , 2013 by and between Lennar Carolinas, LLC ("Seller"), and Buyer(s) named below ("Buyer"):

BUYER(S): 1. Joshua Buetow 2. Brettany Buetow 3. 4. No Buyer Changes Will Be Permitted	Check Applicable: Married ☐ Single☐ Male ☐ Female☐ Married ☐ Single☐ Male ☐ Female☐ Married ☐ Single☐ Male ☐ Female☐ Married ☐ Single☐ Male ☐ Female☐
Buyer Address: 12 Houston Street	
City: Goose Creek	State / Country: SC / Zip: 29445
By providing your telephone and fax numbers and your email address, you hereby consent to receiving telephonic, fax and email communications, including advertisements, made or sent by or on behalf of Seller and/or its affiliates.	
Home Telephone: +1 760 2202496	**Facsimile Numer:**
Business Telephone:	**Email Address:** j_buetow@hotmail.com
Cellular Telephone:	

1. Purchase and Sale. Buyer agrees to buy and Seller agrees to sell to Buyer (on the terms and conditions set forth below) Model HAWTHORNE II constructed or to be constructed on the following described property:
Lot 0020 of Block _____ of The Abbey at Spring Grove Subdivision/Plat, in Berkeley County (the "County"), South Carolina

Address: 240 Maywood Drive Moncks Corner SC 29461

The residence and improvements (the "Home") constructed or to be constructed on the above described property (the "Homesite"), and all appurtenances thereto are collectively referred to in this Agreement as the "Property." The Property is located within the community known as The Abbey at Spring Grove (the "Community").

2. Purchase Price and Payments. The total purchase price ("Total Purchase Price") for the Home, exclusive of any Builder's Fee, as applicable, and Closing Costs as described in Rider B and the Purchase Price and Payment Addendum, is $ 180,490.00. Buyer (and not a third party) has made an earnest money deposit upon the signing of this Agreement (the "Initial Deposit") of $ 500.00. Buyer shall make further payments to Seller, including but not limited to any "Additional Deposit" or "Advanced Payment" (consisting of non-refundable deposit(s) for options, extras, and upgrades) as set forth in the Purchase Price and Payment Addendum attached hereto and made a part hereof. The term "Deposit" shall include the Initial Deposit, Additional Deposit and Advanced Payment.

3. Legally Binding Agreement. THIS AGREEMENT IS A LEGALLY BINDING CONTRACT. IF NOT FULLY UNDERSTOOD, PLEASE SEEK COMPETENT LEGAL ADVICE. NO WARRANTIES OR REPRESENTATIONS, OTHER THAN THOSE SPECIFIED IN THIS AGREEMENT, ARE EXPRESSED OR IMPLIED. ORAL REPRESENTATIONS CANNOT BE RELIED UPON AS CORRECTLY STATING THE REPRESENTATIONS OF SELLER. FOR CORRECT WARRANTIES AND REPRESENTATIONS, REFERENCE SHOULD BE MADE TO THIS AGREEMENT, INCLUDING THE RIDERS AND ADDENDA ATTACHED HERETO, AND THE "DOCUMENTS" (AS SUCH TERM IS DEFINED IN RIDER B) PROVIDED TO BUYER, IF ANY.

4. Financing.

☐ NO CONTINGENCY. If this box is checked, this is a cash transaction and not contingent on financing. Buyer agrees to provide within five (5) calendar days from the Buyer's execution of this Agreement financial statements or other written verification of Buyer's ability to purchase the Property with cash. If Buyer does not (in Seller's sole judgment, based on the documentation provided by Buyer to Seller) have the financial ability to purchase the Property with cash, then Seller may terminate this Agreement by refunding to Buyer any paid Deposit.

☐ MORTGAGE CONTINGENCY. If this box is checked, this Agreement is contingent on Buyer obtaining a loan commitment within the Mortgage Contingency Period (as such term is defined in Rider B attached hereto) for a first mortgage loan from Universal

American Mortgage Company, LLC (an affiliate of Seller), or another qualified institutional mortgage lender of Buyer's choice ("Lender"), with interest, term and service charges at current market rates at time of Closing (as defined below) for a borrower of Buyer's credit qualifications (the "Mortgage Contingency"). Buyer agrees to apply within five (5) calendar days from the execution of this Agreement for a loan at the then prevailing interest rate and terms (the "Mortgage Contingency Period"). In the event Buyer chooses to obtain financing through a Lender other than Universal American Mortgage Company, LLC, Buyer agrees to promptly provide Seller, upon Seller's request, with the name, address and phone number of such Lender, the loan officer and the loan processor. Buyer shall furnish promptly and accurately to Lender all information and documents requested by Lender in connection with such application. If Buyer properly makes and pursues the loan application as provided herein but is unable to provide Seller with a copy of a written loan commitment reasonably satisfactory to Seller within the Mortgage Contingency Period, or if Buyer is at any time disapproved for such loan (and Buyer does not cancel or withdraw his/her loan application), then Seller, at its sole discretion, may cancel this Agreement by written notice to Buyer, at Buyer's last known address, in which event Seller shall refund any paid Deposit made by Buyer. If Buyer properly makes and pursues the loan application as provided herein but is unable to obtain mortgage loan financing, despite Buyer's good faith efforts to do so, and Buyer is not otherwise in default under this Agreement, and further provided that Buyer provides Seller with documentation from Lender that the loan has been declined, Buyer may cancel this Agreement by giving written notice to Seller within the Mortgage Contingency Period, in which event Seller shall refund any paid Deposit. If this Agreement provides for a VA guaranteed or FHA-insured loan, Buyer's obligation to complete the purchase contemplated under this Agreement is subject to the VA/FHA Addendum attached hereto and incorporated herein.

The following shall apply only if this Agreement is subject to the Mortgage Contingency, as indicated above:

4.1 Mortgage Loan. Unless Buyer shall have otherwise notified Seller in writing within the Mortgage Contingency Period, Buyer shall be conclusively presumed to have obtained the loan commitment or agreed to purchase the Property without mortgage financing, and the Mortgage Contingency shall be deemed to have been satisfied.

4.2 Application. Buyer understands that any loan application required under this Agreement must be fully completed in order to obtain the mortgage loan, and Buyer will make a good faith attempt to qualify for the mortgage loan. If Buyer has a spouse who does not constitute a Buyer under this Agreement, Buyer agrees to have his/her spouse sign the mortgage documents as required by Lender. BUYER AGREES TO INCUR NO DEBT SUBSEQUENT TO THE DATE HEREOF WHICH MIGHT JEOPARDIZE APPROVAL OF BUYER'S MORTGAGE LOAN. IF THE PROPERTY IS BEING PURCHASED BY A CORPORATION, PARTNERSHIP, OR OTHER ENTITY, BUYER AGREES TO (1) OBTAIN ANY PERSONAL ENDORSEMENTS OR GUARANTEES REQUIRED BY LENDER AND (2) PROVIDE TO LENDER AND/OR THE TITLE INSURER PROMPTLY UPON REQUEST SUCH CERTIFICATES, RESOLUTIONS OR OTHER CORPORATE, PARTNERSHIP OR OTHER ORGANIZATIONAL DOCUMENTS AS MAY BE REQUIRED. Except as provided in this Agreement, Buyer agrees to pay all loan fees and closing costs charged by Lender in connection with the mortgage loan. Buyer will pay any prepaid interest due on the mortgage loan at the time of Closing and any amount Lender may require to be put into escrow toward the payment of property taxes and insurance on the Property. Buyer will also pay any mortgage insurance premiums (prepaid or otherwise), if required by Lender.

4.3 Commitment. Buyer understands that the rate of interest on the mortgage is established by Lender and not by Seller and that any predictions or representations of present or future interest rate that may have been contained in any advertising or promotion by Seller are not binding. If Buyer obtains a written mortgage loan commitment and the mortgage loan commitment is subsequently withdrawn through no fault of Seller including, but not limited to, any condition to such loan commitment not being satisfied for any reason (other than failure of the Property to appraise equal to or greater than the Total Purchase Price), this Agreement shall remain in full force and effect and Buyer shall be conclusively presumed to have agreed to purchase the Property without mortgage financing. If the Lender's appraiser does not appraise the Property for the Total Purchase Price then Seller shall have the option in, Seller's sole discretion, to (i) lower the Total Purchase Price to the appraised value and Buyer shall proceed to Closing, or (ii) terminate this Agreement and return the Deposits to Buyer. If Buyer obtains a loan commitment containing any special condition that is not ordinarily contained in typical loan commitments for the Community, Seller, in Seller's sole discretion, may treat Buyer's loan application as having been denied; whereupon, Seller shall have the rights set forth in this Section 4.

4.4 Sale of Other Residence. Unless the Home Sale Contingency Addendum is executed, Buyer represents and warrants that this Agreement and the mortgage loan referenced herein, are not and will not be subject to or contingent upon Buyer's selling and/or closing on the sale of Buyer's present residence or other property. Failure to close on the purchase of the Property will constitute a default by Buyer and the remedies available to Seller for Buyer's default under this Agreement shall apply.

5. Funds. Any funds paid by Buyer under the terms of this Agreement to Seller through a check or cashier's check are accepted by Seller subject to collection. Buyer acknowledges that Seller shall have the right to deposit such check for the Initial Deposit without such action being deemed acceptance of this Agreement. If any such check is not paid by the bank after acceptance of this Agreement, Seller shall have the option to cancel this Agreement and declare Buyer in default. If Buyer provides any check for a Deposit in the form of Canadian currency (a "C$ check"), Seller's depository bank will convert such C$ check into a U.S. dollar amount using its currency procedures and exchange rate then in effect two (2) business days following the date of processing (the "Conversion Date") and the amount of the Deposit to be applied toward the Total Purchase Price shall be equal to the amount received by Seller from the depository bank on the Conversion Date. Seller reserves the right to charge or pass through any currency conversion-related fees or costs to the Buyer at Closing (as hereafter defined). Notwithstanding the foregoing or anything contained in the Agreement to the contrary, the balance of the Total Purchase Price plus all applicable Closing Costs (the "Closing Proceeds") shall be paid to Seller at Closing by wire transfer in immediately available funds or by cashier's check (subject to collection) issued by a bank with a branch in the County where the Property is located. If Buyer delivers all or any portion of the Closing Proceeds in the form of a cashier's check exceeding $25,000.00, then Buyer will not be entitled to possession of the Home until the Closing Proceeds have cleared.

6. Credit Information Authorization. Buyer authorizes Lender to whom Buyer has applied or is in the process of applying for a mortgage loan in connection with this transaction to disclose to Seller the information contained in any loan application, verification of deposit, income and employment, and credit reports or credit related documentation on Buyer. Buyer authorizes Seller to order one or more credit reports from a consumer reporting agency to be used in connection with this transaction. The cost of said report(s) is

(are) to be paid by Buyer. Buyer authorizes Seller to forward all copies of all or any portion of such report(s) without interpretation to Lender who (at the request of Buyer) will evaluate a potential extension of credit to Buyer in connection with this transaction. Buyer authorizes Lender, and any credit bureau or other person or entity utilized or engaged by Lender, to obtain one or more consumer reports regarding Buyer and to investigate any information, reference, statement, or data, provided to Lender by Buyer or by any other person or entity, pertaining to Buyer's credit and financial status. Buyer shall indemnify, defend and hold harmless Seller, its officers, directors, shareholders, employees, agents, contractors, subcontractors and suppliers ("Indemnified Parties"), Lender, and any credit bureau or other person or entity utilized or engaged by Lender or Seller, from and against any deficiencies, losses, liabilities, claims, damages, expenses, obligations, penalties, actions, judgments, awards, suits, costs or disbursements of any kind or nature whatsoever, including attorneys' fees and expenses ("Claims") arising from an investigation of Buyer's credit and financial status.

7. Closing. Without limiting the terms of Section 8, Buyer acknowledges and agrees that Seller has the right in its sole discretion to schedule the date, time and place for the closing of the transaction contemplated by this Agreement ("Closing") and Buyer shall close on such Closing Date (the "Closing Date"). Buyer will be given notice of the Closing Date, time and place by the "Closing Date Notice Period" (as such term is defined in Rider B attached hereto). Seller is authorized to postpone or advance the date of Closing at its discretion. Seller must, however, give Buyer reasonable notice of the new Closing Date. Any notice of Closing may be given verbally, by telephone, telegraph, telex, facsimile, mail, e-mail, or other means of communication at Seller's option. All notices of Closing will be given to Buyer at the address or by use of the telephone number(s) or e-mail address(es) specified on page 1 of this Agreement unless Seller has received written notice from Buyer of any change therein prior to the date notice of Closing is given. Buyer's failure to receive the notice of Closing because Buyer has failed to advise Seller of any changes of address or phone number, or because Buyer has failed to pick up a letter when Buyer has been advised of an attempted delivery or for any other reason, shall not relieve Buyer of Buyer's obligation to close on the scheduled Closing Date, unless Seller otherwise agrees in writing to postpone the Closing Date. To the extent not prohibited by applicable law, if Seller, in its sole discretion, agrees in writing to reschedule the Closing Date at Buyer's request, or because Buyer (if a corporation) has failed to produce all corporate documents requested by Seller, or for any other reason (except for delay required by Seller), then (1) Seller may impose a late charge as liquidated damages for such delay equal to One Hundred Twenty-Five Dollars ($125.00) per day for every day from the original Closing Date through the date that the transaction closes, and (2) Seller may require that prorations be made as of the original Closing Date. Buyer agrees the late charge is appropriate in order to cover Seller's administrative and other expenses resulting from a delay in Closing and that the amount of liquidated damages is fixed and agreed to by the parties as a reasonable estimate of the damages that Seller shall suffer and is not in the nature of a penalty. Seller is not required to agree to reschedule Closing, but Seller may reschedule Closing in Seller's sole discretion.

8. Completion Date. It is expressly agreed by Buyer that notwithstanding anything to the contrary specified herein or verbally represented (including but not limited to Seller's sales representative), any scheduled completion date is a good faith estimate, and Seller makes no promises or representations concerning the date of completion. Buyer agrees that Buyer has not relied, and will not rely upon, any estimated completion date for any purpose whatsoever, including, without limitation, relocation of residence, storage of personal property, or lock-in financing, and Buyer agrees that Seller shall not be liable for any additional costs, expenses or damages whatsoever should the Home not be completed by an estimated completion date. Notwithstanding the foregoing, Seller is required to complete and does agree that the construction of the Home shall be completed not later than two (2) years from the date of Buyer's execution of this Agreement. If construction is delayed by any event recognized by the law of the state in which the Home is located as a defense to a contract action for non-performance or a delay in performance, then the date of completion shall be extended by the delay period. It is the express intent of the parties that the parties' rights and obligations under this Agreement be construed in the manner necessary to exempt this Agreement and the sale of the Property from registration under the Interstate Land Sales Full Disclosure Act, and both Buyer and Seller hereby expressly waive any right or provision of this Agreement that would otherwise preclude such exemption.

9. Casualty Before Closing. If the Property is damaged by fire, act of terrorism or other casualty before Closing and the cost of restoration does not exceed three percent (3%) of the Total Purchase Price and repairs will not substantially delay Closing, Seller shall repair the damage and Closing shall proceed pursuant to the terms of this Agreement. If the cost of restoration exceeds three percent (3%) of the Total Purchase Price or the repairs would substantially delay Closing, Buyer shall have the option to: (1) terminate this Agreement and receive a refund of the Deposit made by Buyer to Seller, in which event both parties shall be released from all obligations under this Agreement, or (2) have Seller repair the damage as soon as reasonably possible, and Closing shall be extended until such repair or rebuilding is complete.
Notwithstanding the foregoing, if all or a portion of the Property is damaged by fire, act of terrorism or other casualty and (1) the plans, specifications or construction materials for the Property must be materially modified in order to repair or reconstruct the Property, or (2) the repair or reconstruction of the Property substantially in accordance with the plans and specifications is rendered impossible by any cause recognized by the law of the state in which the Property is located as a defense to a contract action for non-performance, then Seller shall have the right to terminate this Agreement and Buyer shall receive a refund of the Deposit made by Buyer to Seller in which event both parties shall be released from all obligations under this Agreement.

10. Deed. Seller shall convey title to Buyer at Closing by delivery to Buyer of a General Limited Warranty Deed (the "Deed") describing the Property, which Deed shall convey title to Buyer subject to all matters described in this Agreement.

11. Closing and Title Matters. Title to the Property to be delivered to Buyer at Closing will be marketable and insurable, subject only to the following matters:

11.1 Title to the Property shall be subject to the following: (1) zoning, building codes, bulkhead laws, ordinances, regulations, rights or interests vested in the United States of America or the state in which the Community is located; (2) real estate taxes and other taxes for the year of conveyance and subsequent years including taxes or assessments of any special taxing or community development district (including assessments relating to capital improvements and bonds); (3) the general printed exceptions contained in an owner's title insurance policy; (4) utility easements, sewer agreements, telephone agreements, cable agreements, telecommunications agreements, monitoring agreements, restrictions and reservations common to any plat affecting title to the Property; (5) matters that would be disclosed by an accurate survey or inspection of the Property; (6) the Documents; (7) any laws and restrictions, covenants, conditions, limitations, reservations, agreements or easements recorded in the public records for the County (for example, use limitations and obligations, easements (right-of-way) and agreements relating to telephone, gas or electric lines, water and sewer lines and drainage, provided they do not prevent use of the Property for single family residential purposes); (8) minor encroachments on easements that do not

substantially interfere with an easement holder's interest in the Property; and (9) acts done or suffered by Buyer and any mortgage or deed of trust obtained by Buyer for the purchase of the Property. It is Buyer's responsibility to review and become familiar with each of the foregoing title matters, some of which are covenants running with the land. If any title defects are discovered by Buyer after Closing, Buyer's sole remedy shall be to make a claim to Buyer's title insurer.

11.2 Seller shall convey title to Buyer at Closing by delivery to Buyer of the Deed, which shall convey title to Buyer subject to all matters described in Section 11.1 of this Agreement. Any such matters omitted from the Deed shall nevertheless be deemed to be included in the Deed.

11.3 Seller shall provide an affidavit complying with the Foreign Investment in Real Property Tax Act of 1980, as amended, upon written request of Buyer.

11.4 Seller may not own title to the Property as of the date of this Agreement or at Closing. However, Seller shall obtain title to the Property on or before the Closing Date or effect the necessary transfer of title on or before the date when Seller causes title to be transferred to Buyer.

11.5 If Seller cannot provide marketable and insurable title as described above, such failure shall not be an event of default and Seller will have a reasonable period of time (at least one hundred and twenty (120) days from the date of the scheduled Closing Date) to attempt to correct any defects in title; provided, however, Seller shall not be obligated to incur any expense, nor institute any litigation, to clear title to the Property. If Seller cannot or elects not to correct the title defects, Seller shall so notify Buyer within such period, and Buyer may thereafter elect (by written notice from Buyer to Seller) one of the following two (2) options: (1) to accept title in the condition offered (with defects) and pay the balance of the Total Purchase Price for the Property (without set off or deduction therefor), thereby waiving any claim with respect to such title defects and Buyer will not make any claims against Seller because of the title defects; or (2) to terminate this Agreement and receive a full refund of the Deposit deposited hereunder. If all such amounts are refunded, Buyer agrees to accept it as full payment of Seller's liability hereunder, whereupon this Agreement shall be terminated and Seller shall thereafter be relieved and released of all further liability hereunder. Buyer shall not thereafter have any rights to make any additional claims against Seller. In the event Buyer does not notify Seller in writing within five (5) calendar days from the receipt of Seller's notice (time being strictly of the essence) as to which option Buyer elects, Buyer shall be conclusively presumed to have elected option (1) set forth above in this subsection.

11.6 The acceptance of the Deed by Buyer shall be deemed to be full performance and discharge of every agreement and obligation on the part of Seller to be performed pursuant to this Agreement, except those which are herein specifically deemed to survive Closing or which may survive by operation of law, if any.

11.7 Title to the Property will be deemed marketable if an owner's policy is issued with standard exceptions.

11.8 All of the terms of this Section 11 shall survive Closing and the delivery of the Deed.

12. Closing Costs. The respective responsibilities of Buyer and Seller for all costs, prorations and fees payable at Closing (the "Closing Costs") are shown in Rider B attached hereto.

13. Site and Substitutions. The materials, equipment and fixtures included in and to be used in constructing the Home will be substantially the same as or similar in quality to those described in the applicable plans and specifications (except as to extras, options and/or upgrades).

13.1 Changes to Plans and Specifications.

13.1.1 Industry Practice. It is widely observed construction industry practice for pre-construction plans and specifications for any home or building to be changed and adjusted from time to time in order to accommodate on-going site conditions and in the field construction factors. These changes and adjustments are essential in order to permit all components of the Home to be integrated into a well-functioning and aesthetically pleasing product in an expeditious manner. Based on the foregoing, Buyer acknowledges that such changes and adjustments may occur and agrees that it is reasonable and to Buyer's benefit to allow Seller the flexibility to make such changes and adjustments to the Home.

13.1.2 Seller's Absolute Right to Make Modifications to Plans and Specifications. Seller has the absolute right to make modifications to the plans and specifications for the Home. Without limiting the generality of the foregoing, Buyer specifically agrees that changes in the dimensions of rooms and patios, entrances and terraces, if applicable, and changes in room size, in the locations of windows, doors, walls, partitions, utility lead-ins and outlets (including, but not limited to, electrical, cable television, and telephone), air-conditioning components, lighting fixtures and electrical panel boxes may be made by Seller in its sole discretion, provided however that changes in the layout and dimensions of the Home shall not substantially affect the value of the Home. Such changes may also include, but are not limited to, changes in the building location, setbacks and facing, the building's external configuration, its structural components, its finishes and the landscaping associated therewith.

13.1.3 Buyer's Acceptance of Actual Floor Plan. Buyer further understands and acknowledges that many of the Homes to be constructed within the Community require floor plans which are opposite (i.e. flipped) mirror images of the model floor plan and Buyer fully understands and accepts the floor plan configuration for the Home and improvements to be constructed within the Home.

13.1.4 No Warranty for Plans and Specifications on File. Buyer further acknowledges and agrees that (1) the plans and specifications of the Home and the Community on file with the applicable governmental authorities may not be identical in detail to Seller's plans and specifications, and (2) because of the day-to-day nature of the changes described in this Section 13, the plans and specifications on file with the applicable governmental authorities may not include some or any of these changes (there being no legal requirement to file all changes with such authorities). As a result of the foregoing, Buyer and Seller both acknowledge and agree that the Home and the Community may

not be constructed in accordance with the plans and specifications on file with the applicable governmental authorities. Without limiting the generality of the provisions of Rider B attached hereto, Seller disclaims and Buyer waives any and all express or implied warranties that construction will be accomplished in compliance with such plans and specifications. Seller has not given and Buyer has not relied on or bargained for any such warranties. In furtherance of the foregoing, in the event of any conflict between the actual construction of the Home and/or the Community, and that which is set forth on the plans and specifications, Buyer agrees that the actual construction shall prevail and to accept the Home and Community as actually constructed (in lieu of what is set forth on the plans and specifications).

13.2 Lot Change. In the event that Seller, in its sole discretion, determines that the Model of the Home selected under this Agreement cannot reasonably be built on the Homesite, then Buyer and Seller hereby agree that they will negotiate in good faith to relocate the Home to another lot in the Community, provided however that there are lots available for sale. If no replacement lot is available, then Buyer may terminate this Agreement and will be entitled to a refund of any paid Deposit.

13.3 Decorative and Landscaping Items.

13.3.1 Buyer understands and agrees that certain of the finishing items, such as tile, marble, carpet, cabinets, stone, brickwork, wood, paint, stain and mica are subject to size and color variations, grain and quality variations, and may vary in accordance with price, availability and changes by manufacturers from those shown in the model, if any, or in illustrations or brochures or those included in the specifications. Furthermore, if circumstances arise that, in Seller's opinion, warrant changes of subcontractors, suppliers, manufacturers, brand names or items, Seller reserves the right to substitute equipment, materials, appliances, etc., which in Seller's opinion are considered to be of quality substantially similar or equal, or of better quality, subject to their availability. Buyer also understands that Seller has the right to substitute or change materials and/or stain colors utilized in wood decor, if any.

13.3.2 Lot grades, lot area, options, facades, shrubs, trees, trim, built-ins, wall treatments, window treatments, furniture, furnishings, fences, decks, locations of walks, driveways and other items in or about a model home area in the subdivision are for display purposes only and are not included in the Total Purchase Price unless otherwise expressly provided herein. Seller has the right to remove any existing trees on the Property or on the surrounding area for any reason. Buyer further understands and agrees that the following items (which may be seen in models or shown in illustrations) will also not be included with the sale of the Home: wall coverings, paint colors, accent light fixtures, wall ornaments, drapes, blinds, bedspreads, furniture, furnishings, wet bars, monitoring systems, certain built-in fixtures, special floor coverings, wood trim, upgraded items and/or any other items of this nature which may be added or deleted from time to time. This list of items (which is not all-inclusive) is provided as an illustration of the type of items built-in or placed upon models or shown in illustrations strictly for purposes of decoration and example only.

13.4 Deed. By acceptance of the Deed, Buyer accepts all variations of the Home.

13.5 Survival. All of the terms of this Section 13 shall survive Closing and the delivery of the Deed.

14. **Buyer's Default.** In the event of Buyer's default and to the extent allowed by law, Seller shall be entitled to keep, as liquidated damages and not as a penalty, Buyer's Deposit not to exceed fifteen percent (15%) of the Total Purchase Price, except that Seller may, in addition, keep, as liquidated damages and not as a penalty, any and all Advanced Payments made by Buyer to Seller for options, extras or upgrades for which Seller has made contractual commitments or incurred liability by placing orders or otherwise. Buyer agrees that actual damages in the event of breach by Buyer would be costly and difficult to calculate, and that such liquidated damages are a fair and reasonable remedy and shall not be considered a penalty. The provisions of this Section shall survive the termination of this Agreement.

15. **Seller's Default.** In the event of Seller's default and to the extent allowed by law, Buyer may recover actual damages but shall not be entitled to special, consequential or punitive damages. Notwithstanding the foregoing, Buyer retains all remedies at law and in equity with respect to Seller's obligation to complete the Home within two (2) years pursuant to Section 8 above. Notwithstanding anything to the contrary in this Agreement, Buyer releases and holds harmless Seller's past and present officers and employees from all claims, liabilities, and causes of action of any nature. Buyer now has or may have arising from any act or omission of Seller's officers or employees related to Lennar's performance of its obligations under this Agreement and Lennar's construction of a Home on the Homesite. The provisions of this Section shall survive the termination of this Agreement.

16. **Mediation / Arbitration of Disputes.**

16.1 The parties to this Agreement specifically agree that this transaction involves interstate commerce and that any Dispute (as hereinafter defined) shall first be submitted to mediation and, if not settled during mediation, shall thereafter be submitted to binding arbitration as provided by the Federal Arbitration Act (9 U.S.C. §§1 et seq.) and not by or in a court of law or equity. "Disputes" (whether contract, warranty, tort, statutory or otherwise), shall include, but are not limited to, any and all controversies, disputes or claims (1) arising under, or related to, this Agreement, the Property, the Community or any dealings between Buyer and Seller; (2) arising by virtue of any representations, promises or warranties alleged to have been made by Seller or Seller's representative; and (3) relating to personal injury or property damage alleged to have been sustained by Buyer, Buyer's children or other occupants of the Property, or in the Community. Buyer has executed this Agreement on behalf of his or her children and other occupants of the Property with the intent that all such parties be bound hereby. Any Dispute shall be submitted for binding arbitration within a reasonable time after such Dispute has arisen. Nothing herein shall extend the time period by which a claim or cause of action may be asserted under the applicable statute of limitations or statute of repose, and in no event shall the Dispute be submitted for arbitration after the date when institution of a legal or equitable proceeding based on the underlying claims in such Dispute would be barred by the applicable statute of limitations or statute of repose.

16.2 Any and all mediations commenced by any of the parties to this Agreement shall be filed with and administered by the

American Arbitration Association or any successor thereto ("AAA") in accordance with the AAA's Home Construction Mediation Procedures in effect on the date of the request. If there are no Home Construction Mediation Procedures currently in effect, then the AAA's Construction Industry Mediation Rules in effect on the date of such request shall be utilized. Any party who will be relying upon an expert report or repair estimate at the mediation shall provide the mediator and the other parties with a copy of the reports. If one or more issues directly or indirectly relate to alleged deficiencies in design, materials or construction, all parties and their experts shall be allowed to inspect, document (by photograph, videotape or otherwise) and test the alleged deficiencies prior to mediation. Unless mutually waived in writing by the parties, submission to mediation is a condition precedent to either party taking further action with regard to any matter covered hereunder.

16.3 If the Dispute is not fully resolved by mediation, the Dispute shall be submitted to binding arbitration and administered by the AAA in accordance with the AAA's Home Construction Arbitration Rules in effect on the date of the request. If there are no Home Construction Arbitration Rules currently in effect, then the AAA's Construction Industry Arbitration Rules in effect on the date of such request shall be utilized. Any judgment upon the award rendered by the arbitrator may be entered in and enforced by any court having jurisdiction over such Dispute. If the claimed amount exceeds $250,000.00 or includes a demand for punitive damages, the Dispute shall be heard and determined by three arbitrators; however, if mutually agreed to by the parties, then the Dispute shall be heard and determined by one arbitrator. Arbitrators shall have expertise in the area(s) of Dispute, which may include legal expertise if legal issues are involved. All decisions respecting the arbitrability of any Dispute shall be decided by the arbitrator(s). At the request of any party, the award of the arbitrator(s) shall be accompanied by detailed written findings of fact and conclusions of law. Except as may be required by law or for confirmation of an award, neither a party nor an arbitrator may disclose the existence, content, or results of any arbitration hereunder without the prior written consent of both parties.

16.4 The waiver or invalidity of any portion of this Section shall not affect the validity or enforceability of the remaining portions of this Section. Buyer and Seller further agree (1) that any Dispute involving Seller's affiliates, directors, officers, employees and agents shall also be subject to mediation and arbitration as set forth herein, and shall not be pursued in a court of law or equity; (2) that Seller may, at its sole election, include Seller's contractors, subcontractors and suppliers, as well as any warranty company and insurer as parties in the mediation and arbitration; and (3) that the mediation and arbitration will be limited to the parties specified herein.

16.5 To the fullest extent permitted by applicable law, Buyer and Seller agree that no finding or stipulation of fact, no conclusion of law, and no arbitration award in any other arbitration, judicial, or similar proceeding shall be given preclusive or collateral estoppel effect in any arbitration hereunder unless there is mutuality of parties. In addition, Buyer and Seller further agree that no finding or stipulation of fact, no conclusion of law, and no arbitration award in any arbitration hereunder shall be given preclusive or collateral estoppel effect in any other arbitration, judicial, or similar proceeding unless there is mutuality of parties.

16.6 Unless otherwise recoverable by law or statute, each party shall bear its own costs and expenses, including attorneys' fees and paraprofessional fees, for any mediation and arbitration. Notwithstanding the foregoing, if a party unsuccessfully contests the validity or scope of arbitration in a court of law or equity, the noncontesting party shall be awarded reasonable attorneys' fees, paraprofessional fees and expenses incurred in defending such contest, including such fees and costs associated with any appellate proceedings. In addition, if a party fails to abide by the terms of a mediation settlement or arbitration award, the other party shall be awarded reasonable attorneys' fees, paraprofessional fees and expenses incurred in enforcing such settlement or award.

16.7 Buyer may obtain additional information concerning the rules of the AAA by visiting its website at www.adr.org or by writing the AAA at 335 Madison Avenue, New York, New York 10017.

16.8 Seller supports the principles set forth in the Consumer Due Process Protocol developed by the National Consumer Dispute Advisory Committee and agrees to the following:

16.8.1 Notwithstanding the requirements of arbitration stated in Section 16.3 of this Agreement, Buyer shall have the option, after pursuing mediation as provided herein, to seek relief in a small claims court for disputes or claims within the scope of the court's jurisdiction in lieu of proceeding to arbitration. This option does not apply to any appeal from a decision by a small claims court.

16.8.2 Seller agrees to pay for one (1) day of mediation (mediator fees plus any administrative fees relating to the mediation). Any mediator and associated administrative fees incurred thereafter shall be shared equally by the parties.

16.8.3 The fees for any claim pursued via arbitration in an amount of $10,000.00 or less shall be apportioned as provided in the Home Construction Arbitration Rules of the AAA or other applicable rules.

16.9 Notwithstanding the foregoing, if either Seller or Buyer seeks injunctive relief, and not monetary damages, from a court because irreparable damage or harm would otherwise be suffered by either party before mediation or arbitration could be conducted, such actions shall not be interpreted to indicate that either party has waived the right to mediate or arbitrate. The right to mediate and arbitrate should also not be considered waived by the filing of a counterclaim by either party once a claim for injunctive relief had been filed with a court.

16.10 Buyer and Seller specifically agree that notwithstanding anything to the contrary, the rights and obligations set forth in this Section 16 shall survive (1) Closing and the delivery of the Deed; (2) the termination of this Agreement by either party; or (3) the default of this Agreement by either party.

17. Other Dispute Resolutions. Notwithstanding the parties' obligation to submit any Dispute to mediation and arbitration, in the event that a particular dispute is not subject to the mediation or the arbitration provisions of Section 16, then the parties agree to the following provisions: BUYER ACKNOWLEDGES THAT JUSTICE WILL BEST BE SERVED IF ISSUES REGARDING THIS AGREEMENT ARE HEARD BY A JUDGE IN A COURT PROCEEDING, AND NOT A JURY. BUYER AND

SELLER AGREE THAT ANY DISPUTE, CLAIM, DEMAND, ACTION, OR CAUSE OF ACTION SHALL BE HEARD BY A JUDGE IN A COURT PROCEEDING AND NOT A JURY. BUYER AND SELLER HEREBY WAIVE THEIR RESPECTIVE RIGHT TO A JURY TRIAL. SELLER HEREBY SUGGESTS THAT BUYER CONTACT AN ATTORNEY OF BUYER'S CHOICE IF BUYER DOES NOT UNDERSTAND THE LEGAL CONSEQUENCES OF EXECUTING THIS AGREEMENT. All of the terms of this Section 17 shall survive Closing and the delivery of the Deed.

18. Selling Agent, Cooperating Broker, and Seller's New Home Consultant. Unless a Purchase Price and Payment Addendum indicating otherwise is attached hereto, Buyer represents to Seller that Buyer has not consulted, dealt or negotiated with a real estate broker, salesperson or agent other than Seller's sales personnel located at Seller's sales office. Buyer agrees that Seller is not responsible for the payment of a commission to a real estate broker, salesperson or agent other than Seller's sales personnel. Buyer shall indemnify, defend and hold harmless Indemnified Parties from and against any and all Claims resulting from or arising out of any representation or breach of a representation or warranty set forth in this Section. In addition, Buyer acknowledges and understands that Seller's New Home Consultant ("NHC") and Internet New Home Consultant ("INHC") are agents of Seller, are acting solely for the Seller's interests, and are not acting in any representative capacity for Buyer. Buyer should not disclose any information to Seller's NHC and/or INHC that Buyer considers to be confidential or otherwise does not want disclosed to Seller.

Buyer's Initials JB JB

19. Construction Activities. ALL OWNERS, OCCUPANTS AND USERS OF THE COMMUNITY ARE HEREBY PLACED ON NOTICE THAT (1) SELLER AND/OR ITS AGENTS, CONTRACTORS, SUBCONTRACTORS, LICENSEES AND OTHER DESIGNEES, AND/OR (2) ANY OTHER PARTIES, WILL BE, FROM TIME TO TIME, CONDUCTING BLASTING, EXCAVATION, CONSTRUCTION AND OTHER ACTIVITIES WITHIN OR IN PROXIMITY TO THE COMMUNITY. BY THE ACCEPTANCE OF THEIR DEED OR OTHER CONVEYANCE OR MORTGAGE, LEASEHOLD, LICENSE OR OTHER INTEREST, AND BY USING ANY PORTION OF THE COMMUNITY, EACH SUCH OWNER, OCCUPANT AND USER AUTOMATICALLY ACKNOWLEDGES, STIPULATES AND AGREES (1) THAT NONE OF THE AFORESAID ACTIVITIES SHALL BE DEEMED NUISANCES OR NOXIOUS OR OFFENSIVE ACTIVITIES, HEREUNDER OR AT LAW GENERALLY, (2) NOT TO ENTER UPON, OR ALLOW THEIR CHILDREN OR OTHER PERSONS UNDER THEIR CONTROL OR DIRECTION TO ENTER UPON (REGARDLESS OF WHETHER SUCH ENTRY IS A TRESPASS OR OTHERWISE) ANY PROPERTY WITHIN OR IN PROXIMITY TO THE AREA OF THE COMMUNITY WHERE SUCH ACTIVITY IS BEING CONDUCTED (EVEN IF NOT BEING ACTIVELY CONDUCTED AT THE TIME OF ENTRY, SUCH AS AT NIGHT OR OTHERWISE DURING NON-WORKING HOURS), (3) TO THE EXTENT PERMITTED OR NOT PROHIBITED UNDER APPLICABLE LAW, SELLER AND THE OTHER AFORESAID RELATED PARTIES SHALL NOT BE LIABLE FOR ANY AND ALL LOSSES, DAMAGES (COMPENSATORY, CONSEQUENTIAL, PUNITIVE OR OTHERWISE), INJURIES OR DEATHS ARISING FROM OR RELATING TO THE AFORESAID ACTIVITIES, EXCEPT RESULTING DIRECTLY FROM SELLER'S GROSS NEGLIGENCE OR WILLFUL MISCONDUCT, (4) ANY PURCHASE OR USE OF ANY PORTION OF THE COMMUNITY HAS BEEN AND WILL BE MADE WITH FULL KNOWLEDGE OF THE FOREGOING AND (5) THIS ACKNOWLEDGMENT AND AGREEMENT IS A MATERIAL INDUCEMENT TO SELL, CONVEY, AND/OR ALLOW THE USE OF THE PROPERTY.

20. Dangerous Condition; Construction Work.

20.1 Buyer understands and agrees that the Property is a construction site and that the Property and the improvements, equipment and supplies thereon constitute a danger to those who may enter on the Property. Buyer shall not enter onto the Property prior to Closing unless authorized and accompanied by Seller's representative. Any unauthorized, unaccompanied entry by Buyer shall constitute a breach of this Agreement by Buyer, at Seller's election. Moreover, any entry by Buyer onto the Property prior to Closing shall be done at Buyer's own risk and in compliance with all federal, state and local safety laws and regulations. To the extent permitted or not prohibited by applicable law, Buyer waives, releases and shall indemnify, defend and hold harmless Indemnified Parties from and against any Claims made by Buyer, Buyer's family members or guests, as a direct or indirect result of any such unauthorized, unaccompanied entry onto the Property.

20.2 Buyer agrees that supervision and direction of the working forces, including, without limitation, all contractors and subcontractors, is to be done exclusively by Seller, and Buyer agrees not to issue any instructions to the working forces or otherwise hinder construction or installation of improvements on the Property. Buyer shall not do or have any work done on the Property, nor may Buyer store any possessions thereon, prior to Closing and transfer of title to the Property to Buyer.

20.3 Buyer agrees that any and all controversies, disputes and claims arising under this Section shall be resolved through binding arbitration in accordance with the terms of this Agreement.

20.4 All of the terms of this Section 20 shall survive Closing and the delivery of the Deed.

21. OFAC. Executive Order 13224 requires all United States entities and persons to block assets and not transact business with entities, countries and persons (specifically designated nationals) set forth by the Office of Foreign Asset Control ("OFAC"). This requirement applies to all homebuilding entities in The Lennar Family of Builders (including but not limited to Seller), Universal American Mortgage Company, LLC and all of its affiliates, and North American Title Company and all of its affiliates (collectively, the "Lennar Affiliates"). Accordingly, each of Seller and the Lennar Affiliates will check current OFAC lists and other publications in connection with each potential transaction, loan, or home sale. In order to check the OFAC list, Buyer must provide to Seller a Government-issued identification card (this might include a driver's license, birth certificate, passport or resident alien card). To the extent Buyer (or any single person or entity constituting a part of Buyer) matches a name or entity on any such OFAC list or publication, the transactions with Buyer contemplated under or in connection with this Agreement will be immediately suspended, and Buyer shall be reported as instructed by the OFAC.

22. Agreement not to be Recorded. Buyer covenants that Buyer shall not record this Agreement (or any memorandum thereof) in the Public Records of the County. Buyer agrees, if Buyer records this Agreement, to pay all of Seller's attorneys' fees, paraprofessional fees and expenses incurred in removing the cloud on title caused by such recordation. Seller's rights under this

Section shall be in addition to Seller's remedies for Buyer's default provided elsewhere in this Agreement.

23. Transfer, Assignment and Persons Bound. Buyer agrees that Buyer will not, and does not have the right to, assign, sell or transfer Buyer's interest in this Agreement (whether voluntarily or by operation of law or otherwise) without Seller's prior written consent. If Buyer is a corporation, other business entity, trustee or nominee, a transfer of any material equity or beneficial or principal interest shall constitute an assignment of this Agreement. If Buyer attempts to assign this Agreement in violation of this Section, Seller can declare Buyer in default and Seller shall be entitled to all remedies available under this Agreement. Buyer agrees that Seller may withhold its consent with or without any reason or condition in any manner it chooses (if it gives it at all) and may charge Buyer a reasonable amount to cover administrative costs incurred in considering whether or not to grant consent. If Buyer dies or in any way loses legal control of his/her affairs, this Agreement will bind his/her heirs and legal representatives. If Buyer has received Seller's permission to assign or transfer this Agreement, then Buyer's approved assignees shall be bound by the terms of this Agreement. If more than one person signs this Agreement as Buyer, each such person shall be jointly and severally liable for full performance of all of Buyer's duties and obligations hereunder.

24. TIME OF THE ESSENCE. BUYER ACKNOWLEDGES THAT TIME IS OF THE ESSENCE IN CONNECTION WITH THE TRANSACTIONS CONTEMPLATED UNDER THIS AGREEMENT.

25. Interpretation and Computation of Time. The use of the masculine gender in this Agreement shall be deemed to refer to the feminine or neuter gender, and the singular shall include the plural, and vice versa, whenever the context so requires. This Agreement reflects the negotiated agreement of the parties. Each party acknowledges that they have been afforded the opportunity to seek competent legal counsel, and each have made an informed choice as to whether or not to be represented by legal counsel. Accordingly, this Agreement shall be construed as if both parties jointly prepared it, and no presumption against one party or the other shall govern the interpretation or construction of any of the provisions of this Agreement. Any reference in this Agreement to the time periods of less than five (5) days shall, in the computation thereof, exclude Saturdays, Sundays and legal holidays. Any reference in this Agreement to time periods of five (5) days or more shall, in computation thereof, include Saturdays, Sundays and legal holidays. If the last day of any such period is a Saturday, Sunday or legal holiday, the period shall be extended to 5:00 p.m. on the next full business day. The section headings in this Agreement are for convenience only and shall not affect the meaning, interpretation or scope of the provisions which follow them.

26. Notice. Except as provided in the Closing Section of this Agreement with respect to notices of the scheduled Closing Date, any notice required or permitted to be given in connection with this Agreement shall be in writing and sent by United States certified mail with return receipt requested, professional overnight courier or electronic transmission (with confirmation and copy by (1) certified mail, if Buyer's address is within the United States or (2) overnight professional courier, if to a Buyer whose address is outside of the United States) to Buyer or Seller at the addresses on Page 1 of this Agreement (unless Seller has received written notice from Buyer of any change therein prior to the date such notice is given), and additionally to Seller by hand delivery at Seller's sales office. All notices shall only be effective upon receipt or refusal to accept receipt (by failure to accept delivery or otherwise).

27. Waiver. Seller's waiver of any of its rights or remedies shall not operate to waive any other of Seller's rights or remedies or to prevent Seller from enforcing the waived right or remedy in another instance.

28. Incorporation and Severability. The explanations and disclaimers set forth in the Documents are incorporated into this Agreement. In the event that any clause or provision of this Agreement shall be void or unenforceable, such clause or provision shall be deemed deleted so that the balance of this Agreement is enforceable.

29. Governing Law. Any disputes that develop under this Agreement or questions regarding the interpretation of this Agreement will be settled according to the law of the state where the Property is located to the extent federal law is not applicable.

30. Entire Agreement. BUYER CERTIFIES THAT BUYER HAS READ EVERY PROVISION OF THIS AGREEMENT, WHICH INCLUDES EACH RIDER AND ADDENDUM ATTACHED HERETO AND THAT THIS AGREEMENT, TOGETHER WITH EACH SUCH RIDER AND ADDENDUM, CONSTITUTES THE ENTIRE AGREEMENT BETWEEN BUYER AND SELLER. PRIOR AGREEMENTS, REPRESENTATIONS, UNDERSTANDINGS, AND ORAL STATEMENTS NOT REFLECTED IN THIS AGREEMENT HAVE NO EFFECT AND ARE NOT BINDING ON SELLER. BUYER ACKNOWLEDGES THAT BUYER HAS NOT RELIED ON ANY REPRESENTATIONS, NEWSPAPERS, RADIO OR TELEVISION ADVERTISEMENTS, WARRANTIES, STATEMENTS, OR ESTIMATES OF ANY NATURE WHATSOEVER, WHETHER WRITTEN OR ORAL, MADE BY SELLER, SALES PERSONS, AGENTS, OFFICERS, EMPLOYEES, CO-OPERATING BROKERS (IF ANY) OR OTHERWISE EXCEPT AS HEREIN SPECIFICALLY REPRESENTED. BUYER HAS BASED HIS/HER/THEIR DECISION TO PURCHASE THE PROPERTY ON PERSONAL INVESTIGATION, OBSERVATION AND THE DOCUMENTS.

31. Modification. This Agreement is the entire agreement for the sale and purchase of the Property and once it is signed by both Buyer and a Division Agent or Officer of Seller, it can only be amended by a written agreement signed by both Buyer and Seller.

32. Additional Changes. Notwithstanding Section 32 of this Agreement, Buyer agrees that it may be necessary (at any time and from time to time) after Buyer executes this Agreement for Seller, and/or the developer or declarant under the Documents, to change the terms and provisions of this Agreement and/or the Documents to comply with and conform to the rules and regulations (as same may exist and as same may be promulgated from time to time) of any governmental agency, subdivision or authority or court of competent jurisdiction and Buyer consents to all such changes. Notwithstanding Section 32 of this Agreement, Seller, and/or the developer or declarant under the Documents, shall have the right to amend all Documents for development or other purposes, and Buyer consents to all such amendments.

33. Inducement. Buyer acknowledges that the sole inducement to close on the purchase of the Property is the Property itself and not (1) the common facilities comprising part of the Community, if any, or (2) any expectation that the Property will increase in value.

34. Reservation of Easement. For the purpose of completing the construction and servicing of the Property and Community, Seller hereby reserves an easement of ingress and egress for itself and its successors and assigns, and each of their respective agents, employees, materialmen and subcontractors, over, under and upon the Property for a period of one (1) year after Closing. Seller shall

provide reasonable notice to Buyer before exercising easement rights granted herein. All of the terms of this Section 35 shall survive Closing and the delivery of the Deed.

[THE REST OF THIS PAGE INTENTIONALLY LEFT BLANK]

35. Riders and Addenda. This Agreement consists of nine (9) pages and the following Riders and Addenda, which are attached hereto and by this reference made a part of this Agreement:

Check all that apply:

- [x] Rider B
- [x] Rider A
- [x] Affiliated Business Arrangements Disclosure Statement
- [x] Master Disclosure and Information Addendum
- [x] Cooperating Broker Agreement
- [x] Election Form Addendum
- [x] FHA/VA Addendum
- [ ]
- [x] Home Sale Contingency Addendum
- [x] Purchase Price and Payment Addendum
- [x] Cooperating Broker Addendum
- [x] Indoor Environmental Quality Disclosure Addendum
- [x] Insulation Addendum
- [ ]
- [ ]

36. Survival.

36.1 Buyer and Seller agree that it is their express intent that the Sections and documents listed below, together with any other terms in this Agreement that expressly so state, as well as any terms that may survive by operation of law, notwithstanding if the Section, document or term has a survival provision thereto, shall not be merged into the Deed and that these Sections and documents shall survive Closing and the delivery of the Deed: Section 11, Closing and Title Matters; Section 13, Site and Substitutions; Section 16, Mediation / Arbitration of Disputes; Section 17, Other Dispute Resolutions; Section 18, Selling Agent and Cooperating Broker; Section 19, Construction Activities; Section 20, Dangerous Conditions; Construction Work; Section 35, Reservation of Easement; Section 5 of Rider B, Warranties; Section 2 of the Indoor Environmental Quality Disclosure; Cooperating Broker Addendum, in its entirety; and, Master Disclosure and Information Addendum to Purchase and Sale Agreement, in its entirety.

36.2 Buyer and Seller agree that it is their express intent that the Sections and documents listed below, together with any other terms in this Agreement that expressly so state, as well as any terms that may survive by operation of law, notwithstanding if the Section, document or term has a survival provision thereto, shall survive termination of this Agreement: Section 14, Buyer's Default; Section 15, Seller's Default; Section 16, Mediation / Arbitration of Disputes, Section 17, Other Dispute Resolutions; Section 23, Transfer, Assignment and Persons Bound; and Section 6 of Rider B, Documents.

37. Offer to Purchase/Effective Date. This Agreement, when executed by Buyer and delivered to Seller, together with the Initial Deposit specified hereunder, shall constitute an offer by Buyer to purchase the Property in accordance with the terms and conditions provided herein, and shall not be binding upon Seller until such time as a Division Agent or Officer of Seller has executed this Agreement. The date of such acceptance is the "Effective Date" of this Agreement. In the event Buyer's offer is not accepted by Seller, all paid Deposits made by Buyer to Seller to date shall be returned to Buyer, and Buyer's offer shall be deemed withdrawn.

38. Counterparts and Signatures. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which together shall comprise but a single instrument. Signatures may be given via electronic transmission and shall be deemed given as of the date and time of the transmission of this Agreement to the other party.

THE INITIAL DEPOSIT HAS BEEN RECEIVED BY SELLER SUBJECT TO CLEARANCE.

SELLER: Lennar Carolinas, LLC

DocuSigned by:
Randy Floyd
74FF03294E45404...
New Home Consultant - Randy Floyd
Date: 4/29/2013

THIS AGREEMENT IS NOT BINDING ON SELLER UNTIL ACCEPTED BELOW BY AN AUTHORIZED AGENT OF SELLER.

SELLER: Lennar Carolinas, LLC

DocuSigned by:
23F4DD56E541D4F7...
Authorized Agent of Seller - Thomas J Filippello
Date 4/30/2013

DocuSigned by:
Joshua Buetow
AD6D1CDE02EE4AC...
Buyer - Joshua Buetow
Date 4/29/2013

DocuSigned by:
Brettany Buetow
78E7A72DE53045B...
Buyer - Brettany Buetow
Date 4/29/2013

Buyer -
Date

Buyer -
Date

DocuSign Envelope ID: FE983F7E-23D3-4363-A286-A9837E4C8338

RIDER A
(SOUTH CAROLINA)

THIS RIDER A (SOUTH CAROLINA) (this "Rider A") is executed in conjunction with and, by this reference, incorporated into the Purchase and Sale Agreement (the "Agreement") entered into as of the twenty-ninth day of APRIL , 2013, between Joshua Buetow, Brettany Buetow ("Buyer") and Seller, as defined in the Agreement, respecting Lot 0020 of Block _____ of The Abbey at Spring Grove Subdivision/Plat in the community known as The Abbey at Spring Grove (the "Community").

1. Defined Terms. All initially capitalized terms not defined herein shall have the meanings set forth in the Agreement, and all references in this Rider A to the Agreement shall be deemed to include references to this Rider A and to any other addenda and riders attached to the Agreement, which are hereby incorporated by this reference.

2. Deposit. The Deposit received from Buyer shall be placed in a special escrow account maintained by Seller for earnest money deposits in South Carolina. Buyer shall have no right to interest upon the payments. If and to the extent such payments are deposited in any interest bearing account, then any interest on such payments shall inure to the benefit of Seller. At the time of Closing, the amount of the payments shall be credited to Buyer against the Total Purchase Price.

Buyer's Initials JB _____ JB

3. Return of Deposit. In the event this Agreement is cancelled for any reason other than Seller's default, the Buyer shall be required to execute and return a release form provided by the Seller prior to return of the Deposit in accordance with this Agreement, as set forth herein.

4. Real Estate Tax Disclosure. When a new home is built, the assessed value of the home is calculated as of January 1st. Therefore, if the Home has a certificate of occupancy issued as of January 1st of the calendar year, Buyer will be assessed based on the value of the completed construction for that tax year. Seller is not responsible for communicating any information regarding real estate taxes (current or future) and cannot and will not predict what the taxes on the Home may be. Buyer should confirm any information provided concerning appraisals, tax valuation, tax rates or other tax-related questions, with Buyer's personal tax advisor and the local taxing authorities.

5. Radon Gas and Environmental Pollutants. The United States Environmental Protection Agency and various state agencies have detected elevated levels of naturally occurring radon gas in some residential structures. These agencies have expressed concern that prolonged exposure to high levels of radon gas may result in adverse effects on human health. The Seller is not having any testing done on the Property, or in the Home, with respect to radon gas or environmental pollutants. The Buyer acknowledges that Seller has made no representations or warranties, express or implied, concerning the presence or absence of radon gas or environmental pollutants in the Home or on the Property, and the Buyer acknowledges that the Seller is not qualified to analyze or evaluate these very complex issues with respect to the Home or Property. The Buyer releases the Seller from any and all liability and claims with respect to radon gas and environmental pollutants.

6. FORM I-295. At Closing, Seller shall provide Buyer with an affidavit on Form I-295 (Seller's Affidavit - Nonresident Seller Withholding), complying with Section 12-8-580, South Carolina Code of Laws 1976, as amended.

7. Counterparts. This Rider A may be executed in counterparts, a complete set of which shall form a single document.

8. Conflicts. In the event of any conflict between this Rider A and the Agreement, this Rider A shall control. In all other respects, the Agreement shall remain in full force and effect.

9. **Entire Agreement**. The Agreement, together with this Rider A and any other addenda and riders to the Agreement, contains the entire agreement between Buyer and Seller concerning the matters set forth herein. All prior discussions, negotiations and contracts relating to investors and occupancy requirements, if any, whether oral or written, are hereby superseded by these documents. No addition or modification of this Rider A or the Agreement shall be effective unless set forth in writing and signed by Buyer and an authorized agent of Seller.

DocuSigned by:
Joshua Buetow
8D8D1CDE02EE4AC...
Buyer - Joshua Buetow
Date 4/29/2013

DocuSigned by:
Brettany Buetow
76F7A72DE53045B...
Buyer - Brettany Buetow
Date 4/29/2013

Buyer -
Date

Buyer -
Date

SELLER: Lennar Carolinas, LLC

DocuSigned by:
23F4DB6654ID4F7...
Authorized Agent of Seller - Thomas J Filippello
Date 4/30/2013

RIDER B
Coastal Carolina Division

THIS RIDER B (Coastal Carolina) (this "Rider B") is executed in conjunction with and, by this reference, incorporated into the Purchase and Sale Agreement (the "Agreement") entered into as of the twenty-ninth day of APRIL , 2013, between Joshua Buetow, Brettany Buetow ("Buyer") and Seller, as defined in the Agreement, respecting Lot 0020 of Block _____ of The Abbey at Spring Grove Subdivision/Plat in the community known as The Abbey at Spring Grove (the "Community").

1. Defined Terms. All initially capitalized terms not defined herein shall have the meanings set forth in the Agreement, and all references in this Rider B to the Agreement shall be deemed to include references to this Rider B and to any other rider and addenda attached to the Agreement, which are hereby incorporated by this reference. In addition to those terms, the following terms shall have the meanings set forth below:

"Closing Date Notice Period" shall mean at least seven (7) days prior to the Closing Date.

"Mortgage Contingency Period" shall mean five (5) days if this Agreement is contingent on Buyer obtaining financing as indicated in the Purchase and Sale Agreement.

2. Additional Mortgage Contingency. Unless Buyer shall have notified Seller otherwise writing within the Mortgage Contingency Period, Buyer shall be conclusively presumed to have obtained the loan commitment or agreed to purchase the Property without mortgage financing. If Buyer does timely notify Seller within the Mortgage Contingency Period that he/she failed to obtain a loan commitment, Seller may require Buyer to immediately reapply for a mortgage loan with another lending institution designated by Seller. If Buyer then fails to obtain a loan commitment within seven (7) days from Seller's notice to reapply, either Buyer or Seller shall have the right to terminate this Agreement whereupon the Deposit shall be returned to Buyer, and thereupon the parties hereto shall be released from all liability hereunder without any further acts by either party

3. Closing Costs. BUYER UNDERSTANDS AND AGREES THAT IN ADDITION TO THE TOTAL CASH TO CLOSE (WHICH AMOUNT IS SPECIFIED IN SECTION 2 OF THE AGREEMENT AND THE PURCHASE PRICE AND PAYMENT ADDENDUM), BUYER SHALL PAY CERTAIN OTHER FEES AND CLOSING COSTS, IF ANY, AT CLOSING (LISTED BELOW). IN CONNECTION THEREWITH, WITHOUT LIMITATION, THE ITEMS LISTED BELOW WILL COLLECTIVELY BE REFERRED TO AS "CLOSING COSTS." NOTWITHSTANDING ANYTHING IN THIS AGREEMENT TO THE CONTRARY, IN THE CASE OF AN FHA/VA OR FANNIE MAE LOAN, BUYER SHALL NOT PAY FOR ANY COSTS PROHIBITED BY HUD (FHA), VA OR FANNIE MAE REGULATIONS. ALL REFERENCES TO "PRO RATA SHARES" WILL BE DEEMED A TIME PRO RATION, BASED ON THE CLOSING DATE, WITH BUYER PAYING AMOUNTS ACCRUED ON AND AFTER THE CLOSING DATE. The Closing Costs include, without limitation:

3.1 The premium for a policy of mortgagee's title insurance and the cost to record the Deed. If the settlement charges that VA does not allow Buyer to pay exceed the amount of settlement charges, if any, to be paid by Seller, Seller at its sole discretion may terminate the Agreement and refund Buyer's earnest money. If the settlement charges that FHA does not allow Buyer to pay exceed the amount of settlement charges, if any, to be paid by Seller, Buyer may either pay the additional settlement charges at Closing or the additional settlement charges shall be added to the principal on Buyer's loan, regardless of whether or not the interest rate on Buyer's loan will increase as result of the addition of the settlement charges to the principal.

3.2 Customary closing costs of a Buyer of a single family residence, including but not limited to items such as loan fees, loan closing costs and all other related sums, attorneys' fees, escrows for taxes and insurance, recording fees, documentary stamp taxes on the note, intangible taxes, credit reports and PMI insurance, if applicable, charged by the Lender or otherwise customary for a Buyer at Closing.

3.3 Title search updates, title examination fees, delivery charges, and any other Closing expenses of Buyer.

3.4 All additional costs respecting the Property imposed by any governmental authority.

3.5 The cost of any obligations Buyer incurs not provided for in this Agreement.

3.6 The cost of a survey of the Property.

3.7 Certified governmental liens (liens which can be paid pursuant to written notice), if any, shall be assumed and paid by Seller, pending governmental improvement liens shall be paid and assumed by Buyer.

3.8 A pro rata share of County interim service fees, if any.

3.9 A pro rata share of waste fees.

3.10 A pro rata share of utility deposits and capacity fees (water and/or sewer) for the Property prepaid by Seller.

3.11 Any other expenses of an owner of the Property provided for or referenced in the Documents.

3.12 Amounts reflected in the Master Disclosure and Information Addendum to the Purchase and Sale Agreement, if any, attached hereto and incorporated herein.

3.13 Current expenses of the Property (for example: taxes, special assessments and current monthly assessments to one or more homeowner's associations) will be adjusted between Seller and Buyer as of the Closing Date. Buyer shall reimburse Seller for any prepaid expenses of the Property and capital contributions made to one or more homeowners' associations, paid by Seller in advance and/or for the month in which the Closing Date occurs.

3.14 If real estate taxes for the year in which the Closing Date occurs are assessed in the aggregate on the real estate comprising the portion of the Community (including the Property) rather than on a homesite-by-homesite basis, Seller will pay such taxes in full when due, but Buyer will reimburse Seller at the Closing for Buyer's pro rata share of such taxes from the Closing Date (if such taxes are then known) or the Property's allocable share (so prorated) of Seller's estimate of those taxes (if such taxes are not then known), subject to readjustment at either the request of Seller or Buyer within six (6) months from when the actual tax bill is known. If taxes for the year in which the Closing Date occurs are assessed on a homesite-by-homesite basis but such taxes are not due on the Closing Date, Buyer will be responsible for paying such tax bill in full when due but Seller will reimburse Buyer at the Closing for Seller's pro rata share of such taxes (if the taxes are then known) or Seller's estimate of those taxes (if such taxes are not then known) through the Closing Date, subject to readjustment at either the request of Seller or Buyer within six (6) months from when the actual bill is known. If the Closing takes place after Seller has paid the taxes for the year in which the Closing Date occurs, Buyer will reimburse Seller at Closing for Buyer's pro rata share of those taxes from and after the Closing Date.

3.15 The cost of any modifications or changes which are incurred by Seller as a result of changes in building codes, governmental rules, regulations or requirements, or the enforcement of any of the same, after the Effective Date of this Agreement, shall be paid by Buyer at the time of Closing.

4. Additional Financing and Closing Costs Disclosures.

4.1 Although Seller may make available to Buyer the name of one or more lenders or information about one or more available financing alternatives, Buyer agrees that the choice of a lender and loan is Buyer's sole decision, and Seller has not made any promises or representations concerning the likelihood of Buyer obtaining the loan, the terms and conditions of such loan or the interest rate or fees associated with such loan

4.2 4.2 BUYER IS HEREBY ADVISED BY SELLER THAT INTEREST RATES, LOANS FEES, AND OTHER LOAN CONDITIONS ARE NOT GUARANTEED, FIXED OR ESTABLISHED (AND SELLER MAKES NO REPRESENTATIONS OR WARRANTIES WITH RESPECT TO SUCH ITEMS) AND ARE SUBJECT TO CHANGE BY ANY LENDER. SUBJECT TO SECTION 8 OF THE AGREEMENT, SELLER DOES NOT WARRANT OR GUARANTEE THAT COMPLETION OF THE IMPROVEMENTS OR LOAN FUNDING CAN BE ACHIEVED WITHIN LOAN LOCK PERIODS, IF ANY, REGARDLESS OF WHETHER SUCH LOCKS ARE PAID FOR BY SELLER OR BUYER. IF BUYER LOCKS IN AN INTEREST RATE AND POINTS FOR LOAN FUNDING PRIOR TO CLOSING, BUYER AGREES TO PAY THE DIFFERENCE BETWEEN THE LOCK-IN RATE AND THE MARKET INTEREST RATE AT CLOSING IF THE LOCK-IN RATE EXPIRES PRIOR TO CLOSING.

4.3 Responsibility for obtaining the loan and for satisfying all conditions made by the Lender with regard to the loan shall rest solely with the Buyer.

5. Warranties. Buyer understands and agrees that Seller is making only those express limited warranties set forth in the homeowner's warranty (the "Limited Warranty"). The Limited Warranty, incorporated herein, shall be delivered to Buyer at Closing and a copy of which is attached hereto OR a copy of which is available for examination at Seller's office and will, at Buyer's request, be attached as an exhibit to this Agreement. THE EXPRESS LIMITED WARRANTY AND REMEDIES PROVIDED BY SELLER CONSTITUTE THE EXCLUSIVE WARRANTY AND REMEDIES TO BE MADE AVAILABLE BY SELLER AND, EXCEPT WHERE ADDITIONAL WARRANTIES ARE REQUIRED BY APPLICABLE LAW OR REGULATION, ARE IN PLACE OF ALL OTHER GUARANTIES OR WARRANTIES, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO WARRANTIES OF WORKMANSHIP, MERCHANTABILITY, HABITABILITY, SUITABILITY AND FITNESS, WHICH ARE HEREBY EXPRESSLY DISCLAIMED BY SELLER AND WAIVED BY BUYER. TO THE EXTENT OF ANY CONFLICT BETWEEN ANY PROVISION OF THIS AGREEMENT RELATED TO WARRANTIES AND THE LIMITED WARRANTY, THE PROVISIONS OF THE LIMITED WARRANTY SHALL CONTROL. All of the terms of this Section 6 shall survive Closing and the delivery of the Deed. BUYER AND SELLER ACKNOWLEDGE THAT THEY HAVE EXPRESSLY NEGOTIATED AND BARGAINED FOR THE WAIVER OF THE IMPLIED WARRANTY OF HABITABILITY, AND BUYER ACKNOWLEDGES THE SUFFICIENCY AND RECEIPT OF VALUABLE CONSIDERATION FOR SUCH WAIVER IN THE AMOUNT OF $0, WHICH AMOUNT SHALL BE CREDITED TOWARD THE PURCHASE PRICE AT CLOSING. THE CONSIDERATION AGREED UPON ABOVE HAS BEEN SPECIFICALLY NEGOTIATED BETWEEN BUYER AND SELLER.

Buyer JS Buyer JS

6. Documents. Buyer acknowledges receipt of the Document Book for the Community containing many important documents regarding the Community, including but not limited to some of the documents of record affecting the Property and the Community (collectively, the "Documents"). The Document Book is hereby incorporated into this Agreement by this reference. The Document Book may be amended as deemed necessary by

Seller in its sole and absolute discretion. Buyer agrees to take title to the Property subject to the Documents, to abide by and be bound by all of the terms and conditions of the Documents, and any amendments thereto. The Master Disclosure and Information Addendum to Purchase and Sale Agreement attached hereto sets forth additional information respecting lien rights and homeowners association's restrictions affecting the Property. Buyer understands and agrees this Section shall survive the termination of this Agreement.

7. Inspection of the Home. BUYER SHALL BE GIVEN AN OPPORTUNITY TO EXAMINE THE HOME WITH SELLER'S REPRESENTATIVE PRIOR TO CLOSING ON A DATE AND TIME SCHEDULED BY SELLER (A "NEW HOME ORIENTATION," COMMONLY REFERRED TO AS A "WALKTHROUGH"). AT THAT TIME, IF ANY DEFECTIVE OR INCOMPLETE ITEMS ARE NOTED, BUYER SHALL PRESENT TO SELLER AN INSPECTION STATEMENT LISTING SAID ITEMS AND SIGNED BY BUYER. IF ANY ITEMS NOTED ARE ACTUALLY DEFECTIVE IN WORKMANSHIP OR MATERIALS IN SELLER'S OPINION (IN ACCORDANCE WITH CONSTRUCTION STANDARDS PREVALENT FOR A SIMILAR HOME IN THE COUNTY), SELLER WILL BE OBLIGATED TO CORRECT THOSE ITEMS AT SELLER'S COST. A SECOND INSPECTION OF THE HOME WILL BE CONDUCTED PRIOR TO CLOSING AT WHICH TIME BUYER WILL BE GIVEN AN OPPORTUNITY TO EXAMINE THE HOME WITH SELLER'S REPRESENTATIVE TO ACKNOWLEDGE THAT ITEMS LISTED ON THE INSPECTION STATEMENT PREPARED AFTER THE FIRST INSPECTION HAVE BEEN CORRECTED. ANY REMAINING ITEMS THAT SELLER HAS AGREED TO CORRECT WILL BE CORRECTED BY SELLER AT SELLER'S SOLE COST AND EXPENSE PRIOR TO CLOSING (OR AT SELLER'S OPTION WITHIN A REASONABLE TIME AFTER CLOSING), PROVIDED HOWEVER THAT SELLER'S OBLIGATION TO CORRECT WILL NOT BE A GROUND FOR DEFERRING CLOSING, NOR FOR ANY SETOFF, NOR FOR IMPOSING ANY CONDITION ON CLOSING AS LONG AS THE HOME IS HABITABLE. THE ISSUANCE OF A CERTIFICATE OF COMPLETION, OR USE SHALL BE CONCLUSIVE EVIDENCE OF HABITABILITY. NO ESCROW OR HOLDBACK OF CLOSING FUNDS OR ANY CASH TO CLOSE SHALL BE PERMITTED. EXCEPT FOR WORK THAT CANNOT BE COMPLETED AT THAT TIME OF YEAR. IF A BUYER FAILS TO TAKE ADVANTAGE OF ANY PRE-CLOSING INSPECTION ON THE TIME AND DATE SCHEDULED BY SELLER, BUYER SHALL BE DEEMED TO HAVE WAIVED THE RIGHT TO INSPECT THE HOME PRIOR TO CLOSING.

8. No Right to Enter. Buyer acknowledges that all matters pertaining to the initial construction of the Property will be performed by Seller and Seller's representatives. Buyer acknowledges and agrees that for reasons of safety and to comply with liability and insurance requirements imposed upon Seller, neither Buyer nor any agent of Buyer shall, until after the Closing, be permitted to enter upon the Property without being accompanied by Seller's representative. Any permitted personal inspections shall be made at times designated by Seller, and shall not be allowed under any condition prior to the formal inspection described above and only with Seller's representative. Buyer agrees not to give instructions to, interfere with or interrupt any workmen at the Property. Buyer may not order any work on the Property until after the Closing. Buyer recognizes that Seller is under no obligation to agree to provide options, extras and/or upgrades. Without limiting the applicability of this Section to all obligations, representations and covenants of Buyer hereunder, Buyer specifically acknowledges that any breach by Buyer of the terms and conditions contained within this Section shall be deemed to be a material breach and shall entitle Seller to declare this Agreement to be in default in accordance with the provisions of the Buyer's Default in the Agreement. Seller's failure to promptly take any action with respect to Buyer's breach of the terms and conditions contained herein shall not be deemed a waiver of any of Seller's rights or remedies hereunder. Whenever this Agreement shall require Seller to complete or substantially complete an item of construction, unless provided specifically to the contrary herein, such item shall be deemed complete or substantially complete when so completed, in the sole and unfettered opinion of Seller. Should Seller fail to provide any item of construction required to be provided, Buyer's sole remedy therefore will be to collect an amount from Seller equal to Seller's cost for such item and for Seller's cost of installation of such item had such item been installed at the appropriate time during construction. Without limiting Seller's rights and Buyer's obligations contained within this Section and elsewhere in this Agreement, should any warranted defects in workmanship or materials be discovered before or after the Closing, Buyer agrees that Buyer's sole remedy therefore is for Seller to, at Seller's sole and absolute discretion, either repair or replace the defective item. To the extent permitted by applicable law, Seller disclaims any liability for incidental or consequential damages that may arise from a defective item.

9. Counterparts. This Rider B may be executed in counterparts, a complete set of which shall form a single document.

10. Conflicts. In the event of any conflict between this Rider B and the Agreement, this Rider B shall control. In all other respects, the Agreement shall remain in full force and effect.

11. Entire Agreement. The Agreement, together with this Rider B and any other addenda and riders to the Agreement, contains the entire agreement between Buyer and Seller concerning the matters set forth herein. All prior discussions, negotiations and contracts relating to investors and occupancy requirements, if any, whether oral or written, are hereby superseded by these documents. No addition or modification of this Rider B or the Agreement shall be effective unless set forth in writing and signed by Buyer and an authorized agent of Seller.

DocuSigned by:
Joshua Buetow
8D5D1CDE02EE4AC...
Buyer - Joshua Buetow
Date 4/29/2013

DocuSigned by:
Brettany Buetow
75F7A72DE53045B...
Buyer - Brettany Buetow
Date 4/29/2013

Buyer -
Date

Buyer -
Date

SELLER: Lennar Carolinas, LLC

DocuSigned by:
33F4DD86541D4F7...
Authorized Agent of Seller - Thomas J Filippello
Date 4/30/2013

DocuSign Envelope ID: FE983F7E-23D3-4363-A286-A9837E4C8338

DISCLOSURE STATEMENT REGARDING CHANGE OF OWNERSHIP AND DEVELOPMENT CONTROL OF COMMUNITY

THIS DISCLOSURE STATEMENT (this "Disclosure") is executed in conjunction with and, by this reference, incorporated into the Purchase and Sale Agreement (the "Agreement") dated as of April 29, 2013, between Joshua Buetow, Brettany Buetow (collectively, "Buyer") and Seller, as defined in the Agreement, respecting Lot 0020 of Block _____ of The Abbey at Spring Grove Subdivision/Plat in the community known as The Abbey at Spring Grove (the "Community").

1. Defined Terms. All initially capitalized terms not defined herein shall have the meanings set forth in the Agreement, and all references in this Addendum to the Agreement shall be deemed to include references to this Addendum and to any other addenda and riders attached to the Agreement, which are hereby incorporated by this reference.

2. Acknowledgment. Buyer acknowledges and understands that the real estate market reacts to economic and other conditions which are beyond Seller's control. Due to current real estate market conditions, Buyer acknowledges that Seller has decided not to build additional homes and/or not pursue any further development in the Community. Seller agrees to work cooperatively to effectuate a smooth transition of ownership of certain lots in the Community and/or effectuate the transition of development control of the Community in accordance with applicable law. Buyer understands that the Community will be in a state of transition for an uncertain period of time.

3. Effect on Community. Buyer acknowledges that the Seller's decision to not build additional homes in the Community and/or to not pursue further development in the Community may result in the change in ownership of certain homesites and development control, if any, by the Seller. Seller's decision could have adverse impacts upon Buyer or other homeowners in the Community (e.g., the completed or partially completed homes which are currently unsold may remain unsold and vacant for an uncertain period of time). Additionally, Buyer acknowledges that any further development within the Community could be delayed indefinitely, and there is no assurance the Community will ever be completed as originally planned and approved by the local governmental agencies, if any. Also, various common improvements within the Community which have not been completed (e.g., gated entries, signage, club house, etc.) may not be completed for an extended period of time or may never be completed as originally planned. Further, the management and operation of the Community by the homeowners' association could be disrupted during the transition period. Some of the specific changes in this Community include: [*if known, provide information regarding certain amenities that will not be built certain phases that will not be completed, etc.*].

4. Additional Impacts. The above provisions provided in Section 3 are not intended to be an exhaustive list of all of the potential adverse impacts to Buyer or other homeowners in the Community that might result from the change in ownership of certain homesites and/or development control by Seller. In contrast, if the transition of ownership of certain homesites and development control to the Seller's successor were to occur as real estate market conditions improve, the foregoing potential adverse impacts could be mitigated.

Seller desires that Buyer be as informed as reasonably possible under the current uncertain circumstances about the potential impacts that might result from the change in ownership of homesites and development control of the Community by Seller prior to Buyer's close of escrow. Buyer acknowledges that Seller cannot predict every impact that may be material to Buyer and that it is imperative that Buyer make his own independent evaluation of the potential adverse impacts that may affect Buyer's decision to consummate the purchase of a home in the Community.

5. Counterparts. This Addendum may be executed in counterparts, a complete set of which shall form a single Addendum.

6. Conflicts. In the event of any conflict between this Addendum and the Agreement, this Addendum shall control. In all other respects, the Agreement shall remain in full force and effect.

7. Entire Agreement. The Agreement, together with this Addendum and any other addenda and riders to the Agreement, contains the entire agreement between Buyer and Seller concerning the matters set forth herein. All prior discussions, negotiations and contracts relating to investors and occupancy requirements, if any, whether oral or written, are hereby superseded by these documents. No addition or modification of this Addendum or the Agreement shall be effective unless set forth in writing and signed by Buyer and an authorized agent of Seller.

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BY THE SIGNATURES BELOW, BUYER ACKNOWLEDGES THAT BY CLOSING ESCROW FOR THE PURCHASE OF A HOME IN THIS COMMUNITY, BUYER IS MAKING SUCH PURCHASE WITH FULL KNOWLEDGE, UNDERSTANDING AND AGREEMENT AS TO ALL OF THE INFORMATION CONTAINED IN THIS DISCLOSURE STATEMENT.

DocuSigned by:
Joshua Buetow
80C910DE82EE4A5...
Buyer - Joshua Buetow
Date 4/29/2013

DocuSigned by:
Brettany Buetow
76F7A72DE50045B...
Buyer - Brettany Buetow
Date 4/29/2013

Buyer -
Date

Buyer -
Date

SELLER: Lennar Carolinas, LLC
DocuSigned by:
23F4DD6554ID4F7...
Authorized Agent of Seller - Thomas J Filippello
Date 4/30/2013

Affiliated Business Arrangement Disclosure Statement

BUYER: Joshua Buetow, Brettany Buetow

PROPERTY: 240 Maywood Drive, Moncks Corner SC 29461

This is to give you notice that the following companies have business relationships with each other: Universal American Mortgage Company, LLC, Lennar Carolinas, LLC and North American Advantage Insurance Services, LLC, and each of these companies is, directly or indirectly, wholly owned by Lennar Corporation. Because of these relationships, referral of services by the undersigned may provide a financial or other benefit.

Set forth below are the types of settlement services offered by these affiliated companies and the estimated charge or range of charges generally required by these companies for such settlement services. You are NOT required to use any of the companies listed above as a condition for purchase of the subject property.

THERE ARE FREQUENTLY OTHER SETTLEMENT SERVICE PROVIDERS AVAILABLE WITH SIMILAR SERVICES. YOU ARE FREE TO SHOP AROUND TO DETERMINE THAT YOU ARE RECEIVING THE BEST SERVICES AND THE BEST RATE FOR THESE SERVICES.

Provider and Settlement Services/ Estimated Range of Charges

MORTGAGE

Universal American Mortgage Company, LLC arranges and makes mortgage loans and the following are estimated mortgage loan related charges or range of charges **(not all of the charges may apply):**

Description of Fee	Range of Cost
Loan Origination Charges (Block 1 of GFE)	
Loan Origination Points	0% - 1% (of the loan amount)
Loan Originator Fees	$575 - $900
Loan Points for Interest Rate Chosen	0% - 3% (of the loan amount)
Appraisal Fee Paid to Appraiser	$450 - $750
Credit Report Fee Paid to Outside Agency	$ 12 - $100

The actual fees charged may vary based on the size of your loan, loan program and interest rate you choose. There also will be other third party charges. You will receive a Good Faith Estimate when you apply for your mortgage loan, that will give you an estimate of all anticipated charges.

TITLE

Lester & Lester, P.A. and Buist, Byars & Taylor LLC (collectively, Attorney) provides closing services and also arranges for title insurance through numerous underwriters, one of which is North American Title Insurance Company (North American). Attorney is not affiliated with Lennar Corporation. In connection with the purchase of the subject property, we recommend Attorney to handle the closing and the issuance of any title insurance, which (if Attorney is selected by you) may be provided by North American. Because of the business relationship and arrangement described above, the referral to Attorney may provide Lennar Corporation a financial or other benefit. You are not required to use Attorney or North American.

The following are estimated charges or range of charges for the settlement services listed should North American provide the title insurance:

* Owner's Policy:
  $3.00 per $1,000 of purchase price up to $50,000
  $2.50 per $1,000 of purchase price over $50,000 and up to $100,000
  $1.75 per $1,000 of purchase price over $100,000 and up to $500,000
  $1.50 per $1,000 of purchase price over $500,000 and up to $5,000,000
  $1.00 per $1,000 of purchase price over $5,000,000

* Loan Policy:
  $3.00 per $1,000 of loan amount up to $50,000
  $2.50 per $1,000 of loan amount over $50,000 and up to $100,000
  $1.75 per $1,000 of loan amount over $100,000 and up to $500,000
  $1.50 per $1,000 of loan amount over $500,000 and up to $5,000,000
  $1.00 per $1,000 of loan amount over $5,000,000

* Enhanced Owner's or Loan Policies are 20% more

Affiliated Business Arrangement Disclosure Statement

* Loan Simultaneous Issue: $75 for the amount of insurance not in excess of the Owner's Policy. Any liability amount over the Owner's Policy shall be calculated at the Loan Policy rates shown above.

* Title Policy Endorsement(s):
$50.00 - $100 each for standard endorsements, 10% or 20% of policy premium for extra-risk endorsements

INSURANCE

North American Advantage Insurance Services, LLC (NAAIS) is an insurance agent that provides, among other products, homeowner's/hazard and flood insurance. Set forth below is the estimated range of charges by NAAIS for the settlement services listed.

Settlement Service	Range of Charges - Annual Premium
Hazard Insurance	.2% - 2.5% of Home Price
Flood Insurace	.1% - .5% of Home Price

NOTE:
The above is a premium range for hazard and flood insurance. If enhancements to the standard policy such as increased limits, scheduled articles, and/or earthquake coverage are required, the premium may increase. Actual quote and acceptance by NAAIS is subject to NAAIS' application of its underwriting guidelines, including but not limited to verification of your credit score and previous loss history.

Of course, the cost of your insurance may vary due to many factors including, without limitation, the size, location and cost of your home.

Acknowledgement

I/we have read this notice and understand that Seller is referring me/us to purchase the above described settlement services and may receive a financial or other benefit as a result of this referral.

DocuSigned by:
Joshua Buetow
5D5D1CDE02EE4AC...
Buyer's Signature - Joshua Buetow — 4/29/2013 Date

DocuSigned by:
Brettany Buetow
76E7A72DE530458...
Buyer's Signature - Brettany Buetow — 4/29/2013 Date

Buyer's Signature - Date

Buyer's Signature - Date

Lennar Carolinas, LLC
Printed Name of Seller

DocuSigned by:
Randy Floyd
74EED3201E454D4...
Sales Associate's Signature — 4/29/2013 Date
Randy Floyd

INSULATION ADDENDUM

THIS INSULATION ADDENDUM (this "Addendum") is executed in conjunction with and, by this reference, incorporated into the Purchase and Sale Agreement (the "Agreement") dated as of the twenty-ninth day of APRIL , 2013, between Joshua Buetow, Brettany Buetow (collectively, "Buyer") and Seller, as defined in the Agreement, respecting Lot 0020 of Block _____, of The Abbey at Spring Grove Subdivision/Plat in the community known as The Abbey at Spring Grove (the "Community").

1. Defined Terms. All initially capitalized terms not defined herein shall have the meanings set forth in the Agreement, and all references in this Addendum to the Agreement shall be deemed to include references to this Addendum and to any other addenda and riders attached to the Agreement, which are hereby incorporated by this reference.

2. Insulation. Pursuant to Title 16, Chapter I, Section 460.16 of the Code of Federal Regulations, the insulation that is or will be installed in the Home where conditioned space meets unconditioned space is as follows and will, according to the manufacturer, yield the R-values stated:

Location	Type	Thickness	R-Value
Exterior Masonry Walls	N/A	N/A	N/A
Exterior Stud Wall	Batt	3 1/2 inches	R-13
Ceilings	Batt	10 inches	R-30
Roof	Blown	12 inches	R-30
N/A	N/A	N/A	N/A

If so indicated above, fiberglass (also known as glass wool) is/will be used for insulation in the Home. The U.S. Department of Health and Human Services ("HHS") has listed fiberglass as a substance "which may reasonably be anticipated to be a carcinogen." This listing identifies substances selected for further study because of their potential carcinogenic risk but is not an assessment by HHS that there is a causal connection between fiberglass and human cancer. The listing does not establish that fiberglass presents a risk to persons in their daily lives.

3. Counterparts. This Addendum may be executed in counterparts, a complete set of which shall form a single Addendum.

4. Conflicts. In the event of any conflict between this Addendum and the Agreement, this Addendum shall control. In all other respects, the Agreement shall remain in full force and effect.

5. Entire Agreement. The Agreement, together with this Addendum and any other addenda and riders to the Agreement, contains the entire agreement between Buyer and Seller concerning the matters set forth herein. All prior discussions, negotiations and contracts relating to investors and occupancy requirements, if any, whether oral or written, are hereby superseded by these documents. No addition or modification of this Addendum or the Agreement shall be effective unless set forth in writing and signed by Buyer and an authorized agent of Seller.

DocuSigned by:
Joshua Buetow
AD6D1CDE02EE4AC...
Buyer - Joshua Buetow
Date 4/29/2013

DocuSigned by:
Brettany Buetow
78E7A22DE53045B...
Buyer - Brettany Buetow
Date 4/29/2013

Buyer -
Date

Buyer -
Date

SELLER: Lennar Carolinas, LLC
DocuSigned by:
23F4DD65541D4F7...
Authorized Agent of Seller - Thomas J Filippello
Date 4/30/2013

DocuSign Envelope ID: FE983F7E-23D3-4363-A286-A9837E4C8338

INDOOR ENVIRONMENTAL QUALITY DISCLOSURE

THIS INDOOR ENVIRONMENTAL QUALITY DISCLOSURE (this "Disclosure") is executed in conjunction with and, by this reference, incorporated into the Purchase and Sale Agreement (the "Agreement") dated as of the twenty-ninth day of APRIL , 2013, between Joshua Buetow, Brettany Buetow (collectively, "Buyer") and Seller, as defined in the Agreement, respecting Lot 0020 of Block _____, of The Abbey at Spring Grove Subdivision/Plat in the community known as The Abbey at Spring Grove (the "Community").

1. Defined Terms. All initially capitalized terms not defined herein shall have the meanings set forth in the Agreement, and all references in this Disclosure to the Agreement shall be deemed to include references to this Disclosure and to any other disclosure and/or addenda and riders attached to the Agreement, which are hereby incorporated by this reference.

2. Indoor Environmental Contaminates. There are many different types of indoor environmental contaminants, such as pet dander, dust mites and mold. Molds and other potential contaminants have been a part of our environment for millions of years. Contaminants are everywhere, indoors and outdoors. Therefore, everyone is exposed to some contaminants on a daily basis without evident harm. Due to a number of factors, including the fact that sensitivities to various types of molds and other potential contaminants vary from person to person, there are no state or federal standards concerning acceptable levels of exposure to mold. According to the Consumer Product Safety Commission and the American Lung Association, some diseases or illness have been linked with biological pollutants in the indoor environment, including some forms of mold. However, many of these conditions also have causes unrelated to the indoor environment. Therefore, it is unknown how many potential health problems relate exclusively to poor indoor air. Buyer should determine for himself/herself whether Buyer, Buyer's family members or any other individuals who will occupy or use the Home have special needs or increased risk to these conditions. Buyer should carefully monitor the conditions in the Home for mold growth and other contaminants.

When excessive moisture or water accumulates indoors, mold growth can and will occur, particularly if the moisture problem remains unaddressed. There is no practical way to eliminate all molds or mold spores in an indoor environment. The key to controlling indoor mold growth is to control moisture.

There are many ways to help control moisture in and beneath the Home. The U.S. Environmental Protection Agency, the Consumer Product Safety Commission, the American Lung Association and others recommend taking measures such as those listed below to help control moisture in and beneath the Home. The following list is not meant to be all-inclusive.

- o Fix leaking plumbing and any other source of unwanted water immediately.
- o Maintain proper indoor humidity. Equipment that conditions the air, such as air conditioners, humidifiers and ventilation systems must be operated year round.
- o Raise the temperature in areas where moisture condenses on surfaces and open doors between rooms to increase air circulation in the Home, including doors to closets.
- o Have major appliances, such as furnaces, heat pumps, central air conditioners, window air conditioning units, ventilation systems and furnace attached humidifiers inspected, cleaned and serviced regularly by a qualified professional.
- o Clean and dry refrigerator, air conditioner and dehumidifier drip pans and filters regularly and make sure that refrigerator and freezer doors seal properly.
- o Keep water away from the foundation of the Home by maintaining required slopes, drainage and keeping plantings and sprinklers the proper distance from the Home.
- o If there is a sump pump in the Home, inspect it regularly to ensure that it is properly operating.
- o If there is a crawl space or structural sub-floor, inspect the ground beneath the floor on a regular basis to make sure there is no standing or excessive water. If there is standing or excessive water, seek professional assistance to remove the water. If Buyer is interested in finishing the basement, only do so after consulting an expert to determine the suitability of the basement for a finished area.

The following are suggestions that may assist Buyer in preventing and addressing mold growth in the Home.

- o It is important that Buyer responds promptly when Buyer sees signs of moisture or mold.
- o Do not allow moisture to stand or make contact with carpet, furniture and cellulose-based materials, such as wood, drywall or other non-tile, non-plastic or non-metal materials.
- o Dry all water damaged areas and items immediately to prevent mold growth.
- o If mold develops, clean up the mold by washing off hard surfaces with detergent and water and completely dry the surface.
- o Depending upon the nature and extent of the mold infestation, trained professionals may be needed to assist in the remediation effort.
- o Mold that is not properly and adequately removed may reappear.

Proper maintenance and cleaning of the Home is the responsibility of each homeowner and will lessen the potential for water intrusion and help to control indoor environmental contaminants. Further, it is the responsibility of each homeowner to monitor their Home on a continual basis for excessive moisture, water and mold accumulation. If Buyer discovers accumulation of water or moisture in, around or under the Home, Buyer should immediately seek to control the source of the water or moisture. Failing to control the source could result in additional damage and the growth of mold. Plumbing leaks and water penetrations that are covered by the Limited Warranty, if any, during the term of the Limited Warranty must be reported to Seller immediately. If the Limited Warranty has expired or does not cover the specific problem, Buyer should not delay in having professionals address the problem. Seller will not be responsible for, and Buyer agrees to indemnify and hold harmless Indemnified Parties from and against all Claims in connection with, water-related damages, including personal injuries or property damage caused by mold, but only to extent that the damages are caused by (A) Buyer's negligence, (B) Buyer's failure to promptly take appropriate corrective measures and minimize any damages caused by the water or moisture, or (C) Buyer's failure to promptly provide Seller with notice of the water or moisture and give Seller an opportunity to dry the water or moisture and remediate, if necessary, any moisture conditions in the Home caused by improper construction. Buyer also agrees to waive all rights of subrogation for damages resulting from water-related damages, mold growth, any personal injuries, or any remediation resulting from (A) Buyer's negligence, (B) Buyer's failure to promptly take appropriate corrective measures and minimize any damages caused by the water or moisture, or (C) Buyer's failure to promptly provide Seller with notice of the water or moisture and give Seller an opportunity to dry the water or moisture and remediate, if necessary, any moisture conditions in the Home caused by improper construction.

3. Counterparts. This Disclosure may be executed in counterparts, a complete set of which shall form a single Disclosure.

4. Conflicts. In the event of any conflict between this Disclosure and the Agreement or any other addenda and/or riders, this Disclosure shall control. In all other respects, the Agreement shall remain in full force and effect.

5. Entire Agreement. The Agreement, together with this Addendum and any other addenda and riders to the Agreement, contains the entire agreement between Buyer and Seller concerning the matters set forth herein. All prior discussions, negotiations and contracts relating to investors and occupancy requirements, if any, whether oral or written, are hereby superseded by these documents. No addition or modification of this Addendum or the Agreement shall be effective unless set forth in writing and signed by Buyer and an authorized agent of Seller.

DocuSigned by:
Joshua Buetow
8D6D1CDE02EE4AC...
Buyer - Joshua Buetow
Date 4/29/2013

DocuSigned by:
Brettany Buetow
78E7A72DE3045B...
Buyer - Brettany Buetow
Date 4/29/2013

Buyer -
Date

Buyer -
Date

SELLER: Lennar Carolinas, LLC
DocuSigned by:
22F4DD66541D4F7...
Authorized Agent of Seller - Thomas J Filippello
Date 4/30/2013

DocuSign Envelope ID: FE983F7E-23D3-4363-A286-A9837E4C8338

RICEFIELD WAY and THE ABBEY AT SPRING GROVE PLANTATION
MASTER DISCLOSURE AND INFORMATION ADDENDUM TO
PURCHASE AND SALE AGREEMENT
SOUTH CAROLINA

THIS MASTER DISCLOSURE AND INFORMATION ADDENDUM (this "Addendum") is executed in conjunction with and, by this reference, incorporated into the Purchase and Sale Agreement (the "Agreement") entered into as of the Twenty-Ninth day of April , 2013, between Joshua Buetow, Brettany Buetow ("Buyer") and Seller, as defined in the Agreement, respecting Lot 0020 of Building/Block _____, of The Abbey at Spring Grove Subdivision/Plat in the community known as Spring Grove Plantation (the "Community").

1. Defined Terms. All capitalized terms not defined herein shall have the meanings set forth in the Agreement, and all references in this Addendum to the Agreement shall be deemed to include references to this Addendum and to any other addenda and riders attached to the Agreement, which are hereby incorporated by this reference.

2. Community. The Property lies within a neighborhood known as Ricefield Way or The Abbey at Spring Grove Plantation (the "Neighborhood"), which lies within a community known as Spring Grove Plantation (the "Community"). This Addendum explains certain terms which are applicable to the purchase of Homes within the Community and the Neighborhood. Current plans are for Ben McCormick Homes, Harbor Homes and First Coast Homes to build homes in the Community. Other builders besides Seller may be added or deleted from the list of builders in the future. Seller, and any other builder in the Community, shall have the right, without notice to Buyer, to make changes to, among other things, homesite sizes, number of homes being built, size and style of homes being built, features and materials in homes being built, prices of homes (whether more or less than currently published), price per square foot of homes (whether more or less than currently published), street layout, amenity layout, and usage, location, size and number of trees, bushes and other foliage (current and future), and any other items or uses which are currently planned for the Community or the Neighborhood. Seller makes no representation or warranties that Seller will be the exclusive builder or developer in the Community or the Neighborhood or that the Community or the Neighborhood will be built out exactly as currently planned, and Seller expressly reserves the right to make whatever changes it deems necessary relating to future development or build out of the Community and the Neighborhood. Any current maps or other materials showing any final or projected community development may be modified or updated in the future.

SELLER HAS MADE NO REPRESENTATIONS OR PROVIDED ANY ASSURANCES WITH REGARD TO THE DEVELOPMENT OF HOMESITES IN AND AROUND THE COMMUNITY. HOMESITES IN AND AROUND THE COMMUNITY MAY REMAIN UNDEVELOPED AT THE SOLE DISCRETION OF SELLER, OTHER BUILDERS IN THE COMMUNITY, AND/OR THE DEVELOPER OF THE COMMUNITY. BUYER ACKNOWLEDGES THAT SELLER HAS MADE NO REPRESENTATIONS OR PROVIDED ANY ASSURANCES, STATED, IMPLIED, OR OTHERWISE WITH REGARD TO SELLER BEING THE SOLE OR EXCLUSIVE BUILDER WITHIN THE COMMUNITY. SELLER HAS MADE NO REPRESENTATIONS OR PROVIDED ANY ASSURANCES, STATED, IMPLIED, OR OTHERWISE WITH REGARD TO CONTINUING TO BUILD IN THE COMMUNITY THROUGH FINAL BUILD OUT AND/OR BUILDING UPON ANY UNDEVELOPED HOMESITE(S). FURTHERMORE, IT IS UNDERSTOOD THAT NO REPRESENTATIONS, ESTIMATES OR PROJECTIONS HAVE BEEN CONVEYED REGARDING THE FINAL BUILD OUT TIME OF ANY UNDEVELOPED HOMESITE(S) OR THE OVERALL COMPLETION SCHEDULE OF THIS COMMUNITY. BUYER ACKNOWLEDGES THAT SELLER CONSTANTLY EVALUATES THE PRICING, DESIGNS, PRODUCT MIX AND AMENITIES OF ITS COMMUNITIES AND SELLER MAKES NO REPRESENTATIONS OR WARRANTIES REGARDING WHETHER TO CONTINUE TO BUILD HOMES WITHIN THE COMMUNITY AND BUYER IS NOT RELYING UPON ANY OF THE FOREGOING IN DECIDING TO PURCHASE THE PROPERTY.

3. Governing Documents. Buyer acknowledges receipt, either in hard-copy or via internet or electronic means, of all documents ("Governing Documents") for the Community and the Neighborhood.

3.1 Buyer acknowledges receipt of, and agrees to be bound by the Declaration for Spring Grove Plantation Community (the "Declaration"), the Articles of Incorporation, By-Laws and any Rules and Regulations of Spring Grove Plantation Community Service Association, Inc., all as amended and supplemented from time to time (collectively, the "Community Documents"). Buyer acknowledges and agrees that title to the Home will be subject to the Community Documents.

3.2 The Property will be subject to certain deed restrictions as reflected in the Limited Warranty Deed executed by Seller and furnished to Buyer at Closing. The deed restrictions run with the Homesite and require, among other things, that (i) buyer give Seller notice of Seller's defaults or any Claim (as defined therein) after Closing and (ii) Seller have an opportunity to inspect and cure defects in the Home. The deed restrictions further require the arbitration of any Claim against Seller that cannot be resolved.

3.3 Buyer acknowledges the provisions of the Governing Documents are fair and reasonable.

4. Association Memberships.

4.1 Upon conveyance and recording of the Deed to the Home, Buyer understands and agrees that Buyer will then become a member of the Spring Grove Plantation Community Service Association, Inc., a South Carolina nonprofit corporation (the "Association"). Buyer agrees to accept the liability and obligations of

such memberships. Buyer understands that as a member of the Association, Buyer will be required to pay Assessments (as defined in the Governing Documents) for the maintenance of the Common Areas (as defined in the Governing Documents) and for such other uses and purposes as are provided for in the Governing Documents. Buyer also understands and agrees that a failure to pay Assessments when due could cause the Association to record a lien on the Home and to foreclose such lien. Assessments are subject to additional increases in the manner currently provided for in the Governing Documents. Neither Seller, the Association, nor any other builder can estimate the amount or frequency of any such increase.

4.2 Buyer acknowledges that nominees of Seller, and the developer of the Community and the developer of the Neighborhood may serve as the initial officers and directors of the Association. The officers and directors and the management company, which may be an affiliate of Seller, are authorized by Buyer to act for and on the behalf of the Association. Seller may, but is not required to, advance monies to the Association for operations. In the event such advances are made, they will be considered a loan from Seller, and the Association will be obligated to repay such advances as set forth in the Community Documents.

4.3 Buyer acknowledges that all new construction and modifications of existing construction and exterior improvements within the Community are subject to the prior written approval of the appropriate architectural review, design review or similar committee or authority, which is appointed by the Board of Directors of the Association. Buyer agrees to comply with all rules and regulations of the appropriate authority (or authorities) governing construction of improvements within the Community and the Neighborhood as the same may be amended and exist from time to time. These restrictions are subject to change without notice. Building and use restrictions include, but are not limited to, residential and nonresidential uses, building specifications, accessory structures, nuisance, home occupancy, signage, antennas, animals, driveways, vehicle parking, rubbish, utility and drainage easements, clothes lines, fences, special rights of Seller, the developer of the Community, the developer of the Neighborhood and homebuilder(s), leases and restoration of homesites. Buyer agrees not to commence any construction upon the Homesite until it has obtained all requisite written approvals therefore. Buyer further agrees not to make any modifications of any existing buildings and improvements, including, but not limited to, landscaping and landscape irrigation, without the prior written approvals of the appropriate authority (or authorities) pursuant to any city, county or state regulation and pursuant to recorded covenants, conditions or restrictions governing the land. In addition, every city, county or town has building codes and other ordinances that regulate what is permissible within its jurisdictional limits. Prior to making changes to the Home or Homesite, Buyer should contact the applicable governmental authorities for further information concerning local codes and ordinances. Decks, fences and exterior color are among the more common, although not the only, improvements for which architectural approval is required.

4.4 Approval of any work by the appropriate reviewing authority or authorities shall not constitute an express or implied warranty of representation that any work complies with applicable codes, ordinances or other governmental regulations, or that the work is well designated or will be constructed in a proper manner.

4.5 Failure to submit plans and specifications to the appropriate reviewing authority or authorities for approval is a violation of the provisions of the Declaration and/or applicable deed restrictions, which may result in sanctions and/or the imposition of fines, and the removal, at homeowner expense, any of non-approved improvements or modifications.

5. Community Charges. In addition to the Closing Costs set forth in Rider B, Buyer shall pay the following additional Closing Costs respecting the Community:

5.1 Association Assessments. Assessments payable to the Association ("Association Assessments"), prorated for the month in which the Closing occurs (based on the then current Assessments at the time of closing). Such Assessments are estimated to be $330.00 per year at this time. Buyer understands that the estimated operating budget for the Association is only an estimate of what it will cost to run the Association. The Association may make changes in the budget at any time to cover increases or decreases in expenses or estimates in the budget. Without limiting the generality of this Section, those changes will not give Buyer any right to cancel the Agreement.

5.2 Association Initial Capital Contribution. Buyer acknowledges that among other Assessments provided for in the Community Documents, the Association has established an initial capital contribution ("Initial Capital Contribution"). Buyer acknowledges that upon conveyance of the Property an Initial Capital Contribution in an amount equal to $300.00 (or such amount as determined from time to time) is due. The Initial Capital Contribution may be used for any reason whatsoever including, without limitation, reimbursement for costs in setting up the Association and costs of deficit funding. Buyer acknowledges and agrees that the Initial Capital Contribution is not to be considered as an advance payment of Assessments.

5.3 Resale Capital Contribution. Buyer acknowledges that the Association may establish a Resale Capital Contribution (as defined in the Governing Documents). For more information on the Resale Capital Contribution, please refer to the Governing Documents.

6. Security. The Community is not a gated community and the roads in the Community are public.

7. Building and Use Restrictions. Every homesite is subject to building and use restrictions as set forth in the Declaration. These restrictions are subject to change without notice. Building and use restrictions may affect,

among other things, residential and nonresidential uses, building specifications, accessory structures, nuisance, home occupancy, signage, antennas, satellite dishes, animals, driveways, vehicle parking, rubbish, utility and drainage easements, clothes lines, fences, special rights of Seller, any developer and homebuilder(s), leases and restoration of homesites. Seller encourages you to carefully review the Declaration and to ensure the long-term quality of life for both you and your neighbors.

8. Municipal Building Codes And Ordinances. Every city or town has building codes and other ordinances that regulate what is permissible within its jurisdictional limits. Prior to making changes to your Home or Homesite, you should contact the Building Inspector for Berkeley County at 843.719.4095 for further information concerning local codes and ordinances. Seller is not responsible for notifying Buyer or any other homeowners of the content or restrictions contained in any local codes or ordinances.

9. Architectural Review.

9.1 The Declaration currently provides that no improvements shall be commenced upon any homesite, nor shall the exterior color, style and materials of an approved structure on a homesite be altered without the prior written approval of the Architectural Control Committee ("ACC"), as applicable, which is appointed by the Board of Directors of the Association. Improvements constructed by Seller or the developer of the Community, or the Neighborhood, as applicable, are exempt from this requirement. Approval of any work by the ACC shall not constitute an express or implied warranty or representation by the ACC that any work complies with applicable codes, ordinances or other governmental regulations, or that the work is well designed or will be constructed in a proper manner. Decks, fences and exterior color are among the more common, although not the only, improvements for which architectural approval is required. For more information concerning architectural review, please review the Declaration.

9.2 Failure to submit plans and specifications to the ACC for approval is a violation of the Declaration, which may result in sanctions and/or the imposition of fines, and the removal, at homeowner expense, of any non-approved modifications.

10. Pet Restrictions. Buyer understands that the only pets allowed in the Neighborhood and the Community are those which are in accordance with the restrictions contained in the Community Documents or any amendments thereto.

11. Short-Term Rentals. Buyer acknowledges that homes in the Community may be rented for any length of time, subject to certain restrictions set forth in the Community Documents.

12. Flood Zone. Buyer acknowledges that the Property may be in a flood zone. Mortgage lenders will typically require the issuance of flood insurance as a requirement for financing, which insurance must be present at Closing. Seller recommends that each Buyer of a Home protect his/her Home by obtaining proper insurance coverage. It is possible, however, for Buyer to submit documentation to the Federal Emergency Management Agency (FEMA) to have the Home re-classified by FEMA, whereby the mortgage lender may have the option to waive the requirement of flood insurance. Buyer is solely responsible for the submission to FEMA for such re-classification and any and all expenses related to such submission. Further, Buyer acknowledges and understands that the waiver of flood insurance is at the sole discretion of the mortgage lender.

13. Utilities.

13.1 Buyer acknowledges that no septic tanks shall be permitted within the Community and the Neighborhood. No wells shall be installed without the express written consent of the ACC and all other applicable government agencies.

13.2 Some homesites contain or are adjacent to drainage and utility structures such as storm water overflow swales, storm water retention and/or detention basins, manholes, fire hydrants, electrical transformers, switch boxes, telephone pedestals and streetlights. None of these items shall be altered, obstructed, buried, modified, restricted or interfered with in any manner whatsoever. Overflow swales are generally utilized for overflow storm water capacity as a result of water drainage. Electrical transformers may only be landscaped to the extent permission is given by the utility provider. In some cases, water may flow from one homesite to another. State law may provide that the owner of the homesite receiving water is required to accept the water flow and may not impede the flow of this water. In addition, the Property will be graded to provide for reasonable drainage away from the Home's foundation. The vast majority of foundation problems are caused by insufficient drainage or lack of watering of soil around the foundation. Buyer should keep Buyer's lawn well watered to maintain consistent moisture content and avoid excess wetness, dryness or cracking of soil. The construction of curbs, decks, retaining walls, pools, spas, patios, landscape edging and similar items can also trap water within the yard area and cause structural damage to the Home's foundation. Seller strongly recommends that Buyer consult with a licensed landscape architect and civil engineer before performing any work or making any changes that may affect the existing drainage pattern.

13.3 Berkeley County provides water to the Community. Because Seller does not control the water supply, Seller cannot guarantee the quality of the water provided to the Community. In addition, this area is periodically subjected to extended periods of drought that may cause depletion of water supplies. Municipalities and other providers of water services (including the Town of Moncks Corner) may enact mandatory or voluntary cut backs or other restrictions in water usage. Seller has no control, influence, responsibility or liability for or over decisions concerning water rationing.

13.4 If Buyer has any questions about utility rates, services, safety, or anything else to do with overhead or underground transmission or utility lines, Buyer should contact the utility companies directly. Because Seller values Buyer's safety and that of Buyer's neighbors, no excavation or trenching should be done without first calling the utility companies for the location of buried utilities. There is currently no charge by the utilities for this service. This is especially important in utility easements where buried utility equipment is probable. Digging without advance notification and approval of the utility companies may be illegal, is dangerous and can result in severe personal injury or death to Buyer and Buyer's neighbors, and can also result in severe property damage to homes, property and utility equipment.

14. Waterbodies. BUYER ACKNOWLEDGES THAT THE WATER LEVELS OF LAKES, PONDS OR OTHER WATERBODIES WITHIN THE COMMUNITY AND/OR THE NEIGHBORHOOD MAY VARY. THERE IS NO GUARANTEE BY SELLER, THE ASSOCIATION THAT WATER LEVELS WILL BE CONSTANT OR AESTHETICALLY PLEASING AT ANY PARTICULAR TIME; AT TIMES, WATER LEVELS MAY BE NONEXISTENT.

15. Regulatory And Governmental Approvals. The zoning, plans, etc. have been approved by Berkeley County. The development of the project, lot, sidewalks, etc. is subject to approval by Berkeley County. For more information on the approvals required and pending in the Community, Buyer should contact the Berkeley County Planning & Zoning Department at 843.719.4095.

16. Prices/Market Values. Seller, and any other builder in the Community, shall have the unilateral right to establish prices for the homes it builds in the Community. Seller and any other builder in the Community may, at its sole discretion, increase or decrease the price or the price per square foot for any home, homesite or option at any time, or offer incentives for sales of homesites and homes, all without notice to Buyer. Once Buyer has signed the Agreement establishing a price for the Property, the prices for any subsequent changes or upgrades to the Home as requested by Buyer, including but not limited to design, floor plan, options, materials or otherwise, are subject to change by Seller until a written and signed agreement on the price is reached by Seller and Buyer for such change or upgrade. Seller makes no representations or warranties that the price for the Property or options in the Home will be increased or decreased for other buyers of identical or similar homes or options. Seller also makes no representations or warranties that changes or options made by Buyer will or will not increase or decrease the market value of the Property. The Property is being sold for residential purposes and not as an investment.

17. Construction And Sales Activities. BUYER ACKNOWLEDGES THAT SOME AREAS OF THE NEIGHBORHOOD AND THE COMMUNITY MAY BE UNDER CONSTRUCTION AND DEVELOPMENT FOR AN EXTENDED TIME. INCIDENT TO THE DEVELOPMENT PROCESS, THE QUIET ENJOYMENT OF THE NEIGHBORHOOD AND THE COMMUNITY MAY BE UNAVOIDABLY INTERFERED WITH TO SOME EXTENT BY THE CONSTRUCTION OPERATIONS. Construction, development and sales activities in the Community and/or the Neighborhood will likely occur after Buyer has taken occupancy of Buyer's Home. Depending upon Buyer's sensitivities, this may result in some inconvenience to Buyer and Buyer's family and guests due to increased noise, dust, road closures, operation of the model homes and sales offices, and other activities. Construction activities can occur at various hours throughout the day, and sales activities can result in additional traffic and visitors throughout the Community, particularly before the Community is completely built out. Neither Seller nor any other builder that may be active in the Community can guarantee that Buyer will not be affected or impacted as a result of the overall construction and development of the Community. Seller gives no guarantees or assurances on the active time of the Community model homes. Homesites across the street or next to the model homes may remain undeveloped until Seller determines that these homesites are no longer needed for marketing purposes.

18. Views. Future development and construction activities in the Community can and will modify the view from homesites (including but not limited to the Homesite). Trees and other foliage may be added or removed from lots or common areas of the Community. Additional housing and other improvements will be added within the community. Because future development and construction activities in the Community will modify views from homesites, Seller does not warrant or guarantee any existing views will be maintained in the future relative to the Property.

19. Streetlights. Numerous streetlights will be installed within the Community, many of which will be installed after homes have been completed, sold and occupied. Streetlights are sized and placed in accordance with Town ordinances and governmental requirements, and could in some instances generate light in or obstruct views from homes in the Community. Information about streetlight size, light output, design and location of streetlights within the Community can be obtained from the service provider.

20. Trees And Foliage. The Community contains numerous native trees of various sizes and varieties. While Seller has taken great care during the planning and construction of the Community to save trees, future development and construction will require the removal of additional trees, shrubs and other foliage and, therefore, Seller does not guarantee the preservation of any trees, shrubs, ground cover or other foliage in the Community or Buyer's Homesite, and cannot be responsible for short or long-term damages to foliage due to construction or development activities. Seller makes no representation or warranty that trees on the Homesite being purchased or any other homesite or common area in the Community will not be removed. All care and maintenance of foliage on an individual homesite is the responsibility of the homeowner, and Seller does not guarantee or warranty the survival of any foliage. Berkeley County has adopted a Tree Ordinance regulating the removal of any tree over a certain size. Before removing a tree, Buyer should contact Berkeley County to ensure that its regulations are adhered to. The Declaration also contains restrictions regarding the removal of any tree over a certain size. Buyer should contact the Association to ensure that its regulations are adhered to.

21. Facilities And Conditions Affecting Homesites.

21.1 The information set forth in this section contains an overview of facilities and conditions which may affect some or all homesites in the Community (including but not limited to the Homesite). Because Seller does not have control over development outside of the Community, Seller does not warrant or guarantee any future development, usage, or lack of development or usage for properties located outside of the Community, or their possible impact on the residents of the Community. For additional information about offsite features that may affect the purchase of the Property, please contact the local governmental authorities having jurisdiction over the Community.

21.2 Seller advises Buyer that some of the homesites (including but not limited to the Homesite) are or may be adjacent to or near some of the following:

DRAINAGE CHANNEL, AIRPORT, RAILROAD TRACKS, STORM WATER DETENTION FACILITY, COMMUNITY CENTER, ELEVATED WATER STORAGE TOWER, SCHOOL FACILITY, PARK SCHOOL SITE, SPORTS FACILITY OR BALL FIELD, COMMUNITY LAKES, PARK AND/OR RECREATION FACILITY, WATER PLANT/SEWER PLANT, LIFT STATION, CELLULAR PHONE, RADIO, TELEVISION OR OTHER TOWER ANTENNA SITE, HIGH VOLTAGE TRANSMISSION LINES OR PIPELINE EASEMENT.

Buyer acknowledges that such facilities may impact noise, vibration, lighting, traffic and other conditions caused by daily operations of the facility. Drainage channels, lakes and storm water detention facilities will have varying levels of water for varying periods of time depending upon rainfall.

21.3 Approximately 10 miles from the edge of the Community is the Charleston International Airport. Some flights landing at or taking off from the airport currently pass over the Community. Jets, helicopters or other aircraft may be seen or heard overhead from the Homesite or even from within the Home. The Charleston International Airport may, in the future, expand the Airport and its operations.

21.4 As a result of the open spaces and bodies of water in and around the Community, Buyer may periodically find wild animals within the confines of the Community including, but not limited to, skunks, nutria, opossums, deer, raccoons, spiders, snakes, bees, fire ants, and other insects common to the area. Contact with any wild animal can be dangerous. Should Buyer encounter any such animal, Buyer is encouraged to contact Buyer's local animal control office for further instructions.

21.5 Property West of the Community. The property west of the Community is currently comprised of agricultural and wooded land and land occupied by the Charleston Steel & Metal plant, Parker Gas Turbine Fuel Systems, and Mt. Holly Hill Park.

21.6 Property North of the Community. The property north of the Community is currently comprised of undeveloped woodlands and land used for residential purposes.

21.7 Property East of the Community. The property east of the Community is currently comprised of forested wetlands and undeveloped woodlands and land used for residential purposes. The property further east of the Community was occupied by the former Pattillo/Stone Mountain Industrial Park Site.

21.8 Property South of the Community. The property south of the Community is currently comprised of undeveloped woodlands and forested wetlands and land used for residential purposes.

21.9 Future Commercial/Retail Uses. The Community is located adjacent to properties which will be developed with major commercial and retail uses in the future. The development of such uses adjacent to the Community may increase traffic volumes, noise, outdoor lighting, pedestrian activity and other similar impacts resulting from commercial development.

21.10 Development of Adjacent Property. Buyer acknowledges that Seller's current construction plans for the Community where the Home and Homesite are located may change and that no representations or warranties are made concerning the development of the Community, or any property adjacent to, surrounding, or near such Community.

21.11 Public Ballfields. Public ballfields are located within the Community. The ballfields are or will be owned by the Association and the future use of the ballfields is in the discretion of Association.

21.12 Major Public Roads. The Community is located along portions of Old Hwy 52 and Cypress Garden Road. These roads may experience heavy traffic.

22. **Floor and Roof Truss Support**. The Home has been designed and constructed with the intent to support typical loads on the floor and roof trusses. Placing or storing excessive loads such as a waterbed or pool table, may result in the warping or failure of the supporting structural components of the Home.

23. **Real Estate Taxes**. When a new home is built, the full value of the home is typically not reflected in the real estate taxes until the second calendar year after construction has been completed. Seller is not responsible for communicating any information regarding real estate taxes (current or future) and cannot and will not predict what the taxes on the Home may be. Buyer should confirm any information provided concerning appraisals, tax valuation, tax rates or other tax-related questions, with Buyer's personal tax advisor and the local taxing authorities.

24. **Public Financing of Capital Improvements**. Berkeley County may finance certain capital improvements in the Community, may issue bonds in connection with such financing and may create one or more special tax districts

within the Community to provide for repayment of such bonds.

25. Town and County Taxes, Charges And Fees. Property within the Community is subject to Berkeley County taxes, utility charges, fees and may become part of a special taxing district. For additional information, contact the Tax Collector's office of Berkeley at 843.719.4030.

26. Addendum Not A Substitute. Buyer acknowledges and agrees that this Addendum is not a substitute for reading the entire Governing Documents. For a more detailed explanation of any section contained in this Addendum, refer to the Governing Documents.

27. Pre-Sale Contingency. Seller shall have the right to terminate this Agreement and cause Buyer's deposits to be refunded in the event that Seller does not enter into binding contracts to sell at least ten percent (10%) of the homes and homesites in the Community. Seller must, however, notify Buyer of such a termination at any time within one hundred eighty (180) days following the date of the first purchase agreement for the sale of a home in the Community, otherwise Seller will be required to construct the Community and the Home and otherwise proceed to perform its obligations under this Agreement. This shall not delay the effectiveness of this Agreement, which shall be immediate, but rather, shall be deemed a "condition subsequent" to this Agreement. In the event of Seller's termination of this Agreement pursuant to this Section, upon such termination and the return of Buyer's Deposit, Seller and Buyer will be fully relieved and released from all obligations and liabilities under and in connection with this Agreement. Seller agrees to use its good faith efforts to meet the foregoing pre-sale requirement.

28. Third Party Developer. Seller is not the developer/declarant of the Community ("Developer"). Buyer acknowledges that (i) Seller is neither related to nor a joint venture partner with Developer, (ii) Seller does not control the amenities (existing or planned), landscaping, or other improvements that Developer may provide within the Community in the sole and absolute discretion of Developer, (iii) Seller has neither prepared nor participated in the preparation of the Community budgets or any other financial information with regard to the Community, and (iv) any representations or warranties which relate to amenities or other matters contained within the Community shall not be construed as representations made by Seller nor shall such representations be relied upon by Buyer in Buyer's determination as to whether to purchase the Property located within the Community. Seller has no control or influence related to the construction timing, completion, changes in design, changes in location, or other major decisions, including the decision not to build future amenities. Buyer agrees to look solely to the Developer with respect to any matters regarding the Association, existing Community amenities, any proposed amenities, landscaping or other improvements.

29. Statements Made By Sales Staff And Brokers. Seller wants to ensure that Seller and Buyer are in full agreement on all terms and conditions relating to the Agreement. To best ensure that there are no misunderstandings, Buyer should ensure that all terms and conditions (including all statements, representations, or understandings upon which Buyer relies in purchasing the Home) are set forth in writing in the Agreement. If there are any statements, representations or understandings which are made by a sales staff person or any other representative of Seller which are material to Buyer's decision to purchase, Buyer should insist that any such statement, representation or understanding is put in writing and contained in the Agreement. Seller reserves the right to reject the Agreement notwithstanding the inclusion of any such item in the Agreement.

30. Public School Assignment. Seller does not control and cannot guarantee public school assignments for the Community. Because Seller does not control public school assignments, Seller cannot assure Buyer that public school assignments will not be changed in the future. For more information about public school assignments, Buyer should contact the Berkeley County School Board.

31. Counterparts. This Addendum may be executed in counterparts, a complete set of which shall form a single Addendum.

32. Conflicts. In the event of any conflict between this Addendum and the Agreement, this Addendum shall control. In all other respects, the Agreement shall remain in full force and effect.

33. **Entire Agreement**. The Agreement, together with this Addendum and any other addenda or riders to the Agreement, contains the entire agreement between Buyer and Seller concerning the matters set forth herein. All prior discussions, negotiations and contracts relating to investors and occupancy requirements, if any, whether oral or written, are hereby superseded by these documents. No addition or modification of this Addendum or the Agreement shall be effective unless set forth in writing and signed by Buyer and an authorized agent of Seller.

34. **Survival**. All of the terms of this Addendum shall survive Closing and the delivery of the Deed.

DocuSigned by:
Joshua Buetow
BD6D1CDE02EE4AC...
Buyer - Joshua Buetow
Date 4/29/2013

DocuSigned by:
Brittany Buetow
78E7A72DEE3045B...
Buyer - Brittany Buetow
Date 4/29/2013

Buyer -
Date

Buyer -
Date

SELLER: Lennar Carolinas, LLC

DocuSigned by:
23F4DD8854ID4F7...
Authorized Agent of Seller - Thomas J Filippello
Date 4/30/2013

HOME AUTOMATION ADDENDUM

THIS HOME AUTOMATION ADDENDUM (this "Addendum") is, by this reference, made part of the Purchase and Sale Agreement (the "Agreement") dated as of the Twenty-Ninth day of April , 2013, between Joshua Buetow, Brettany Buetow (collectively, "Buyer") and Seller, as defined in the Agreement, respecting Lot 0020 of Block _____ of The Abbey at Spring Grove Subdivision/Plat in the community known as The Abbey at Spring Grove (the "Community").

1. Defined Terms. All initially capitalized terms not defined herein shall have the meanings set forth in the Agreement, and all references in this Addendum to the Agreement shall be deemed to include references to this Addendum and to any other addenda and riders attached to the Agreement, which are hereby incorporated by this reference.

2. Nexia Home Intelligence. The Property will be equipped with Nexia Home Intelligence (formerly known as Schlage LiNK) which uses Z-Wave® technology in a secure, web-based system that allows remote monitoring and control of Z-Wave® enabled equipment. There is a monthly fee for remote access capabilities and there must be a wireless router and internet access. Nexia has agreed to provide 12 months of free monitoring commencing at closing

3. Nexia Home Intelligence Performance. Buyer will receive a warranty from the manufacturer. Seller assumes no liability for either the performance of Nexia Home Intelligence or the performance or availability of remote access.

4. Contact Authorization. By signing below, Buyer authorizes Nexia to contact Buyer to assist Buyer in explaining, setting up and operating the system, as well as, optional equipment that can be added to the system.

5. Manufacturers' Warranty Disclaimer. SELLER ASSIGNS AND PASSES THROUGH TO BUYER THE MANUFACTURERS' WARRANTIES FOR SCHLAGE LINK AND SELLER MAKES NO WARRANTIES WITH RESPECT THERETO. SELLER DISCLAIMS ANY WARRANTY OF ANY KIND, EXPRESS OR IMPLIED, ON SCHLAGE LINK, INCLUDING, WITHOUT LIMITATION, ANY WARRANTY OF USE, FITNESS OF USE, WORKMANSHIP OR QUALITY. SELLER SHALL NOT BE LIABLE FOR ANY DAMAGES OR INJURY TO THE SCHLAGE LINK OR FOR ANY DAMAGES OR INJURY CAUSED BY SCHLAGE LINK. SELLER'S DISCLAIMER OF MANUFACTURERS' WARRANTIES DOES NOT LIMIT OR OTHERWISE AFFECT THE WARRANTY OF ANY MANUFACTURER.

6. Counterparts. This Addendum may be executed in counterparts, a complete set of which shall form a single Addendum.

7. Conflicts. In the event of any conflict between this Addendum and the Agreement, this Addendum shall control. In all other respects, the Agreement shall remain in full force and effect.

8. Entire Agreement. The Agreement, together with this Addendum and any other addenda or riders to the Agreement, contains the entire agreement between Buyer and Seller concerning the matters set forth herein. All prior discussions, negotiations and contracts relating to investors and occupancy requirements, if any, whether oral or written, are hereby superseded by these documents. No addition or modification of this Addendum or the Agreement shall be effective unless set forth in writing and signed by Buyer and an authorized agent of Seller.

DocuSigned by:
Joshua Buetow
4D6C1CDE02EE4AC...
Buyer - Joshua Buetow
Date 4/29/2013

DocuSigned by:
Brettany Buetow
78E7A72DE53045B...
Buyer - Brettany Buetow
Date 4/29/2013

Buyer -
Date

Buyer -
Date

SELLER: Lennar Carolinas, LLC

DocuSigned by:
23F4DD65541D4F7...
Authorized Agent of Seller - Thomas J Filippello
Date 4/30/2013

Electronic Document Delivery Consent

GENERAL INFORMATION. For purposes of this Consent form the term "UAMC", refers to Universal American Mortgage Company, LLC or Universal American Mortgage Company of California. The terms "you" and "your" refer to the recipient of this Consent.

The Electronic Signatures in Global and National Commerce Act, (E-Sign Act), Section 101(c)(1) of Title 1, allows a financial institution to issue electronic records to a customer to satisfy any statute or regulation that requires such information to be in writing, after first obtaining the customer's affirmative consent. The E-Sign Act requires certain information to be provided to the customer regarding this service, which is disclosed in this Consent. You have the right to have the documents described in this Consent provided or made available to you on paper. By signing this Consent you agree to the terms and conditions listed below. Please read this document carefully and retain it for future reference.

ELECTRONIC DOCUMENT DELIVERY. By signing this Consent, you hereby request and consent to UAMC providing your mortgage loan documents in Portable Document Format (PDF) via a link that will be sent to the e-mail address listed below. The mortgage loan documents include important and legally binding disclosures, notices, information and conditions regarding your loan transaction. The e-mail will contain a link to a secure website for you to access such documents. This Electronic Document Delivery service replaces the creation of paper documents and their delivery through land-based mail services. In the event of equipment failure, or for any other reason you are unable to retrieve your e-mails or download the documents, you may obtain a copy of any of the documents on paper by telephoning UAMC at _____ or by sending a written request to: UAMC. No fee will be imposed to receive a paper copy of any document delivered electronically from UAMC.

YOUR RESPONSIBILITIES: In order to receive and access your documents electronically you must have equipment that meets the following minimum hardware, software and system requirements:

1. Have an active e-mail account.
2. Be able to view disclosures on a monitor or other medium.
3. Have access to the Internet and use Internet Explorer 7.0 and above; Mozilla Firefox 3.0, 3.5, 3.6; Chrome 5; or Safari 5.0.1 to receive required information.
4. Be able to receive email that contains hyperlinks to websites in order for UAMC to deliver required information to you.
5. Be able to access documents with Adobe Acrobat Reader. ®
6. Be able to print or download PDF files from websites.

You are responsible for accessing, opening and reading all mortgage documents when notified by UAMC that such documents, which contain important and legally binding disclosures, notices, information and conditions regarding your loan transaction are available. All documents made available to you pursuant to this Consent will constitute your only notice of matters contained in such documents. You are responsible for promptly notifying UAMC if any of the e-mails you receive or documents you attempt to access are incomplete, are unreadable or are not accessible.

Your Consent to receive notifications and documents electronically will remain in effect until amended or withdrawn by you or until this Consent is cancelled. The hardware, software and system requirements listed above may change at any time at UAMC's sole discretion. UAMC will provide you with advance notice of any such change and you may withdraw this Consent if you no longer meet the requirements. If you need to update your e-mail address or other contact information with UAMC or would like to withdraw this Consent and unsubscribe from receiving documents electronically at any time, please contact us via telephone at _____ or by sending a written request to: UAMC.

You are solely responsible for the cost associated with receiving and downloading documents electronically (computer, Internet, e-mail services, etc).

Before documents will be available electronically, you must demonstrate the ability to receive e-mails and electronic documents by responding to an e-mail that will be sent from UAMC. After signing this Consent and responding to the e-mail, you will be enrolled in the electronic delivery of mortgage documents and disclosures pursuant to the terms of this Consent. UAMC has no obligation to monitor or notify you if e-mails are undeliverable because your e-mail address on file with us is expired or otherwise invalid or because of other technical problems related to your equipment, internet service, or e-mail service. It is you responsibility to ensure that the e-mail address UAMC has on file for you is correct and up to date at all times.

UAMC may cancel this Consent and opt to deliver documents and disclosures to you in paper form at its sole discretion.

By signing, dating and providing your e-mail address(s) below you agree to receive notifications and documents electronically from UAMC.

DocuSigned by: Joshua Buetow 6D6D1CDE02EE4AC...	j_buetow@hotmail.com	4/29/2013
Borrower - Joshua Buetow	Email	Date
DocuSigned by: Brettany Buetow 76F7A72DE63045B...	Brettanybuetow@gmail.com	4/29/2013
Borrower - Brettany Buetow	Email	Date
Borrower -	Email	Date
Borrower -	Email	Date

I have completed the sales review of the above purchase agreement documents.

DocuSigned by:
J.B.
84A13187218E4C8...

Sales Reviewer Jason Byham

Date 4/30/2013

DocuSign Envelope ID: 01AD27CA-4435-42A6-981D-88D381D72CBD

SOUTH CAROLINA
NOTICE TO PURCHASER-BORROWER
NOTICE OF AVAILABILITY OF OWNER'S TITLE INSURANCE
AND NOTICE OF AGENCY

A Mortgagee's Policy of title insurance in the amount of $ .00 insuring the property you are buying is being issued to your mortgage lender, but the policy does not provide title insurance coverage to you.

You may obtain an Owner's Policy of title insurance which provides title insurance coverage to you. The additional cost to you for an Owner's Policy of title insurance in the amount of $ .00 (being the agreed upon price) is $ .00, if you request it at this time.

☒ I/We do request an Owner's Policy of title insurance.
☐ I/We do not request an Owner's Policy of title insurance.
Purchase/Borrower: Joshua Buetow, Brettany Buetow

SOUTH CAROLINA DEPARTMENT OF INSURANCE
TITLE INSURANCE FINANCIAL DISCLOSURE FORMS

In accordance with S.C. Code §38-75-960(A)(1976), as amended, the undersigned producer of title business or associate of such producer hereby advises that it has a financial interest in the following title insurer(s) or title agent(s):

Name of Insurer or Agent	Address	Nature of Interest

Producer/Associate's Name: _____
Signature: _____
Address _____

Notice is hereby given that is a licensed agency for and will be paid a commission for the underwriting, preparation, and issuance of the policy equal to sixty percent of the premium charged. Notice is hereby given that you have the right to choose your title insurer.

ACKNOWLEDGMENT

The undersigned applicant is a buyer, seller or lender who has been referred by the above-named producer of title insurance business or associate of such producer to one or more of the title insurers or title agents identified hereinabove. The undersigned expressly recognizes and acknowledges the financial interest of such producer or associate as disclosed hereinabove.

Applicant Name/s: _____
Signature: _____
Address: _____

This form complies with SCID Regulation 69-18, August 21, 1974, and F.2781 Rev. 4/90 S.C. Code §38-75-960(A)(1976).

I have completed the sales review of the above purchase agreement documents.

DocuSigned by:
Jason Byham
94813A771EB4D9...

Sales Reviewer Jason Byham
Date 5/3/2013

DocuSign Envelope ID: FE983F7E-23D3-4363-A286-A9837E4C8338

PURCHASE PRICE AND PAYMENT ADDENDUM
Lennar Carolinas, LLC

Buyer Name: Joshua Buetow, Brettany Buetow
Date of Agreement: 04/29/2013
Community: The Abbey at Spring Grove Lot/Block: 0020 /
Address: 240 Maywood Drive Moncks Corner SC 29461
Plan/Elevation: HAWTHORNE II / C Garage Orientation: Left [X] Right [ ]
Phase/Section: 10 Job #: 18867600020
Started (Y?N): Y Stage: 08
Estimated Start Date: 01/17/2013 Estimated Closing Date: 05/28/2013
Agreement Type: [X] Standard [ ] Home to Sell [ ] Miscellaneous contingencies [ ] Owns current residence
Select One: [X] New Agreement [ ] Transfer [ ] Revised Agreement -- Revision #:

BUYER INFORMATION

Buyer(s): Joshua Buetow, Brettany Buetow
Buyer Existing Address: 12 Houston Street Goose Creek SC 29445
Home Phone: +1 760 2202496 Office Phone:
Fax: Other Phone:
Email: j_buetow@hotmail.com
Employer: Years/Months: /
Co-Buyer: Brettany Buetow
Home Phone: +1 760 2202496 Office Phone:
Fax: Other Phone:
Email: Brettanybuetow@gmail.com
Employer: Years/Months: /

PURCHASE PRICE AND PAYMENTS

PURCHASE PRICE:

Total Purchase Price:

Base Purchase Price:	$ 176,490.00
Add Homesite Premium:	$ 1,500.00
Add Options, Upgrades and Extras per attached Options, Upgrades, and Extras/Change Order Summary	$ 6,500.00
Less Discretion:	$ 4,000.00
Total Due:	$ 180,490.00
Less Assistance toward closing cost. :	$ (5,000.00)

PAYMENTS:

Initial Deposit	Check# 1250		$ 500.00
Additional Deposit			
DUE 05/15/2013	Received	Check#	$ 1,500.00
DUE	Received	Check#	$ .00
Advanced Deposit			
DUE	Received	Check#	$ .00
DUE	Received	Check#	$ .00

Amount to be financed or paid by (i) wire transfer of immediately available funds or (ii) cashier's check (subject to collection) at closing (approximate)
(Total Purchase Price less Total Payments and exclude FHA, MIP, VA, funding fee, PMI, closing costs, pre-paids, homeowner insurance, prorated expenses and HOA fees.)
$ 173,490.00

$ 2,000.00

Initial JB Initial BB
Buyer Buyer

Total Payments.....

Comments: BUYER AND SELLER AGREE THAT THE ESTIMATED CLOSING DATE REPRESENTS THE FIRST MONTH IN A TWO MONTH ESTIMATED CLOSE PERIOD.

WARRANTY INFORMATION

LEN 100 5/1/07
*Or other comparable warranty

FINANCING AND BROKER INFORMATION

Select One: ☐ Cash ☐ Conventional ☐ FHA ☒ VA

Lender: UAMC Phone #: 843-852-0656

Broker Participation? ☒ Yes ☐ No

Agent/Company: Beth Ryan / Coldwell Banker United Realtors

Street Address: 1127 Queensborough Blvd, Ste 103

City, State Zip: Mount Pleasant, SC 29464

Phone:

Broker Tax ID#: Broker Commission: 3%

Defined Terms. All initially capitalized terms not defined herein shall have the meanings set forth in the Purchase and Sale Agreement between Buyer and Seller dated as of the twenty-ninth day of April , 2013 (the "Agreement"), and all references in this Addendum to the Agreement shall be deemed to include references to this Addendum and to any other addenda and riders attached to the Agreement, which are hereby incorporated by this reference.

Counterparts. This Addendum may be executed in counterparts, a complete set of which shall form a single Addendum.

Conflicts. In the event of any conflict between this Addendum and the Agreement, this Addendum shall control. In all other respects, the Agreement shall remain in full force and effect.

Entire Agreement. The Agreement, together with this Addendum and any other addenda and riders to the Agreement, contains the entire agreement between Buyer and Seller concerning the matters set forth herein. All prior discussions, negotiations and contracts relating to investors and occupancy requirements, if any, whether oral or written, are hereby superseded by these documents. No addition or modification of this Addendum or the Agreement shall be effective unless set forth in writing and signed by Buyer and an authorized agent of Seller.

DocuSigned by:
Joshua Buetow
Buyer - Joshua Buetow
Date 4/29/2013

DocuSigned by:
Brittany Buetow
Buyer - Brittany Buetow
Date 4/29/2013

Buyer -
Date

Buyer -
Date

SELLER: Lennar Carolinas, LLC

DocuSigned by:
Authorized Agent of Seller - Thomas J Filippello
Date 4/30/2013

DocuSign Envelope ID: FE983F7E-23D3-4363-A286-A9837E4C8338

COOPERATING BROKER AGREEMENT

THIS COOPERATING BROKER AGREEMENT (this "Agreement") is made and entered into effective as of the twenty-ninth day of April , 2013, between Coldwell Banker United Realtors ("Cooperating Broker") and Lennar Carolinas, LLC ("Seller"), respecting Lot 0020 of Block _____ in The Abbey at Spring Grove Subdivision/Plat in the community known as The Abbey at Spring Grove (the "Community").

1. Defined Terms. All initially capitalized terms not defined herein shall have the meanings set forth in that certain Purchase and Sale Agreement, by and between Joshua Buetow, Brettany Buetow ("Buyer") and Seller, dated as of April 29, 2013.

2. Cooperating Broker. Notwithstanding anything contained in the Agreement to the contrary, Seller and Cooperating Broker acknowledge that Buyer has dealt with the following brokerage firm in connection with the purchase of the Property ("Cooperating Broker"):

Name of Cooperating Broker: Coldwell Banker United Realtors

Address: 1127 Queensborough Blvd, Ste 103

Business Phone:

Name of Sales Associate of Cooperating Broker: Beth Ryan

Date of Registration: 04/27/2013

Seller agrees to pay Cooperating Broker, at Closing, a commission in the amount of (3%) of the Base Purchase Price plus the Homesite Premium less any builder incentives and/or discounts to the Base Purchase Price, as that amount is determined by the Purchase Price and Payment Addendum (the "Commission"), subject however to the terms and conditions set forth below and in the Broker Participation Policy ("Participation Policy"). As set forth herein, "incentive" shall mean the total dollar value of all consideration, incentives, discounts, credits, reductions, gifts or other inducements offered or arranged by Seller in connection with Buyer's purchase of the Property, including, without limitation, any: reduction or discount in the Total Purchase Price, Base Purchase Price, or the Homesite Premium; credit for or contribution toward Closing Costs; payment of or contribution toward assessments or capital contributions charged by any homeowner's association or Seller; payment of or contribution toward homeowner's casualty or liability insurance, and/or lease payments; financing incentive such as payment of buy down fees to the Lender; and retail value of any gift to Buyer. No Commission shall be payable by Seller unless Buyer consummates the purchase of the Property in accordance with the terms and conditions of the Purchase and Sale Agreement; accordingly, the Commission shall not be deemed earned unless and until the Closing occurs. Cooperating Broker agrees that it shall look to Buyer for any other commission due to Cooperating Broker that is in excess of the Commission payable by Seller pursuant to this Agreement and for any commission due to any other real estate brokers or salesmen claiming to have represented Buyer in connection with the purchase of the Property. Notwithstanding the foregoing, Seller agrees to pay any and all commissions due to Seller's New Home Consultants working in Seller's sales office.

3. Sales Associate of Cooperating Broker. By signing below, sales associate or designated agent of Cooperating Broker ("Sales Associate") agrees, on behalf of himself/herself and on behalf of Cooperating Broker, to the terms of this Agreement. Without limiting the foregoing, Sales Associate agrees that Seller's sole responsibility hereunder is to pay the Commission to Cooperating Broker in the manner described above. Any other amounts payable to Sales Associate and/or Cooperating Broker shall be the sole responsibility of Buyer, if provided for in a separate agreement between Cooperating Broker and Buyer. In addition, Sales Associate hereby personally represents and warrants that Sales Associate has full power and authority to execute and deliver this Agreement on behalf of Cooperating Broker and that such execution of this Agreement on behalf of Cooperating Broker has been duly authorized by all necessary and proper corporate action of Cooperating Broker.

4. Participation Policy. By signing this Agreement, Sales Associate acknowledges that Sales Associate has read and agrees, on behalf of such Sales Associate and Cooperating Broker, to comply with the terms and conditions in the Participation Policy set forth below. This Agreement shall be null and void if Seller determines, in its absolute discretion, at any time before Closing that Sales Associate and/or Cooperating Broker has/have violated the terms of the Participation Policy. The Participation Policy follows:

4.1 In order for Cooperating Broker to receive a commission in connection with the sale of real property in the Community, Cooperating Broker or Sales Associate must register a prospective buyer (the "Prospect") in person at the sales office for the Community (phone registrations will not be accepted). Cooperating Broker or Sales Associate must accompany the Prospect during Prospect's initial visit. If the tracking system used at the sales office for the Community indicates that the Prospect was initially introduced to the Community via the internet, and/or initially registered at the sales office without being accompanied by Cooperating Broker or Sales Associate, neither Cooperating Broker nor Sales Associate shall be entitled to receive a commission in connection with the sale of real property in the Community to such Prospect. This registration is effective for the period of their realtor buyers contract ("Registration

Period"). Cooperating Broker may extend the Registration Period as needed.

4.2 Cooperating Broker shall be entitled to receive the Commission, provided that the Prospect (i) is properly registered, (ii) contracts to purchase a home from the on-site sales staff in the Community ("New Home Consultant") before the expiration of the Registration Period, and (iii) closes on the transaction pursuant to the Purchase and Sale Agreement for the Property. Notwithstanding the foregoing, in the event two or more brokers claim that they are entitled to a commission from having registered a Prospect, the cooperating broker who is the procuring cause of the sale will be entitled to the commission. This registration, or any extension thereof, does not protect Cooperating Broker or Sales Associate from another broker or sales associate registering the same Prospect in the Community.

4.3 Seller will pay the Commission to Cooperating Broker, provided that the terms and conditions contained herein are satisfied and except as otherwise set forth above relating to later-registering cooperating brokers. In all cases, Sales Associate agrees to look solely to Cooperating Broker for payment of any commission. By way of example, if Sales Associate terminates his/her employment with a registered Cooperating Broker who is entitled to a commission pursuant to this Participation Policy, then Sales Associate shall have no claim against Seller with respect to such commission.

4.4 Cooperating Broker and Sales Associate acknowledge that this Participation Policy, the registration forms, sign-up sheets and other incentives, contracts, or forms given to Prospects or buyers of homes are trade secrets of Seller. Cooperating Broker agrees to indemnify, defend and hold Seller harmless from and against any and all claims, demands, damages, losses, costs and expenses of whatever nature or kind, including reasonable attorneys' fees, paraprofessional fees and costs relating to or arising out of any claim against Seller as a result of conduct or representations made by Cooperating Broker and/or Sales Associate. In the event that Seller must enforce or defend any of the terms and conditions of this Participation Policy, Seller shall be entitled to collect from Cooperating Broker reasonable attorneys' fees, paraprofessional fees and costs.

5. Cooperating Broker Status, Duties and Prohibitions. Sales Associate, on behalf of himself/herself and on behalf of Cooperating Broker, hereby represents, warrants and covenants as follows:

[**SALES ASSOCIATE MUST INITIAL 5.1 AND 5.2 BELOW IF SERVING AS A SINGLE AGENT, OR 5.4 BELOW IF SERVING AS A DUAL AGENT**]

DS BR
Initials

5.1 Cooperating Broker is a licensed real estate broker in the State of South Carolina and is serving as a single agent on behalf of Buyer in the purchase of the Home. Cooperating Broker agrees to provide Seller with a copy of their current and valid broker license within fifteen (15) days of the execution of the Purchase and Sale Agreement by Buyer.

DS BR
Initials

5.2 Sales Associate is a licensed real estate broker or salesperson in the State of South Carolina and is a designated agent of Cooperating Broker serving as a single agent on behalf of Buyer in the purchase of the Home. Sales Associate agrees to provide Seller with a copy of their current and valid license within fifteen (15) days of the execution of the Purchase and Sale Agreement by Buyer.

DS BR
Initials

5.3 Each of Cooperating Broker and Sales Associate shall comply with all requirements of applicable law as an agent on behalf of Buyer in their representation of Buyer in the purchase of the Home and will assist the parties with communication, interposition, advisement, negotiation, contract terms and closing.

DS BR
Initials

5.4 The Cooperating Broker and/or Sales Associate is/are a licensed real estate broker and/or salesperson in the State of South Carolina, and is serving as a disclosed dual agent for both the Buyer and the Seller. Cooperating Broker and/or Sales Associate hereby agree to provide Seller with a copy of their current and valid license within fifteen (15) days of the execution of the Purchase and Sale Agreement by Buyer. Cooperating Broker and/or Sales Associate agree that they shall not, without express permission, disclose that the Seller will accept a price less than the listing price of that Buyer will pay a price greater than the offered price.

6. Cooperating Broker Bonus. If completed, Seller agrees to pay Cooperating Broker, at Closing, a bonus in the amount of $3,509.80.

7. Aknowledgment by Cooperating Broker. This document supersedes any previous Registration Form filed by the Cooperating Broker or any of its agents or employees with the Seller, its agents or employees. Violation by the Cooperating Broker of any provision of this document will constitute a breach of this document by the Cooperating Broker and will, at the Seller's election, void any obligation of the Seller to pay a commission or fee to the Cooperating Broker and will, at the Seller's election, entitle the Seller to whatever remedies it may have at law or in equity.

8. Governing Law. This Agreement is governed by South Carolina law, without regard to its conflicts of law rules.

9. Conflicts. In the event of any conflict between this Cooperating Broker Agreement and the Purchase and Sale Agreement or any other addenda and/or riders, this Disclosure shall control. In all other respects, the Purchase and Sale Agreement shall remain in full force and effect.

10. Counterparts. This Agreement may be executed in counterparts, a complete set of which shall form a single document.

11. Entire Agreement. This Agreement sets forth the entire agreement between Seller, Cooperating Broker and Sales Associate and shall not be altered, modified or amended unless such amendment is set forth in writing and signed by all parties to this Agreement.

COOPERATING BROKER:
Coldwell Banker United Realtors, by
its Sales Associate

DocuSigned by:
Beth Ryan
By: 680F68DDC0F8415...

Print Name: Beth Ryan

Date: 4/29/2013

SALES ASSOCIATE:

DocuSigned by:
Randy Floyd
74FF03201E45404...

Print Name: Randy Floyd

Date: 4/29/2013

Seller: Lennar Carolinas, LLC

DocuSigned by:
22F4BB6641B4F7...
Authorized Agent of Seller - Thomas J Filippello

Date 4/30/2013

DocuSign Envelope ID: FE983F7E-23D3-4363-AZ86-A9837E4C8338

COOPERATING BROKER ADDENDUM

THIS COOPERATING BROKER ADDENDUM (this "Addendum") is executed in conjunction with and, by this reference, incorporated into the Purchase and Sale Agreement (the "Agreement") dated as of the twenty-ninth day of April , 2013, between Joshua Buetow, Brettany Buetow (collectively, "Buyer") and Seller, as defined in the Agreement, respecting Lot 0020 of Block _____ of The Abbey at Spring Grove Subdivision/Plat in the community known as The Abbey at Spring Grove (the "Community").

1. Defined Terms. All initially capitalized terms not defined herein shall have the meanings set forth in the Agreement, and all references in this Addendum to the Agreement shall be deemed to include references to this Addendum and to every other addendum attached to the Agreement, which are hereby incorporated by this reference.

2. Cooperating Broker. Notwithstanding anything contained in the Agreement to the contrary, Seller and Buyer acknowledge that Buyer has dealt with the following brokerage firm in connection with the purchase of the Property ("Cooperating Broker"):

Name of Cooperating Broker: Coldwell Banker United Realtors

Address: 1127 Queensborough Blvd, Ste 103

Business Phone: _____

Name of Sales Associate of Cooperating Broker: Beth Ryan

Date of Registration: 04/27/2013

Seller agrees to pay Cooperating Broker, at Closing, a commission in the amount of (3%) of the **Base Purchase Price plus the Homesite Premium less any builder incentives and/or discounts to the Base Purchase Price**, as that amount is determined by the Purchase Price and Payment Addendum (the "Commission"), subject however to the terms and conditions set forth below and in a separate Cooperating Broker Agreement ("Broker Agreement").. As set forth herein, "incentive" shall mean the total dollar value of all consideration, incentives, discounts, credits, reductions, gifts or other inducements offered or arranged by Seller in connection with Buyer's purchase of the Property, including, without limitation, any: reduction or discount in the Total Purchase Price, Base Purchase Price, or the Homesite Premium; credit for or contribution toward Closing Costs; payment of or contribution toward assessments or capital contributions charged by any homeowner's association or Seller; payment of or contribution toward homeowner's casualty or liability insurance, and/or lease payments; financing incentive such as payment of buy down fees to the Lender; and retail value of any gift to Buyer. No Commission shall be payable by Seller unless Buyer consummates the purchase of the Property in accordance with the terms and conditions of the Purchase and Sale Agreement; accordingly, the Commission shall not be deemed earned unless and until the Closing occurs. Buyer agrees that it shall be responsible for any other commission due to Cooperating Broker that is in excess of the Commission payable by Seller pursuant to this Addendum and the Broker Agreement and for any commission due to any other real estate brokers or salesmen claiming to have represented Buyer in connection with the purchase of the Property. Notwithstanding the foregoing, Seller agrees to pay any and all commissions due to Seller's New Home Consultants working in Seller's sales office.

3. Governing Law. This Addendum is governed by the law of the state where the Property is located, without regard to its conflicts of law rules.

4. Counterparts. This Addendum may be executed in counterparts, a complete set of which shall form a single Addendum.

5. Conflicts. In the event of any conflict between this Addendum and the Agreement, this Addendum shall control. In all other respects, the Agreement shall remain in full force and effect.

6. Entire Agreement. The Agreement, together with this Addendum and any other addenda or riders to the Agreement, contains the entire agreement between Buyer and Seller concerning the matters set forth herein. All prior discussions, negotiations and contracts relating to investors and occupancy requirements, if any, whether oral or written, are hereby superseded by these documents. No addition or modification of this Addendum or the Agreement shall be effective unless set forth in writing and signed by Buyer and an authorized agent of Seller.

7. Survival. All of the terms of this Addendum shall survive Closing and the delivery of the Deed.

DocuSigned by:
Joshua Buetow
8D6D1CDED2EE4AC...
Buyer - Joshua Buetow
Date 4/29/2013

DocuSigned by:
Brettany Buetow
76E7A72DE63D45B...
Buyer - Brettany Buetow
Date 4/29/2013

Buyer -
Date

Buyer -
Date

SELLER: Lennar Carolinas, LLC

DocuSigned by:
23F4DD85541D4F7...
Authorized Agent of Seller - Thomas J Filippello
Date 4/30/2013

SALES INCENTIVE ADDENDUM

THIS SALES INCENTIVE ADDENDUM (this "Addendum") is executed in conjunction with and, by this reference, incorporated into the Purchase and Sale Agreement (the "Agreement") dated as of the twenty-ninth day of APRIL , 2013, between Joshua Buetow, Brettany Buetow(collectively, "Buyer") and Seller, as defined in the Agreement, respecting Lot 0020 of Block _____ of The Abbey at Spring Grove Subdivision/Plat in the community known as The Abbey at Spring Grove (the "Community").

1. Defined Terms. All initially capitalized terms not defined herein shall have the meanings set forth in the Agreement, and all references in this Addendum to the Agreement shall be deemed to include references to this Addendum and to any other addenda and riders attached to the Agreement, which are hereby incorporated by this reference.

2. Sales Incentives. Seller has agreed to offer certain specified sales promotions, or other discounting of the Property as follows:

At Closing Seller will contribute ($4000.00) towards the Homesite Premium

Seller will discount the Total Purchase Price of the Home by ($5000), which is shown on the Purchase Price and Payment Addendum.

(each, an "Incentive"). The Incentive shall be applied to costs in an order determined by Seller in its sole discretion.

3. Counterparts. This Addendum may be executed in counterparts, a complete set of which shall form a single Addendum.

4. Conflicts. In the event of any conflict between this Addendum and the Agreement, this Addendum shall control. In all other respects, the Agreement shall remain in full force and effect.

5. Entire Agreement. The Agreement, together with this Addendum and any other addenda and riders to the Agreement, contains the entire agreement between Buyer and Seller concerning the matters set forth herein. All prior discussions, negotiations and contracts relating to investors and occupancy requirements, if any, whether oral or written, are hereby superseded by these documents. No addition or modification of this Addendum or the Agreement shall be effective unless set forth in writing and signed by Buyer and an authorized agent of Seller.

DocuSigned by:
Joshua Buetow
A0ED1CDE02FE4AC...
Buyer - Joshua Buetow
Date 4/29/2013

DocuSigned by:
Brettany Buetow
78E7A72DE53045B...
Buyer - Brettany Buetow
Date 4/29/2013

Buyer -
Date

Buyer -
Date

SELLER: Lennar Carolinas, LLC

DocuSigned by:
23F4DD66544D4F7...
Authorized Agent of Seller - Thomas J Filippello
Date 4/30/2013

DocuSign Envelope ID: FE983F7E-23D3-4363-A286-A9837E4C8338

ELECTION FORM ADDENDUM

THIS ELECTION FORM ADDENDUM (this "Addendum") is executed in conjunction with and, by this reference, incorporated into the Purchase and Sale Agreement (the "Agreement") dated as of the Twenty-Ninth day of April , 2013, between Joshua Buetow, Brettany Buetow(collectively, "Buyer") and Seller, as defined in the Agreement, respecting Lot 0020 of Building/Block _____ of The Abbey at Spring Grove Subdivision/Plat in the community known as The Abbey at Spring Grove (the "Community").

1. Defined Terms. All initially capitalized terms not defined herein shall have the meanings set forth in the Agreement, and all references in this Addendum to the Agreement shall be deemed to include references to this Addendum and to every other addendum attached to the Agreement, which are hereby incorporated by this reference.

2. Affiliated Business. Seller has given Buyer notice in the Affiliated Business Arrangement Disclosure Statement that Seller has business relationships with Universal American Mortgage Company, LLC ("UAMC") and North American Title Company, and its affiliate, North American Title Insurance Corporation (collectively, "North American"). Buyer is hereby informed that Buyer is not obligated to use an affiliated business of Seller as a condition to the sale of the Home.

3. Deposits. Seller's standard practice within the Community is to require the following earnest money deposits:

3.1 Minimum of $1,000 for owner-occupants on homes priced up to $165,000.

3.2 Minimum of $2,000 for owner-occupants on homes priced above $165,000.

3.3 Minimum of $5,000 for non owner-occupants.

3.4 Buyer represents, covenants and warrants to Seller that Buyer is purchasing the Home (check one):

☒ as an owner-occupant.

☐ not as an owner-occupant.

☐ as a cash buyer.

Buyer's Initials JB BB

3.5 In the event of Buyer's default and to the extent allowed by law, Seller shall be entitled to keep, as liquidated damages and not as a penalty, Buyer's Deposit. Buyer agrees that actual damages in the event of breach by Buyer would be costly and difficult to calculate, and that such liquidated damages are a fair and reasonable remedy and shall not be considered a penalty.

4. Mortgage Loan and Title Insurance.

4.1 Buyer agrees to pay all loan and closing costs in connection with this transaction.

4.2 By checking one of the boxes below and initialing below the selected text, Buyer hereby selects the lender and/or title insurance company that Buyer will use in connection with the purchase of the Home.

4.2.1 ☒ Buyer elects to use UAMC (or such other lender named on the Approved Lender Addendum).

Buyer's Initials JB BB

4.2.2 ☐ Buyer intends to purchase the Home without financing.

Buyer's Initials _____

4.2.3 ☐ Buyer elects to use a lender other than UAMC (or such other lender named on the Approved Lender Addendum) as its Lender.

Buyer's Initials _____

4.3 Seller will pay up to $ .00 toward Buyer's Closing Costs.

4.4 Seller will not accept a Purchase Agreement, without a pre-approval Letter (not a pre-qualification letter), for the loan amount from a lender. Buyer must provide written loan approval within 30 days from approval of the Agreement.

5. Closing Attorney.

5.1 By checking the box below and initialing below the selected text, Buyer hereby selects the closing attorney that Buyer will use in connection with the purchase of the Home.

5.1.1 ☒ Buyer elects to use Seller's closing attorney, Richard B. Leister (Myrtle Beach), or Buist, Byars & Taylor (Charleston).

Buyer's Initials [JB] [__]

Buyer is hereby notified and acknowledges that Buyer is not required to use Seller's closing attorney as a condition to purchasing the Home. There are other closing attorneys available who can represent Buyer in this transaction. If Buyer desires to engage an attorney to represent Buyer, then Buyer may do so at Buyer's sole expense and will not receive the incentives set forth below. If Buyer elects to use Seller's closing attorney, Seller's closing attorney will represent Seller and Buyer in this transaction, and Seller's closing attorney cannot offer substantive legal advice to either party in connection with the sale and purchase of the Home. BUYER HAS CERTAIN RIGHTS IN CONNECTION WITH THIS TRANSACTION, AND SELLER ENCOURAGES BUYER TO CONSULT WITH ITS OWN ATTORNEY ABOUT SUCH RIGHTS, INCLUDING BUYER'S USE OF SELLER'S CLOSING ATTORNEY TO PURCHASE THE HOME. Seller's closing attorney may make additional disclosures with respect to his or her joint representation of Seller and Buyer. Seller's closing attorney may also elect not to represent Buyer in this transaction, in which case Buyer will need to hire an attorney to represent Buyer.

Buyer's Initials [JB] [__]

5.1.2 ☐ Buyer elects to use an attorney other than Seller's closing attorney.

Buyer's Initials _____

[**SHOULD THERE BE ANY ADDITIONAL SALES PROMOTIONS, MARKETING ALLOWANCES, DISCOUNTS, OR UPGRADES THAT NEED TO BE ADDED TO THIS ADDENDUM, PLEASE CONTACT STATE COUNSEL**]

6. Governing Law. This Agreement is governed by the law of the state where the Property is located, without regard to its conflicts of law rules.

7. Counterparts. This Addendum may be executed in counterparts, a complete set of which shall form a single Addendum.

8. Conflicts. In the event of any conflict between this Addendum and the Agreement, this Addendum shall control. In all other respects, the Agreement shall remain in full force and effect.

9. Entire Agreement. The Agreement, together with this Addendum and any other addenda or riders to the Agreement, contains the entire agreement between Buyer and Seller concerning the matters set forth herein. All prior discussions, negotiations and contracts relating to investors and occupancy requirements, if any, whether oral or written, are hereby superseded by these documents. No addition or modification of this Addendum or the Agreement shall be effective unless set forth in writing and signed by Buyer and an authorized agent of Seller.

DocuSigned by:
Joshua Buetow
8D6D1CDE02EE4AC...
Buyer - Joshua Buetow
Date 4/29/2013

DocuSigned by:
Brettany Buetow
76F7A72DE53045B...
Buyer - Brettany Buetow
Date 4/29/2013

Buyer -
Date

Buyer -
Date

SELLER: Lennar Carolinas, LLC

DocuSigned by:
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Authorized Agent of Seller - Thomas J Filippello
Date 4/30/2013

FHA/VA ADDENDUM

THIS FHA/VA ADDENDUM (this "Addendum") s executed in conjunction with and, by this reference, incorporated into the Purchase and Sale Agreement (the "Agreement") dated as of the twenty-ninth day of APRIL , 2013, between Joshua Buetow, Brettany Buetow ("Buyer") and Seller, as defined in the Agreement, respecting Lot 0020 of Block _____, of The Abbey at Spring Grove Subdivision/Plat in the community known as The Abbey at Spring Grove (the "Community").

1. Defined Terms. All initially capitalized terms not defined herein shall have the meanings set forth in the Agreement, and all references in this Addendum to the Agreement shall be deemed to include references to this Addendum and to any other addenda and riders attached to the Agreement, which are hereby incorporated by this reference.

2. FHA/VA. BUYER AGREES TO PROCEED WITH THE PURCHASE OF THE HOME AFTER HAVING READ BUYER'S RIGHTS AND PRIVILEGES, AS SET FORTH BELOW:

2.1 FHA Loans.

2.1.1 It is expressly agreed that, notwithstanding any provisions of the Agreement (contract) to the contrary, Buyer (purchaser) shall not incur any penalty by forfeiture of earnest money deposits or otherwise be obligated to complete the purchase of the Home (property described herein) unless Buyer (purchaser) has been given in accordance with the Department of Housing and Urban Development ("HUD"), Federal Housing Administration ("FHA") or United States Department of Veterans Affairs (the "VA") requirements, a written statement by the Federal Housing Commissioner, the VA, or a Direct Endorsement lender setting forth the appraised value of the Home (property) (for mortgage purposes) of not less than $ 180,490.00 (which statement Seller agrees to deliver to Buyer (purchaser) promptly after such Appraised Value Statement is made available to Seller). Buyer (purchaser) shall have the privilege and option of proceeding with the consummation of the Agreement (the contract) without regard to the maximum mortgage the Department of Housing and Urban Development will insure. HUD DOES NOT WARRANT THE VALUE OR THE CONDITION OF THE HOME (PROPERTY). BUYER (PURCHASER) SHOULD SATISFY HIMSELF/HERSELF THAT THE PRICE AND CONDITION OF THE HOME (PROPERTY) ARE ACCEPTABLE.

2.1.2 In the event the value of the Property set forth in the Appraised Value Statement is less than the Total Purchase Price, Buyer shall have the right to exercise the above-mentioned privilege and option to proceed at the Total Purchase Price, which is over and above the FHA Appraised Value Statement, by giving Seller written notice of Buyer's intention to do so in accordance with the Agreement notice requirements. Said notice shall be given within five (5) days of Buyer's receipt of the FHA appraisal by returning to Seller a copy of this Addendum executed by Buyer in the "AGREE TO PROCEED" signature block below. In the event Buyer fails to give proper notice hereunder of Buyer's intention to proceed at the Total Purchase Price, the Agreement shall automatically become null and void and the parties shall promptly execute a written release of Buyer's Deposit, pursuant to which the Deposit shall immediately be returned in full to Buyer.

2.1.3 Buyer agrees to pay a mortgage insurance premium as required by FHA. Buyer has the right to pay the entire premium at the time of Closing or the premium may be added to the loan amount and financed over the term of the loan. If Buyer elects to add the premium to the loan amount, the total loan amount shall consist of the Cash to Close amount specified in the Purchase Price and Payment Addendum, plus the mortgage insurance premium. Pursuant to FHA regulations, Buyer shall pay an annual premium, if required, in addition to the up-front (or financed) premium. Said additional premium shall be paid monthly on a declining balance (excluding the portion of the balance, if any, attributable to the up-front premium).

2.1.4 All parties acknowledge that the processing of a government loan is not subject to specific time limitations. Nevertheless, Buyer agrees to diligently pursue such loan commitment.

2.1.5 Seller and Buyer certify that the terms of the Agreement are true and complete to the best of their respective knowledge and belief. Seller and Buyer further certify that all agreements relating to this real estate transaction have been fully disclosed and are covered in the Agreement, including any addenda attached thereto. Seller and Buyer understand that the failure to provide a complete and accurate copy of the Agreement could jeopardize this transaction. If there are any subsequent changes to the Agreement, the undersigned will submit them promptly to the Lender.

2.1.6 Buyer acknowledges that Buyer has read and completed the attached U.S. Department of Housing and Urban Development form HUD-92564-CN entitled "For Your Protection: Get a Home Inspection".

2.2 VA Loans.

2.2.1 It is expressly agreed that, notwithstanding any provisions of the Agreement to the contrary, Buyer shall not incur any penalty by forfeiture of earnest monies or otherwise be obligated to complete the purchase of the Home if Buyer cannot obtain a loan guaranteed by the VA, including without limitation, if the Total Purchase Price exceeds the reasonable value of the Home established by the VA or a VA lender pursuant to the Lender Appraisal Proceeding Program ("LAPP"). Buyer shall, however, have the privilege and option of proceeding with the consummation of the Agreement without regard to the amount of reasonable value established by the VA or a VA lender with LAPP authority. Buyer agrees that should Buyer elect to complete the purchase at an amount in excess of the reasonable value established by the VA or a VA LAPP

lender, Buyer shall pay such excess amount in cash from a source that Buyer agrees to disclose to the lender and the VA, which source Buyer represents and covenants will not be from borrowed funds except as approved by the VA.

2.2.2 To exercise the above-mentioned privilege and option to proceed at the Total Purchase Price, which is over and above the amount of reasonable value established by the VA or a VA LAPP lender, Buyer shall give Seller written notice of Buyer's intention to do so in accordance with the Agreement notice requirements. Said notice shall be given within five (5) days of Buyer's receipt of the amount of reasonable value established by the VA or a VA LAPP lender by returning to Seller a copy of this Addendum executed by Buyer in the "AGREE TO PROCEED" signature block below. In the event Buyer fails to give proper notice hereunder of Buyer's intention to proceed at the Total Purchase Price, the Agreement shall automatically become null and void and the parties shall promptly execute a written release of Buyer's Deposit, pursuant to which the Deposit shall immediately be returned in full to Buyer.

2.2.3 VA DOES NOT WARRANT THE VALUE OR THE CONDITION OF THE HOME (PROPERTY). BUYER (PURCHASER) SHOULD SATISFY HIMSELF/HERSELF THAT THE PRICE AND CONDITION OF THE HOME (PROPERTY) ARE ACCEPTABLE.

2.3 Special Trust Account. If Buyer is financing the purchase of the Home with a VA guaranteed loan, the Deposit received from Buyer prior to Closing shall be placed in a special trust account with Wilmington Savings Fund Society FSB, a Federal Savings Bank ("Trustee") in accordance with the provisions of a Lennar Deposits Trust Agreement ("Trust Agreement") between Lennar Corporation on behalf of Seller and the Trustee, and as required under 38 U.S.C. §3706 or other applicable law. In the event that the Agreement is cancelled for any reason other than Seller's default and pursuant to the provisions of the Trust Agreement, if Buyer seeks a refund of the Deposit from Seller and Seller refunds the Deposit directly to Buyer, Buyer hereby authorizes the Trustee to reimburse Seller for such refund. In consideration for either Seller's or Trustee's refund of the Deposit to Buyer, Seller and Lennar Corporation shall be unconditionally released from any claim arising out of or related to the Deposit and purchase of the Home and Trustee shall be unconditionally released from any claim arising out of or related to the escrow of the Deposit in connection with the purchase of the Home.

Buyer's Initials JB JB

3. Counterparts. This Addendum may be executed in counterparts, a complete set of which shall form a single Addendum.

4. Conflicts. In the event of any conflict between this Addendum and the Agreement, this Addendum shall control. In all other respects, the Agreement shall remain in full force and effect.

5. Entire Agreement. The Agreement, together with this Addendum and any other addenda and riders to the Agreement, contains the entire agreement between Buyer and Seller concerning the matters set forth herein. All prior discussions, negotiations and contracts relating to investors and occupancy requirements, if any, whether oral or written, are hereby superseded by these documents. No addition or modification of this Addendum or the Agreement shall be effective unless set forth in writing and signed by Buyer and an authorized agent of Seller.

DocuSigned by:
Joshua Buetow
8D6D1CDE92EE4AC...
Buyer - Joshua Buetow
Date 4/29/2013

DocuSigned by:
Brettany Buetow
76F7A72DE53045B...
Buyer - Brettany Buetow
Date 4/29/2013

Buyer -
Date

Buyer -
Date

SELLER: Lennar Carolinas, LLC
DocuSigned by:
23F4DD68541D4F7...
Authorized Agent of Seller - Thomas J Filippello
Date 4/30/2013

AGREE TO PROCEED

☐ **If this box is checked, Buyer is financing the purchase of the home with an FHA insured loan.** BY THE SIGNATURES BELOW, BUYER ACKNOWLEDGES THAT BUYER IS PURCHASING THE HOME WITH FULL KNOWLEDGE, UNDERSTANDING AND AGREEMENT THAT THE VALUE OF THE PROPERTY SET FORTH IN THE APPRAISED VALUE STATEMENT IS LESS THAN THE TOTAL PURCHASE PRICE. BUYER AGREES TO PROCEED WITH THE CLOSING OF THE PURCHASE OF THE HOME AT THE TOTAL PURCHASE PRICE, AND BUYER FURTHER AGREES TO PAY THE DIFFERENCE AT CLOSING. BUYER HEREBY EXECUTES THIS NOTICE WITHIN FIVE (5) DAYS OF BUYER'S RECEIPT OF THE FHA APPRAISED VALUE STATEMENT.

Buyer - Joshua Buetow
Date _____

Buyer - Brettany Buetow
Date _____

Buyer -
Date _____

Buyer -
Date _____

☒ **If this box is checked, Buyer is financing the purchase of the home with an VA guaranteed loan.** BY THE SIGNATURES BELOW, BUYER ACKNOWLEDGES THAT BUYER IS PURCHASING THE HOME WITH FULL KNOWLEDGE, UNDERSTANDING AND AGREEMENT THAT THE VALUE OF THE PROPERTY SET FORTH IN THE AMOUNT OF REASONABLE VALUE ESTABLISHED BY THE VA OR A VA LAPP LENDER IS LESS THAN THE TOTAL PURCHASE PRICE. BUYER AGREES TO PROCEED WITH THE CLOSING OF THE PURCHASE OF THE HOME AT THE TOTAL PURCHASE PRICE, AND BUYER FURTHER AGREES TO PAY THE DIFFERENCE AT CLOSING. BUYER HEREBY EXECUTES THIS NOTICE WITHIN FIVE (5) DAYS OF BUYER'S RECEIPT OF THE AMOUNT OF REASONABLE VALUE ESTABLISHED BY THE VA OR VA LAPP LENDER.

DocuSigned by:
Joshua Buetow
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Buyer - Joshua Buetow
Date 4/29/2013

DocuSigned by:
Brettany Buetow
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Buyer - Brettany Buetow
Date 4/29/2013

Buyer -
Date _____

Buyer -
Date _____

CAUTION

U.S. Department of Housing and Urban Development
Federal Housing Administration (FHA)

OMB Approval No: 2502-0538
(exp 07/31/2009)

For Your Protection Get a Home Inspection

Why a Buyer Needs a Home Inspection
A home inspection gives the buyer more detailed information about the overall condition of the home prior to purchase. In a home inspection, a qualified inspector takes an in-depth, unbiased look at your potential new home to:
-Evaluate the physical condition: structure, construction, and mechanical systems;
-Identify items that need to be repaired or replaced; and
-Estimate the remaining useful life of the major systems, equipment, structure, and finishes.

Appraisals are Different from Home Inspections
An appraisal is different from a home inspection. Appraisals are for lenders; home inspections are for buyers. An appraisal is required to:
-Estimate the market value of a house;
-Make sure that the house meets FHA minimum property standards/requirements; and
-Make sure that the property is marketable.

FHA Does Not Guarantee the Value or Condition of your Potential New Home
If you find problems with your new home after closing, FHA can not give or lend you money for repairs, and FHA can not buy the home back from you. That is why it is so important for you, the buyer, to get an independent home inspection. Ask a qualified home inspector to inspect your potential new home and give you the information you need to make a wise decision.

Radon Gas Testing
The United States Environment Protection Agency and the Surgeon General of the United States have recommended that all houses should be tested for radon. For more information on radon testing, call the toll-free National Radon Information Line at 1-800-767-7236. As with a home inspection, if you decide to test for radon, you may do so before signing your contract, or you may do so after signing the contract as long as your contract states the sale of the home depends on your satisfaction with the results of the radon test.

Be an Informed Buyer
It is your responsibility to be an informed buyer. Be sure that what you buy is satisfactory in every respect. You have the right to carefully examine your potential new home with a qualified home inspector. You may arrange to do so before signing your contract, or may do so after signing the contract as long as your contract states that the sale of the home depends on the inspection.

HUD-92564CN (6/06)

CAUTION

I/we understand the importance of getting an independent home inspection. I/we have considered this before signing a contract with the seller for a home. Furthermore, I/we have carefully read this notice and fully understand that FHA will not perform a home inspection nor guarantee the price or condition of the propert

☒ **I/We choose to have a home inspection performed.**

☐ **I/We choose not to have a home inspection performed.**

DocuSigned by: Joshua Buetow 8D8D1CDE02EE4AC... 4/29/2013
Signature & Date - Joshua Buetow

DocuSigned by: Brettany Buetow 76F7A72DE53045B... 4/29/2013
Signature & Date - Brettany Buetow

Signature & Date -

Signature & Date -

DocuSign Envelope ID: FE983F7E-23D3-4363-A286-A9837E4C8338

HOME SALE CONTINGENCY ADDENDUM

THIS HOME SALE CONTINGENCY ADDENDUM (this "Addendum") is executed in conjunction with and, by this reference, incorporated into the Purchase and Sale Agreement (the "Agreement") dated as of the Twenty-Ninth day of April , 2013, between Joshua Buetow, Brettany Buetow(collectively, "Buyer") and Seller, as defined in the Agreement, respecting Lot 0020 of Block _____ of The Abbey at Spring Grove Subdivision/Plat in the community known as The Abbey at Spring Grove (the "Community").

1. Defined Terms. All initially capitalized terms not defined herein shall have the meanings set forth in the Agreement, and all references in this Addendum to the Agreement shall be deemed to include references to this Addendum and to every other addendum attached to the Agreement, which are hereby incorporated by this reference.

2. Buyer's Home. Buyer presently is the owner of the residence located at the following address: 12 Houston Street, Goose Creek, SC 29445 ("Buyer's Home"). Buyer agrees that from and after this date Buyer shall actively seek to sell Buyer's Home.

3. Agreement Contingent. Seller agrees that Buyer's obligations under the Agreement shall be contingent upon the sale of Buyer's Home as hereinafter provided. Buyer shall list Buyer's Home for sale with a local real estate broker using the Multiple Listing Service (MLS) system at a price not to exceed its fair market value or appraised value within ten (10) days of Seller's acceptance of the Agreement, and shall use diligent good faith efforts to sell Buyer's Home. Buyer shall provide Seller with a copy of the listing agreement within such ten (10) day period. In the event that Buyer does not enter into a written and binding purchase and sale agreement (together with all amendments thereto, "Buyer's Contract") selling Buyer's Home within () days from the date of the Agreement, then Seller shall have the right to terminate the Agreement by written notice to Buyer and return any paid Deposit to Buyer less administrative expenses of $ .00. If Buyer does enter into a Buyer's Contract, but if Buyer's Contract does not close within sixty (60) days from the date of the Agreement, then Seller may terminate the Agreement and return any paid Deposit to Buyer less administrative expenses of $ .00. Seller reserves the right, in Seller's sole and absolute discretion, to extend the time periods set forth herein.

4. No Obligation To Construct. Buyer understands that Seller is under no obligation to begin construction of the Home until (i) Buyer's Home is sold, closing has taken place and documentation satisfactory to Seller as to the sale is received by Seller, or (ii) Buyer agrees to purchase the Home without any contingency for sale of Buyer's Home. All time periods within the Agreement, other than those set forth in this Addendum, shall not begin to run until Buyer has delivered Buyer's Contract to Seller. Notwithstanding the foregoing, Seller, in Seller's sole discretion, may begin construction of the Home at any time even if this contingency still exists.

5. Seller's Additional Right To Terminate. As the Agreement is subject to this Addendum, Buyer hereby agrees and acknowledges that Seller may accept another purchase and sale agreement respecting the Home from and after the date hereof and prior to Buyer's sale of Buyer's Home and/or closing of Buyer's Contract. In the event Seller desires to sell the Home to another party, Seller agrees to provide Buyer with written notice of Seller's receipt of such third party purchase and sale agreement. Within twenty-four (24) hours from the delivery by Seller to Buyer of such written notice, either (i) Buyer must agree in writing to purchase the Home without any contingency for the sale of Buyer's Home and provide evidence satisfactory to Seller, in its sole and absolute discretion, that Buyer is financially able to close the Agreement without the sale of Buyer's Home, or (ii) Seller shall have the right, in its sole and absolute discretion, to terminate the Agreement and return any paid Deposit to Buyer less administrative expenses of $ .00. If Buyer does not provide written notice to Seller within such twenty-four (24) hour period that Buyer will purchase the Home without any contingency, then Buyer shall be deemed to have requested that the Agreement be terminated and that Buyer's Deposit be returned. Upon termination of the Agreement pursuant to this Addendum, and without further notice to Buyer, the Agreement shall be null and void, all parties shall be released therefrom, and all monies tendered thereunder by Buyer as Deposit shall be returned forthwith to Buyer less $ .00 to cover administrative expenses.

6. Counterparts. This Addendum may be executed in counterparts, a complete set of which shall form a single Addendum.

7. Conflicts. In the event of any conflict between this Addendum and the Agreement, this Addendum shall control. In all other respects, the Agreement shall remain in full force and effect.

8. Entire Agreement. The Agreement, together with this Addendum and any other addenda or riders to the Agreement, contains the entire agreement between Buyer and Seller concerning the matters set forth herein. All prior discussions, negotiations and contracts relating to investors and occupancy requirements, if any, whether oral or written, are hereby superseded by these documents. No addition or modification of this Addendum or the Agreement shall be effective unless set forth in writing and signed by Buyer and an authorized agent of Seller.

DocuSigned by:
Joshua Buetow
8D8C4CD602EE4AC...
Buyer - Joshua Buetow
Date 4/29/2013

DocuSigned by:
Brettany Buetow
78F7A72D553045B...
Buyer - Brettany Buetow
Date 4/29/2013

Buyer -
Date

Buyer -
Date

SELLER: Lennar Carolinas, LLC

DocuSigned by:
23F4DB6E541D4F7...
Authorized Agent of Seller - Thomas J Filippello
Date 4/30/2013

By signing below, Buyer waives the Home Sale Contingency in this Addendum and agrees to proceed with the other terms and conditions of the Agreement.

HOME SALE CONTINGENCY WAIVED:

Buyer - Joshua Buetow
Date

Buyer - Brettany Buetow
Date

Buyer -
Date

Buyer -
Date

DocuSign Envelope ID: FE983F7E-23D3-4363-A286-A9837E4C8338

SOUTH CAROLINA
NOTICE TO PURCHASER-BORROWER
NOTICE OF AVAILABILITY OF OWNER'S TITLE INSURANCE
AND NOTICE OF AGENCY

A Mortgagee's Policy of title insurance in the amount of $ .00 insuring the property you are buying is being issued to your mortgage lender, but the policy does not provide title insurance coverage to you.

You may obtain an Owner's Policy of title insurance which provides title insurance coverage to you. The additional cost to you for an Owner's Policy of title insurance in the amount of $ .00 (being the agreed upon price) is $ .00, if you request it at this time.

☒ I/We do request an Owner's Policy of title insurance.
☐ I/We do not request an Owner's Policy of title insurance.

Purchase/Borrower: Joshua Buetow, Brettany Buetow

SOUTH CAROLINA DEPARTMENT OF INSURANCE
TITLE INSURANCE FINANCIAL DISCLOSURE FORMS

In accordance with S.C. Code §38-75-960(A)(1976), as amended, the undersigned producer of title business or associate of such producer hereby advises that it has a financial interest in the following title insurer(s) or title agent(s):

Name of Insurer or Agent	Address	Nature of Interest

Producer/Associate's Name: _____

Signature: _____

Address _____

Notice is hereby given that is a licensed agency for and will be paid a commission for the underwriting, preparation, and issuance of the policy equal to sixty percent of the premium charged. Notice is hereby given that you have the right to choose your title insurer.

ACKNOWLEDGMENT

The undersigned applicant is a buyer, seller or lender who has been referred by the above-named producer of title insurance business or associate of such producer to one or more of the title insurers or title agents identified hereinabove. The undersigned expressly recognizes and acknowledges the financial interest of such producer or associate as disclosed hereinabove.

Applicant Name/s: _____

Signature: _____

Address: _____

This form complies with SCID Regulation 69-18, August 21, 1974, and F.2781 Rev. 4/90 S.C. Code §38-75-960(A)(1976).

EXHIBIT 2

TO EXHIBIT A – AFFIDAVIT OF ROBERT MAUCH

Lennar Carolinas, LLC
1941 Savage Road, Ste. 100-C
Charleston, South Carolina 29407
843-388-8989

PURCHASE AND SALE AGREEMENT

PURSUANT TO SECTION 15-48-10, SOUTH CAROLINA CODE OF LAWS, 1976, AS AMENDED, THIS SHALL CONSTITUTE WRITTEN NOTICE THAT THIS AGREEMENT IS SUBJECT TO MANDATORY BINDING ARBITRATION PURSUANT TO SECTION 16 OF THIS AGREEMENT.

THIS PURCHASE AND SALE AGREEMENT (together with the Riders and Addenda attached hereto and incorporated by reference herein, this "**Agreement**") is made and entered into as of the day of , by and between Lennar Carolinas, LLC ("**Seller**"), and Buyer(s) named below ("**Buyer**"):

BUYER(S):	Check Applicable:
1. Brian K Camara	Married ☐ Single☐ Male ☒ Female☐
2. Cynthia Camara	Married ☐ Single☐ Male ☐ Female☒
3.	Married ☒ Single☐ Male ☐ Female☐
4.	Married ☒ Single☐ Male ☐ Female☐
No Buyer Changes Will Be Permitted	

Buyer Address: 105 Old Bridge Lane		
City: Summerville	State / Country: SC	Zip: 29485

By providing your telephone and fax numbers and your email address, you hereby consent to receiving telephonic, fax and email communications, including advertisements, made or sent by or on behalf of Seller and/or its affiliates.

Home Telephone:	**Facsimile Numer:**
Business Telephone:	**Email Address:** ripnlips10@yahoo.com
Cellular Telephone: +1 603 9786641	

1. **Purchase and Sale**. Buyer agrees to buy and Seller agrees to sell to Buyer (on the terms and conditions set forth below) Model Hartford constructed or to be constructed on the following described property:
Lot 0059 of Block _____ of The Abbey at Spring Grove Subdivision/Plat, in Berkeley County (the "**County**"), South Carolina

Address: 112 Maywood Drive Moncks Corner SC 29461

The residence and improvements (the "**Home**") constructed or to be constructed on the above described property (the "**Homesite**"), and all appurtenances thereto are collectively referred to in this Agreement as the "**Property.**" The Property is located within the community known as The Abbey at Spring Grove (the "**Community**").

2. **Purchase Price and Payments**. The total purchase price ("**Total Purchase Price**") for the Home, exclusive of any Builder's Fee, as applicable, and Closing Costs as described in Rider B and the Purchase Price and Payment Addendum, is $ 171,740.00. Buyer (and not a third party) has made an earnest money deposit upon the signing of this Agreement (the "**Initial Deposit**") of $ 500.00. Buyer shall make further payments to Seller, including but not limited to any "Additional Deposit" or "Advanced Payment" (consisting of non-refundable deposit(s) for options, extras, and upgrades) as set forth in the Purchase Price and Payment Addendum attached hereto and made a part hereof. The term "**Deposit**" shall include the Initial Deposit, Additional Deposit and Advanced Payment.

3. **Legally Binding Agreement**. THIS AGREEMENT IS A LEGALLY BINDING CONTRACT. IF NOT FULLY UNDERSTOOD, PLEASE SEEK COMPETENT LEGAL ADVICE. NO WARRANTIES OR REPRESENTATIONS, OTHER THAN THOSE SPECIFIED IN THIS AGREEMENT, ARE EXPRESSED OR IMPLIED. ORAL REPRESENTATIONS CANNOT BE RELIED UPON AS CORRECTLY STATING THE REPRESENTATIONS OF SELLER. FOR CORRECT WARRANTIES AND REPRESENTATIONS, REFERENCE SHOULD BE MADE TO THIS AGREEMENT, INCLUDING THE RIDERS AND ADDENDA ATTACHED HERETO, AND THE "**DOCUMENTS**" (AS SUCH TERM IS DEFINED IN RIDER B) PROVIDED TO BUYER, IF ANY.

4. **Financing**.

☐ **NO CONTINGENCY.** If this box is checked, this is a cash transaction and not contingent on financing. Buyer agrees to provide within five (5) calendar days from the Buyer's execution of this Agreement financial statements or other written verification of Buyer's ability to purchase the Property with cash. If Buyer does not (in Seller's sole judgment, based on the documentation provided by Buyer to Seller) have the financial ability to purchase the Property with cash, then Seller may terminate this Agreement by refunding to Buyer any paid Deposit.

☒ **MORTGAGE CONTINGENCY.** If this box is checked, this Agreement is contingent on Buyer obtaining a loan commitment within the Mortgage Contingency Period (as such term is defined in Rider B attached hereto) for a first mortgage loan from Universal American Mortgage Company, LLC (an affiliate of Seller), or another qualified institutional mortgage lender of Buyer's choice ("**Lender**"), with interest, term and service charges at current market rates at time of Closing (as defined below) for a borrower of

Buyer's credit qualifications (the "**Mortgage Contingency**"). Buyer agrees to apply within five (5) calendar days from the execution of this Agreement for a loan at the then prevailing interest rate and terms (the "**Mortgage Contingency Period**"). In the event Buyer chooses to obtain financing through a Lender other than Universal American Mortgage Company, LLC, Buyer agrees to promptly provide Seller, upon Seller's request, with the name, address and phone number of such Lender, the loan officer and the loan processor. Buyer shall furnish promptly and accurately to Lender all information and documents requested by Lender in connection with such application. If Buyer properly makes and pursues the loan application as provided herein but is unable to provide Seller with a copy of a written loan commitment reasonably satisfactory to Seller within the Mortgage Contingency Period, or if Buyer is at any time disapproved for such loan (and Buyer does not cancel or withdraw his/her loan application), then Seller, at its sole discretion, may cancel this Agreement by written notice to Buyer, at Buyer's last known address, in which event Seller shall refund any paid Deposit made by Buyer. If Buyer properly makes and pursues the loan application as provided herein but is unable to obtain mortgage loan financing, despite Buyer's good faith efforts to do so, and Buyer is not otherwise in default under this Agreement, and further provided that Buyer provides Seller with documentation from Lender that the loan has been declined, Buyer may cancel this Agreement by giving written notice to Seller within the Mortgage Contingency Period, in which event Seller shall refund any paid Deposit. If this Agreement provides for a VA guaranteed or FHA-insured loan, Buyer's obligation to complete the purchase contemplated under this Agreement is subject to the VA/FHA Addendum attached hereto and incorporated herein.

The following shall apply only if this Agreement is subject to the Mortgage Contingency, as indicated above:

4.1 Mortgage Loan. Unless Buyer shall have otherwise notified Seller in writing within the Mortgage Contingency Period, Buyer shall be conclusively presumed to have obtained the loan commitment or agreed to purchase the Property without mortgage financing, and the Mortgage Contingency shall be deemed to have been satisfied.

4.2 Application. Buyer understands that any loan application required under this Agreement must be fully completed in order to obtain the mortgage loan, and Buyer will make a good faith attempt to qualify for the mortgage loan. If Buyer has a spouse who does not constitute a Buyer under this Agreement, Buyer agrees to have his/her spouse sign the mortgage documents as required by Lender. BUYER AGREES TO INCUR NO DEBT SUBSEQUENT TO THE DATE HEREOF WHICH MIGHT JEOPARDIZE APPROVAL OF BUYER'S MORTGAGE LOAN. IF THE PROPERTY IS BEING PURCHASED BY A CORPORATION, PARTNERSHIP, OR OTHER ENTITY, BUYER AGREES TO (1) OBTAIN ANY PERSONAL ENDORSEMENTS OR GUARANTEES REQUIRED BY LENDER AND (2) PROVIDE TO LENDER AND/OR THE TITLE INSURER PROMPTLY UPON REQUEST SUCH CERTIFICATES, RESOLUTIONS OR OTHER CORPORATE, PARTNERSHIP OR OTHER ORGANIZATIONAL DOCUMENTS AS MAY BE REQUIRED. Except as provided in this Agreement, Buyer agrees to pay all loan fees and closing costs charged by Lender in connection with the mortgage loan. Buyer will pay any prepaid interest due on the mortgage loan at the time of Closing and any amount Lender may require to be put into escrow toward the payment of property taxes and insurance on the Property. Buyer will also pay any mortgage insurance premiums (prepaid or otherwise), if required by Lender.

4.3 Commitment. Buyer understands that the rate of interest on the mortgage is established by Lender and not by Seller and that any predictions or representations of present or future interest rate that may have been contained in any advertising or promotion by Seller are not binding. If Buyer obtains a written mortgage loan commitment and the mortgage loan commitment is subsequently withdrawn through no fault of Seller including, but not limited to, any condition to such loan commitment not being satisfied for any reason (other than failure of the Property to appraise equal to or greater than the Total Purchase Price), this Agreement shall remain in full force and effect and Buyer shall be conclusively presumed to have agreed to purchase the Property without mortgage financing. If the Lender's appraiser does not appraise the Property for the Total Purchase Price then Seller shall have the option in, Seller's sole discretion, to (i) lower the Total Purchase Price to the appraised value and Buyer shall proceed to Closing, or (ii) terminate this Agreement and return the Deposits to Buyer. If Buyer obtains a loan commitment containing any special condition that is not ordinarily contained in typical loan commitments for the Community, Seller, in Seller's sole discretion, may treat Buyer's loan application as having been denied; whereupon, Seller shall have the rights set forth in this Section 4.

4.4 Sale of Other Residence. Unless the Home Sale Contingency Addendum is executed, Buyer represents and warrants that this Agreement and the mortgage loan referenced herein, are not and will not be subject to or contingent upon Buyer's selling and/or closing on the sale of Buyer's present residence or other property. Failure to close on the purchase of the Property will constitute a default by Buyer and the remedies available to Seller for Buyer's default under this Agreement shall apply.

5. **Funds**. Any funds paid by Buyer under the terms of this Agreement to Seller through a check or cashier's check are accepted by Seller subject to collection. Buyer acknowledges that Seller shall have the right to deposit such check for the Initial Deposit without such action being deemed acceptance of this Agreement. If any such check is not paid by the bank after acceptance of this Agreement, Seller shall have the option to cancel this Agreement and declare Buyer in default. If Buyer provides any check for a Deposit in the form of Canadian currency (a "**C$ check**"), Seller's depository bank will convert such C$ check into a U.S. dollar amount using its currency procedures and exchange rate then in effect two (2) business days following the date of processing (the "**Conversion Date**") and the amount of the Deposit to be applied toward the Total Purchase Price shall be equal to the amount received by Seller from the depository bank on the Conversion Date. Seller reserves the right to charge or pass through any currency conversion-related fees or costs to the Buyer at Closing (as hereafter defined). Notwithstanding the foregoing or anything contained in the Agreement to the contrary, the balance of the Total Purchase Price plus all applicable Closing Costs (the "**Closing Proceeds**") shall be paid to Seller at Closing by wire transfer in immediately available funds or by cashier's check (subject to collection) issued by a bank with a branch in the County where the Property is located. If Buyer delivers all or any portion of the Closing Proceeds in the form of a cashier's check exceeding $25,000.00, then Buyer will not be entitled to possession of the Home until the Closing Proceeds have cleared.

6. **Credit Information Authorization**. Buyer authorizes Lender to whom Buyer has applied or is in the process of applying for a mortgage loan in connection with this transaction to disclose to Seller the information contained in any loan application, verification of deposit, income and employment, and credit reports or credit related documentation on Buyer. Buyer authorizes Seller to order one or more credit reports from a consumer reporting agency to be used in connection with this transaction. The cost of said report(s) is (are) to be paid by Buyer. Buyer authorizes Seller to forward all copies of all or any portion of such report(s) without interpretation to Lender who (at the request of Buyer) will evaluate a potential extension of credit to Buyer in connection with this transaction. Buyer authorizes Lender, and any credit bureau or other person or entity utilized or engaged by Lender, to obtain one or more consumer reports regarding Buyer and to investigate any information, reference, statement, or data, provided to Lender by Buyer or by any other

person or entity, pertaining to Buyer's credit and financial status. Buyer shall indemnify, defend and hold harmless Seller, its officers, directors, shareholders, employees, agents, contractors, subcontractors and suppliers ("Indemnified Parties"), Lender, and any credit bureau or other person or entity utilized or engaged by Lender or Seller, from and against any deficiencies, losses, liabilities, claims, damages, expenses, obligations, penalties, actions, judgments, awards, suits, costs or disbursements of any kind or nature whatsoever, including attorneys' fees and expenses ("Claims") arising from an investigation of Buyer's credit and financial status.

7. **Closing**. Without limiting the terms of Section 8, Buyer acknowledges and agrees that Seller has the right in its sole discretion to schedule the date, time and place for the closing of the transaction contemplated by this Agreement ("**Closing**") and Buyer shall close on such Closing Date (the "**Closing Date**"). Buyer will be given notice of the Closing Date, time and place by the "**Closing Date Notice Period**" (as such term is defined in Rider B attached hereto). Seller is authorized to postpone or advance the date of Closing at its discretion. Seller must, however, give Buyer reasonable notice of the new Closing Date. Any notice of Closing may be given verbally, by telephone, telegraph, telex, facsimile, mail, e-mail, or other means of communication at Seller's option. All notices of Closing will be given to Buyer at the address or by use of the telephone number(s) or e-mail address(es) specified on page 1 of this Agreement unless Seller has received written notice from Buyer of any change therein prior to the date notice of Closing is given. Buyer's failure to receive the notice of Closing because Buyer has failed to advise Seller of any changes of address or phone number, or because Buyer has failed to pick up a letter when Buyer has been advised of an attempted delivery or for any other reason, shall not relieve Buyer of Buyer's obligation to close on the scheduled Closing Date, unless Seller otherwise agrees in writing to postpone the Closing Date. To the extent not prohibited by applicable law, if Seller, in its sole discretion, agrees in writing to reschedule the Closing Date at Buyer's request, or because Buyer (if a corporation) has failed to produce all corporate documents requested by Seller, or for any other reason (except for delay required by Seller), then (1) Seller may impose a late charge as liquidated damages for such delay equal to One Hundred Twenty-Five Dollars ($125.00) per day for every day from the original Closing Date through the date that the transaction closes, and (2) Seller may require that prorations be made as of the original Closing Date. Buyer agrees the late charge is appropriate in order to cover Seller's administrative and other expenses resulting from a delay in Closing and that the amount of liquidated damages is fixed and agreed to by the parties as a reasonable estimate of the damages that Seller shall suffer and is not in the nature of a penalty. Seller is not required to agree to reschedule Closing, but Seller may reschedule Closing in Seller's sole discretion.

8. **Completion Date**. It is expressly agreed by Buyer that notwithstanding anything to the contrary specified herein or verbally represented (including but not limited to Seller's sales representative), any scheduled completion date is a good faith estimate, and Seller makes no promises or representations concerning the date of completion. Buyer agrees that Buyer has not relied, and will not rely upon, any estimated completion date for any purpose whatsoever, including, without limitation, relocation of residence, storage of personal property, or lock-in financing, and Buyer agrees that Seller shall not be liable for any additional costs, expenses or damages whatsoever should the Home not be completed by an estimated completion date. Notwithstanding the foregoing, Seller is required to complete and does agree that the construction of the Home shall be completed not later than two (2) years from the date of Buyer's execution of this Agreement. If construction is delayed by any event recognized by the law of the state in which the Home is located as a defense to a contract action for non-performance or a delay in performance, then the date of completion shall be extended by the delay period. It is the express intent of the parties that the parties' rights and obligations under this Agreement be construed in the manner necessary to exempt this Agreement and the sale of the Property from registration under the Interstate Land Sales Full Disclosure Act, and both Buyer and Seller hereby expressly waive any right or provision of this Agreement that would otherwise preclude such exemption.

9. **Casualty Before Closing**. If the Property is damaged by fire, act of terrorism or other casualty before Closing and the cost of restoration does not exceed three percent (3%) of the Total Purchase Price and repairs will not substantially delay Closing, Seller shall repair the damage and Closing shall proceed pursuant to the terms of this Agreement. If the cost of restoration exceeds three percent (3%) of the Total Purchase Price or the repairs would substantially delay Closing, Buyer shall have the option to: (1) terminate this Agreement and receive a refund of the Deposit made by Buyer to Seller, in which event both parties shall be released from all obligations under this Agreement, or (2) have Seller repair the damage as soon as reasonably possible, and Closing shall be extended until such repair or rebuilding is complete.
Notwithstanding the foregoing, if all or a portion of the Property is damaged by fire, act of terrorism or other casualty and (1) the plans, specifications or construction materials for the Property must be materially modified in order to repair or reconstruct the Property, or (2) the repair or reconstruction of the Property substantially in accordance with the plans and specifications is rendered impossible by any cause recognized by the law of the state in which the Property is located as a defense to a contract action for non-performance, then Seller shall have the right to terminate this Agreement and Buyer shall receive a refund of the Deposit made by Buyer to Seller in which event both parties shall be released from all obligations under this Agreement.

10. **Deed**. Seller shall convey title to Buyer at Closing by delivery to Buyer of a General Limited Warranty Deed (the "**Deed**") describing the Property, which Deed shall convey title to Buyer subject to all matters described in this Agreement.

11. **Closing and Title Matters**. Title to the Property to be delivered to Buyer at Closing will be marketable and insurable, subject only to the following matters:

11.1 Title to the Property shall be subject to the following: (1) zoning, building codes, bulkhead laws, ordinances, regulations, rights or interests vested in the United States of America or the state in which the Community is located; (2) real estate taxes and other taxes for the year of conveyance and subsequent years including taxes or assessments of any special taxing or community development district (including assessments relating to capital improvements and bonds); (3) the general printed exceptions contained in an owner's title insurance policy; (4) utility easements, sewer agreements, telephone agreements, cable agreements, telecommunications agreements, monitoring agreements, restrictions and reservations common to any plat affecting title to the Property; (5) matters that would be disclosed by an accurate survey or inspection of the Property; (6) the Documents; (7) any laws and restrictions, covenants, conditions, limitations, reservations, agreements or easements recorded in the public records for the County (for example, use limitations and obligations, easements (right-of-way) and agreements relating to telephone, gas or electric lines, water and sewer lines and drainage, provided they do not prevent use of the Property for single family residential purposes); (8) minor encroachments on easements that do not substantially interfere with an easement holder's interest in the Property; and (9) acts done or suffered by Buyer and any mortgage or deed of trust obtained by Buyer for the purchase of the Property. It is Buyer's responsibility to review and become familiar with each of the foregoing title matters, some of which are covenants running with the land. If any title defects are discovered by Buyer after Closing, Buyer's sole remedy shall be to make a claim to Buyer's title insurer.

11.2 Seller shall convey title to Buyer at Closing by delivery to Buyer of the Deed, which shall convey title to Buyer subject to all matters described in Section 11.1 of this Agreement. Any such matters omitted from the Deed shall nevertheless be deemed to be included in the Deed.

11.3 Seller shall provide an affidavit complying with the Foreign Investment in Real Property Tax Act of 1980, as amended, upon written request of Buyer.

11.4 Seller may not own title to the Property as of the date of this Agreement or at Closing. However, Seller shall obtain title to the Property on or before the Closing Date or effect the necessary transfer of title on or before the date when Seller causes title to be transferred to Buyer.

11.5 If Seller cannot provide marketable and insurable title as described above, such failure shall not be an event of default and Seller will have a reasonable period of time (at least one hundred and twenty (120) days from the date of the scheduled Closing Date) to attempt to correct any defects in title; provided, however, Seller shall not be obligated to incur any expense, nor institute any litigation, to clear title to the Property. If Seller cannot or elects not to correct the title defects, Seller shall so notify Buyer within such period, and Buyer may thereafter elect (by written notice from Buyer to Seller) one of the following two (2) options: (1) to accept title in the condition offered (with defects) and pay the balance of the Total Purchase Price for the Property (without set off or deduction therefor), thereby waiving any claim with respect to such title defects and Buyer will not make any claims against Seller because of the title defects; or (2) to terminate this Agreement and receive a full refund of the Deposit deposited hereunder. If all such amounts are refunded, Buyer agrees to accept it as full payment of Seller's liability hereunder, whereupon this Agreement shall be terminated and Seller shall thereafter be relieved and released of all further liability hereunder. Buyer shall not thereafter have any rights to make any additional claims against Seller. In the event Buyer does not notify Seller in writing within five (5) calendar days from the receipt of Seller's notice (time being strictly of the essence) as to which option Buyer elects, Buyer shall be conclusively presumed to have elected option (1) set forth above in this subsection.

11.6 The acceptance of the Deed by Buyer shall be deemed to be full performance and discharge of every agreement and obligation on the part of Seller to be performed pursuant to this Agreement, except those which are herein specifically deemed to survive Closing or which may survive by operation of law, if any.

11.7 Title to the Property will be deemed marketable if an owner's policy is issued with standard exceptions.

11.8 All of the terms of this Section 11 shall survive Closing and the delivery of the Deed.

12. Closing Costs. The respective responsibilities of Buyer and Seller for all costs, prorations and fees payable at Closing (the "Closing Costs") are shown in Rider B attached hereto.

13. Site and Substitutions. The materials, equipment and fixtures included in and to be used in constructing the Home will be substantially the same as or similar in quality to those described in the applicable plans and specifications (except as to extras, options and/or upgrades).

13.1 Changes to Plans and Specifications.

13.1.1 Industry Practice. It is widely observed construction industry practice for pre-construction plans and specifications for any home or building to be changed and adjusted from time to time in order to accommodate on-going site conditions and in the field construction factors. These changes and adjustments are essential in order to permit all components of the Home to be integrated into a well-functioning and aesthetically pleasing product in an expeditious manner. Based on the foregoing, Buyer acknowledges that such changes and adjustments may occur and agrees that it is reasonable and to Buyer's benefit to allow Seller the flexibility to make such changes and adjustments to the Home.

13.1.2 Seller's Absolute Right to Make Modifications to Plans and Specifications. Seller has the absolute right to make modifications to the plans and specifications for the Home. Without limiting the generality of the foregoing, Buyer specifically agrees that changes in the dimensions of rooms and patios, entrances and terraces, if applicable, and changes in room size, in the locations of windows, doors, walls, partitions, utility lead-ins and outlets (including, but not limited to, electrical, cable television, and telephone), air-conditioning components, lighting fixtures and electrical panel boxes may be made by Seller in its sole discretion, provided however that changes in the layout and dimensions of the Home shall not substantially affect the value of the Home. Such changes may also include, but are not limited to, changes in the building location, setbacks and facing, the building's external configuration, its structural components, its finishes and the landscaping associated therewith.

13.1.3 Buyer's Acceptance of Actual Floor Plan. Buyer further understands and acknowledges that many of the Homes to be constructed within the Community require floor plans which are opposite (i.e. flipped) mirror images of the model floor plan and Buyer fully understands and accepts the floor plan configuration for the Home and improvements to be constructed within the Home.

13.1.4 No Warranty for Plans and Specifications on File. Buyer further acknowledges and agrees that (1) the plans and specifications of the Home and the Community on file with the applicable governmental authorities may not be identical in detail to Seller's plans and specifications, and (2) because of the day-to-day nature of the changes described in this Section 13, the plans and specifications on file with the applicable governmental authorities may not include some or any of these changes (there being no legal requirement to file all changes with such authorities). As a result of the foregoing, Buyer and Seller both acknowledge and agree that the Home and the Community may not be constructed in accordance with the plans and specifications on file with the applicable governmental authorities. Without limiting the generality of the provisions of Rider B attached hereto, Seller disclaims and Buyer waives any and all express or implied warranties that construction will be accomplished in compliance with such plans and specifications. Seller has not given and Buyer has not relied on or bargained for any such warranties. In furtherance of the foregoing, in the event of any conflict between the actual construction of the Home and/or the

Community, and that which is set forth on the plans and specifications, Buyer agrees that the actual construction shall prevail and to accept the Home and Community as actually constructed (in lieu of what is set forth on the plans and specifications).

13.2 Lot Change. In the event that Seller, in its sole discretion, determines that the Model of the Home selected under this Agreement cannot reasonably be built on the Homesite, then Buyer and Seller hereby agree that they will negotiate in good faith to relocate the Home to another lot in the Community, provided however that there are lots available for sale. If no replacement lot is available, then Buyer may terminate this Agreement and will be entitled to a refund of any paid Deposit.

13.3 Decorative and Landscaping Items.

13.3.1 Buyer understands and agrees that certain of the finishing items, such as tile, marble, carpet, cabinets, stone, brickwork, wood, paint, stain and mica are subject to size and color variations, grain and quality variations, and may vary in accordance with price, availability and changes by manufacturers from those shown in the model, if any, or in illustrations or brochures or those included in the specifications. Furthermore, if circumstances arise that, in Seller's opinion, warrant changes of subcontractors, suppliers, manufacturers, brand names or items, Seller reserves the right to substitute equipment, materials, appliances, etc., which in Seller's opinion are considered to be of quality substantially similar or equal, or of better quality, subject to their availability. Buyer also understands that Seller has the right to substitute or change materials and/or stain colors utilized in wood decor, if any.

13.3.2 Lot grades, lot area, options, facades, shrubs, trees, trim, built-ins, wall treatments, window treatments, furniture, furnishings, fences, decks, locations of walks, driveways and other items in or about a model home area in the subdivision are for display purposes only and are not included in the Total Purchase Price unless otherwise expressly provided herein. Seller has the right to remove any existing trees on the Property or on the surrounding area for any reason. Buyer further understands and agrees that the following items (which may be seen in models or shown in illustrations) will also not be included with the sale of the Home: wall coverings, paint colors, accent light fixtures, wall ornaments, drapes, blinds, bedspreads, furniture, furnishings, wet bars, monitoring systems, certain built-in fixtures, special floor coverings, wood trim, upgraded items and/or any other items of this nature which may be added or deleted from time to time. This list of items (which is not all-inclusive) is provided as an illustration of the type of items built-in or placed upon models or shown in illustrations strictly for purposes of decoration and example only.

13.4 Deed. By acceptance of the Deed, Buyer accepts all variations of the Home.

13.5 Survival. All of the terms of this Section 13 shall survive Closing and the delivery of the Deed.

14. **Buyer's Default.** In the event of Buyer's default and to the extent allowed by law, Seller shall be entitled to keep, as liquidated damages and not as a penalty, Buyer's Deposit not to exceed fifteen percent (15%) of the Total Purchase Price, except that Seller may, in addition, keep, as liquidated damages and not as a penalty, any and all Advanced Payments made by Buyer to Seller for options, extras or upgrades for which Seller has made contractual commitments or incurred liability by placing orders or otherwise. Buyer agrees that actual damages in the event of breach by Buyer would be costly and difficult to calculate, and that such liquidated damages are a fair and reasonable remedy and shall not be considered a penalty. The provisions of this Section shall survive the termination of this Agreement.

15. **Seller's Default.** In the event of Seller's default and to the extent allowed by law, Buyer may recover actual damages but shall not be entitled to special, consequential or punitive damages. Notwithstanding the foregoing, Buyer retains all remedies at law and in equity with respect to Seller's obligation to complete the Home within two (2) years pursuant to Section 8 above. The provisions of this Section shall survive the termination of this Agreement.

16. **Mediation / Arbitration of Disputes.**

16.1 The parties to this Agreement specifically agree that this transaction involves interstate commerce and that any Dispute (as hereinafter defined) shall first be submitted to mediation and, if not settled during mediation, shall thereafter be submitted to binding arbitration as provided by the Federal Arbitration Act (9 U.S.C. §§1 et seq.) and not by or in a court of law or equity. "Disputes" (whether contract, warranty, tort, statutory or otherwise), shall include, but are not limited to, any and all controversies, disputes or claims (1) arising under, or related to, this Agreement, the Property, the Community or any dealings between Buyer and Seller; (2) arising by virtue of any representations, promises or warranties alleged to have been made by Seller or Seller's representative; and (3) relating to personal injury or property damage alleged to have been sustained by Buyer, Buyer's children or other occupants of the Property, or in the Community. Buyer has executed this Agreement on behalf of his or her children and other occupants of the Property with the intent that all such parties be bound hereby. Any Dispute shall be submitted for binding arbitration within a reasonable time after such Dispute has arisen. Nothing herein shall extend the time period by which a claim or cause of action may be asserted under the applicable statute of limitations or statute of repose, and in no event shall the Dispute be submitted for arbitration after the date when institution of a legal or equitable proceeding based on the underlying claims in such Dispute would be barred by the applicable statute of limitations or statute of repose.

16.2 Any and all mediations commenced by any of the parties to this Agreement shall be filed with and administered by the American Arbitration Association or any successor thereto ("AAA") in accordance with the AAA's Home Construction Mediation Procedures in effect on the date of the request. If there are no Home Construction Mediation Procedures currently in effect, then the AAA's Construction Industry Mediation Rules in effect on the date of such request shall be utilized. Any party who will be relying upon an expert report or repair estimate at the mediation shall provide the mediator and the other parties with a copy of the reports. If one or more issues directly or indirectly relate to alleged deficiencies in design, materials or construction, all parties and their experts shall be allowed to inspect, document (by photograph, videotape or otherwise) and test the alleged deficiencies prior to mediation. Unless mutually waived in writing by the parties, submission to mediation is a condition precedent to either party taking further action with regard to any matter covered hereunder.

16.3 If the Dispute is not fully resolved by mediation, the Dispute shall be submitted to binding arbitration and administered by the AAA in accordance with the AAA's Home Construction Arbitration Rules in effect on the date of the request. If there

are no Home Construction Arbitration Rules currently in effect, then the AAA's Construction Industry Arbitration Rules in effect on the date of such request shall be utilized. Any judgment upon the award rendered by the arbitrator may be entered in and enforced by any court having jurisdiction over such Dispute. If the claimed amount exceeds $250,000.00 or includes a demand for punitive damages, the Dispute shall be heard and determined by three arbitrators; however, if mutually agreed to by the parties, then the Dispute shall be heard and determined by one arbitrator. Arbitrators shall have expertise in the area(s) of Dispute, which may include legal expertise if legal issues are involved. All decisions respecting the arbitrability of any Dispute shall be decided by the arbitrator(s). At the request of any party, the award of the arbitrator(s) shall be accompanied by detailed written findings of fact and conclusions of law. Except as may be required by law or for confirmation of an award, neither a party nor an arbitrator may disclose the existence, content, or results of any arbitration hereunder without the prior written consent of both parties.

16.4 The waiver or invalidity of any portion of this Section shall not affect the validity or enforceability of the remaining portions of this Section. Buyer and Seller further agree (1) that any Dispute involving Seller's affiliates, directors, officers, employees and agents shall also be subject to mediation and arbitration as set forth herein, and shall not be pursued in a court of law or equity; (2) that Seller may, at its sole election, include Seller's contractors, subcontractors and suppliers, as well as any warranty company and insurer as parties in the mediation and arbitration; and (3) that the mediation and arbitration will be limited to the parties specified herein.

16.5 To the fullest extent permitted by applicable law, Buyer and Seller agree that no finding or stipulation of fact, no conclusion of law, and no arbitration award in any other arbitration, judicial, or similar proceeding shall be given preclusive or collateral estoppel effect in any arbitration hereunder unless there is mutuality of parties. In addition, Buyer and Seller further agree that no finding or stipulation of fact, no conclusion of law, and no arbitration award in any arbitration hereunder shall be given preclusive or collateral estoppel effect in any other arbitration, judicial, or similar proceeding unless there is mutuality of parties.

16.6 Unless otherwise recoverable by law or statute, each party shall bear its own costs and expenses, including attorneys' fees and paraprofessional fees, for any mediation and arbitration. Notwithstanding the foregoing, if a party unsuccessfully contests the validity or scope of arbitration in a court of law or equity, the noncontesting party shall be awarded reasonable attorneys' fees, paraprofessional fees and expenses incurred in defending such contest, including such fees and costs associated with any appellate proceedings. In addition, if a party fails to abide by the terms of a mediation settlement or arbitration award, the other party shall be awarded reasonable attorneys' fees, paraprofessional fees and expenses incurred in enforcing such settlement or award.

16.7 Buyer may obtain additional information concerning the rules of the AAA by visiting its website at www.adr.org or by writing the AAA at 335 Madison Avenue, New York, New York 10017.

16.8 Seller supports the principles set forth in the Consumer Due Process Protocol developed by the National Consumer Dispute Advisory Committee and agrees to the following:

16.8.1 Notwithstanding the requirements of arbitration stated in Section 16.3 of this Agreement, Buyer shall have the option, after pursuing mediation as provided herein, to seek relief in a small claims court for disputes or claims within the scope of the court's jurisdiction in lieu of proceeding to arbitration. This option does not apply to any appeal from a decision by a small claims court.

16.8.2 Seller agrees to pay for one (1) day of mediation (mediator fees plus any administrative fees relating to the mediation). Any mediator and associated administrative fees incurred thereafter shall be shared equally by the parties.

16.8.3 The fees for any claim pursued via arbitration in an amount of $10,000.00 or less shall be apportioned as provided in the Home Construction Arbitration Rules of the AAA or other applicable rules.

16.9 Notwithstanding the foregoing, if either Seller or Buyer seeks injunctive relief, and not monetary damages, from a court because irreparable damage or harm would otherwise be suffered by either party before mediation or arbitration could be conducted, such actions shall not be interpreted to indicate that either party has waived the right to mediate or arbitrate. The right to mediate and arbitrate should also not be considered waived by the filing of a counterclaim by either party once a claim for injunctive relief had been filed with a court.

16.10 Buyer and Seller specifically agree that notwithstanding anything to the contrary, the rights and obligations set forth in this Section 16 shall survive (1) Closing and the delivery of the Deed; (2) the termination of this Agreement by either party; or (3) the default of this Agreement by either party.

17. **Other Dispute Resolutions.** Notwithstanding the parties' obligation to submit any Dispute to mediation and arbitration, in the event that a particular dispute is not subject to the mediation or the arbitration provisions of Section 16, then the parties agree to the following provisions: **BUYER ACKNOWLEDGES THAT JUSTICE WILL BEST BE SERVED IF ISSUES REGARDING THIS AGREEMENT ARE HEARD BY A JUDGE IN A COURT PROCEEDING, AND NOT A JURY. BUYER AND SELLER AGREE THAT ANY DISPUTE, CLAIM, DEMAND, ACTION, OR CAUSE OF ACTION SHALL BE HEARD BY A JUDGE IN A COURT PROCEEDING AND NOT A JURY. BUYER AND SELLER HEREBY WAIVE THEIR RESPECTIVE RIGHT TO A JURY TRIAL. SELLER HEREBY SUGGESTS THAT BUYER CONTACT AN ATTORNEY OF BUYER'S CHOICE IF BUYER DOES NOT UNDERSTAND THE LEGAL CONSEQUENCES OF EXECUTING THIS AGREEMENT.** All of the terms of this Section 17 shall survive Closing and the delivery of the Deed.

18. **Selling Agent, Cooperating Broker, and Seller's New Home Consultant.** Unless a Purchase Price and Payment Addendum indicating otherwise is attached hereto, Buyer represents to Seller that Buyer has not consulted, dealt or negotiated with a real estate broker, salesperson or agent other than Seller's sales personnel located at Seller's sales office. Buyer agrees that Seller is not responsible for the payment of a commission to a real estate broker, salesperson or agent other than Seller's sales personnel. Buyer shall indemnify, defend and hold harmless Indemnified Parties from and against any and all Claims resulting from or arising out of any representation or breach of a representation or warranty set forth in this Section. In addition, Buyer acknowledges and

understands that Seller's New Home Consultant ("NHC") and Internet New Home Consultant ("INHC") are agents of Seller, are acting solely for the Seller's interests, and are not acting in any representative capacity for Buyer. Buyer should not disclose any information to Seller's NHC and/or INHC that Buyer considers to be confidential or otherwise does not want disclosed to Seller.

Buyer's Initials _____ _____

19. **Construction Activities.** ALL OWNERS, OCCUPANTS AND USERS OF THE COMMUNITY ARE HEREBY PLACED ON NOTICE THAT (1) SELLER AND/OR ITS AGENTS, CONTRACTORS, SUBCONTRACTORS, LICENSEES AND OTHER DESIGNEES, AND/OR (2) ANY OTHER PARTIES, WILL BE, FROM TIME TO TIME, CONDUCTING BLASTING, EXCAVATION, CONSTRUCTION AND OTHER ACTIVITIES WITHIN OR IN PROXIMITY TO THE COMMUNITY. BY THE ACCEPTANCE OF THEIR DEED OR OTHER CONVEYANCE OR MORTGAGE, LEASEHOLD, LICENSE OR OTHER INTEREST, AND BY USING ANY PORTION OF THE COMMUNITY, EACH SUCH OWNER, OCCUPANT AND USER AUTOMATICALLY ACKNOWLEDGES, STIPULATES AND AGREES (1) THAT NONE OF THE AFORESAID ACTIVITIES SHALL BE DEEMED NUISANCES OR NOXIOUS OR OFFENSIVE ACTIVITIES, HEREUNDER OR AT LAW GENERALLY, (2) NOT TO ENTER UPON, OR ALLOW THEIR CHILDREN OR OTHER PERSONS UNDER THEIR CONTROL OR DIRECTION TO ENTER UPON (REGARDLESS OF WHETHER SUCH ENTRY IS A TRESPASS OR OTHERWISE) ANY PROPERTY WITHIN OR IN PROXIMITY TO THE AREA OF THE COMMUNITY WHERE SUCH ACTIVITY IS BEING CONDUCTED (EVEN IF NOT BEING ACTIVELY CONDUCTED AT THE TIME OF ENTRY, SUCH AS AT NIGHT OR OTHERWISE DURING NON-WORKING HOURS), (3) TO THE EXTENT PERMITTED OR NOT PROHIBITED UNDER APPLICABLE LAW, SELLER AND THE OTHER AFORESAID RELATED PARTIES SHALL NOT BE LIABLE FOR ANY AND ALL LOSSES, DAMAGES (COMPENSATORY, CONSEQUENTIAL, PUNITIVE OR OTHERWISE), INJURIES OR DEATHS ARISING FROM OR RELATING TO THE AFORESAID ACTIVITIES, EXCEPT RESULTING DIRECTLY FROM SELLER'S GROSS NEGLIGENCE OR WILLFUL MISCONDUCT, (4) ANY PURCHASE OR USE OF ANY PORTION OF THE COMMUNITY HAS BEEN AND WILL BE MADE WITH FULL KNOWLEDGE OF THE FOREGOING AND (5) THIS ACKNOWLEDGMENT AND AGREEMENT IS A MATERIAL INDUCEMENT TO SELL, CONVEY, AND/OR ALLOW THE USE OF THE PROPERTY.

20. **Dangerous Condition; Construction Work.**

20.1 Buyer understands and agrees that the Property is a construction site and that the Property and the improvements, equipment and supplies thereon constitute a danger to those who may enter on the Property. Buyer shall not enter onto the Property prior to Closing unless authorized and accompanied by Seller's representative. Any unauthorized, unaccompanied entry by Buyer shall constitute a breach of this Agreement by Buyer, at Seller's election. Moreover, any entry by Buyer onto the Property prior to Closing shall be done at Buyer's own risk and in compliance with all federal, state and local safety laws and regulations. To the extent permitted or not prohibited by applicable law, Buyer waives, releases and shall indemnify, defend and hold harmless Indemnified Parties from and against any Claims made by Buyer, Buyer's family members or guests, as a direct or indirect result of any such unauthorized, unaccompanied entry onto the Property.

20.2 Buyer agrees that supervision and direction of the working forces, including, without limitation, all contractors and subcontractors, is to be done exclusively by Seller, and Buyer agrees not to issue any instructions to the working forces or otherwise hinder construction or installation of improvements on the Property. Buyer shall not do or have any work done on the Property, nor may Buyer store any possessions thereon, prior to Closing and transfer of title to the Property to Buyer.

20.3 Buyer agrees that any and all controversies, disputes and claims arising under this Section shall be resolved through binding arbitration in accordance with the terms of this Agreement.

20.4 All of the terms of this Section 20 shall survive Closing and the delivery of the Deed.

21. **OFAC.** Executive Order 13224 requires all United States entities and persons to block assets and not transact business with entities, countries and persons (specifically designated nationals) set forth by the Office of Foreign Asset Control ("OFAC"). This requirement applies to all homebuilding entities in The Lennar Family of Builders (including but not limited to Seller), Universal American Mortgage Company, LLC and all of its affiliates, and North American Title Company and all of its affiliates (collectively, the "Lennar Affiliates"). Accordingly, each of Seller and the Lennar Affiliates will check current OFAC lists and other publications in connection with each potential transaction, loan, or home sale. In order to check the OFAC list, Buyer must provide to Seller a Government-issued identification card (this might include a driver's license, birth certificate, passport or resident alien card). To the extent Buyer (or any single person or entity constituting a part of Buyer) matches a name or entity on any such OFAC list or publication, the transactions with Buyer contemplated under or in connection with this Agreement will be immediately suspended, and Buyer shall be reported as instructed by the OFAC.

22. **Agreement not to be Recorded.** Buyer covenants that Buyer shall not record this Agreement (or any memorandum thereof) in the Public Records of the County. Buyer agrees, if Buyer records this Agreement, to pay all of Seller's attorneys' fees, paraprofessional fees and expenses incurred in removing the cloud on title caused by such recordation. Seller's rights under this Section shall be in addition to Seller's remedies for Buyer's default provided elsewhere in this Agreement.

23. **Transfer, Assignment and Persons Bound.** Buyer agrees that Buyer will not, and does not have the right to, assign, sell or transfer Buyer's interest in this Agreement (whether voluntarily or by operation of law or otherwise) without Seller's prior written consent. If Buyer is a corporation, other business entity, trustee or nominee, a transfer of any material equity or beneficial or principal interest shall constitute an assignment of this Agreement. If Buyer attempts to assign this Agreement in violation of this Section, Seller can declare Buyer in default and Seller shall be entitled to all remedies available under this Agreement. Buyer agrees that Seller may withhold its consent with or without any reason or condition in any manner it chooses (if it gives it at all) and may charge Buyer a reasonable amount to cover administrative costs incurred in considering whether or not to grant consent. If Buyer dies or in any way loses legal control of his/her affairs, this Agreement will bind his/her heirs and legal representatives. If Buyer has received Seller's permission to assign or transfer this Agreement, then Buyer's approved assignees shall be bound by the terms of this Agreement. If more than one person signs this Agreement as Buyer, each such person shall be jointly and severally liable for full performance of all of Buyer's duties and obligations hereunder.

24. TIME OF THE ESSENCE. BUYER ACKNOWLEDGES THAT TIME IS OF THE ESSENCE IN CONNECTION WITH THE TRANSACTIONS CONTEMPLATED UNDER THIS AGREEMENT.

25. Interpretation and Computation of Time. The use of the masculine gender in this Agreement shall be deemed to refer to the feminine or neuter gender, and the singular shall include the plural, and vice versa, whenever the context so requires. This Agreement reflects the negotiated agreement of the parties. Each party acknowledges that they have been afforded the opportunity to seek competent legal counsel, and each have made an informed choice as to whether or not to be represented by legal counsel. Accordingly, this Agreement shall be construed as if both parties jointly prepared it, and no presumption against one party or the other shall govern the interpretation or construction of any of the provisions of this Agreement. Any reference in this Agreement to the time periods of less than five (5) days shall, in the computation thereof, exclude Saturdays, Sundays and legal holidays. Any reference in this Agreement to time periods of five (5) days or more shall, in computation thereof, include Saturdays, Sundays and legal holidays. If the last day of any such period is a Saturday, Sunday or legal holiday, the period shall be extended to 5:00 p.m. on the next full business day. The section headings in this Agreement are for convenience only and shall not affect the meaning, interpretation or scope of the provisions which follow them.

26. Notice. Except as provided in the Closing Section of this Agreement with respect to notices of the scheduled Closing Date, any notice required or permitted to be given in connection with this Agreement shall be in writing and sent by United States certified mail with return receipt requested, professional overnight courier or electronic transmission (with confirmation and copy by (1) certified mail, if Buyer's address is within the United States or (2) overnight professional courier, if to a Buyer whose address is outside of the United States) to Buyer or Seller at the addresses on Page 1 of this Agreement (unless Seller has received written notice from Buyer of any change therein prior to the date such notice is given), and additionally to Seller by hand delivery at Seller's sales office. All notices shall only be effective upon receipt or refusal to accept receipt (by failure to accept delivery or otherwise).

27. Waiver. Seller's waiver of any of its rights or remedies shall not operate to waive any other of Seller's rights or remedies or to prevent Seller from enforcing the waived right or remedy in another instance.

28. Incorporation and Severability. The explanations and disclaimers set forth in the Documents are incorporated into this Agreement. In the event that any clause or provision of this Agreement shall be void or unenforceable, such clause or provision shall be deemed deleted so that the balance of this Agreement is enforceable.

29. Governing Law. Any disputes that develop under this Agreement or questions regarding the interpretation of this Agreement will be settled according to the law of the state where the Property is located to the extent federal law is not applicable.

30. Entire Agreement. BUYER CERTIFIES THAT BUYER HAS READ EVERY PROVISION OF THIS AGREEMENT, WHICH INCLUDES EACH RIDER AND ADDENDUM ATTACHED HERETO AND THAT THIS AGREEMENT, TOGETHER WITH EACH SUCH RIDER AND ADDENDUM, CONSTITUTES THE ENTIRE AGREEMENT BETWEEN BUYER AND SELLER. PRIOR AGREEMENTS, REPRESENTATIONS, UNDERSTANDINGS, AND ORAL STATEMENTS NOT REFLECTED IN THIS AGREEMENT HAVE NO EFFECT AND ARE NOT BINDING ON SELLER. BUYER ACKNOWLEDGES THAT BUYER HAS NOT RELIED ON ANY REPRESENTATIONS, NEWSPAPERS, RADIO OR TELEVISION ADVERTISEMENTS, WARRANTIES, STATEMENTS, OR ESTIMATES OF ANY NATURE WHATSOEVER, WHETHER WRITTEN OR ORAL, MADE BY SELLER, SALES PERSONS, AGENTS, OFFICERS, EMPLOYEES, CO-OPERATING BROKERS (IF ANY) OR OTHERWISE EXCEPT AS HEREIN SPECIFICALLY REPRESENTED. BUYER HAS BASED HIS/HER/THEIR DECISION TO PURCHASE THE PROPERTY ON PERSONAL INVESTIGATION, OBSERVATION AND THE DOCUMENTS.

31. Modification. This Agreement is the entire agreement for the sale and purchase of the Property and once it is signed by both Buyer and a Division Agent or Officer of Seller, it can only be amended by a written agreement signed by both Buyer and Seller.

32. Additional Changes. Notwithstanding Section 32 of this Agreement, Buyer agrees that it may be necessary (at any time and from time to time) after Buyer executes this Agreement for Seller, and/or the developer or declarant under the Documents, to change the terms and provisions of this Agreement and/or the Documents to comply with and conform to the rules and regulations (as same may exist and as same may be promulgated from time to time) of any governmental agency, subdivision or authority or court of competent jurisdiction and Buyer consents to all such changes. Notwithstanding Section 32 of this Agreement, Seller, and/or the developer or declarant under the Documents, shall have the right to amend all Documents for development or other purposes, and Buyer consents to all such amendments.

33. Inducement. Buyer acknowledges that the sole inducement to close on the purchase of the Property is the Property itself and not (1) the common facilities comprising part of the Community, if any, or (2) any expectation that the Property will increase in value.

34. Reservation of Easement. For the purpose of completing the construction and servicing of the Property and Community, Seller hereby reserves an easement of ingress and egress for itself and its successors and assigns, and each of their respective agents, employees, materialmen and subcontractors, over, under and upon the Property for a period of one (1) year after Closing. Seller shall provide reasonable notice to Buyer before exercising easement rights granted herein. All of the terms of this Section 35 shall survive Closing and the delivery of the Deed.

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35. **Riders and Addenda.** This Agreement consists of nine (9) pages and the following Riders and Addenda, which are attached hereto and by this reference made a part of this Agreement:

Check all that apply:

- [x] Rider B
- [x] Rider A
- [x] Affiliated Business Arrangements Disclosure Statement
- [x] Master Disclosure and Information Addendum
- [x] Cooperating Broker Agreement
- [x] Election Form Addendum
- [x] FHA/VA Addendum
- [ ]
- [ ] Home Sale Contingency Addendum
- [x] Purchase Price and Payment Addendum
- [x] Cooperating Broker Addendum
- [x] Indoor Environmental Quality Disclosure Addendum
- [x] Insulation Addendum
- [ ]
- [ ]

36. **Survival.**

36.1 Buyer and Seller agree that it is their express intent that the Sections and documents listed below, together with any other terms in this Agreement that expressly so state, as well as any terms that may survive by operation of law, notwithstanding if the Section, document or term has a survival provision thereto, shall not be merged into the Deed and that these Sections and documents shall survive Closing and the delivery of the Deed: Section 11, Closing and Title Matters; Section 13, Site and Substitutions; Section 16, Mediation / Arbitration of Disputes; Section 17, Other Dispute Resolutions; Section 18, Selling Agent and Cooperating Broker; Section 19, Construction Activities; Section 20, Dangerous Conditions; Construction Work; Section 35, Reservation of Easement; Section 5 of Rider B, Warranties; Section 2 of the Indoor Environmental Quality Disclosure; Cooperating Broker Addendum, in its entirety; and, Master Disclosure and Information Addendum to Purchase and Sale Agreement, in its entirety.

36.2 Buyer and Seller agree that it is their express intent that the Sections and documents listed below, together with any other terms in this Agreement that expressly so state, as well as any terms that may survive by operation of law, notwithstanding if the Section, document or term has a survival provision thereto, shall survive termination of this Agreement: Section 14, Buyer's Default; Section 15, Seller's Default; Section 16, Mediation / Arbitration of Disputes, Section 17, Other Dispute Resolutions; Section 23, Transfer, Assignment and Persons Bound; and Section 6 of Rider B, Documents.

37. **Offer to Purchase/Effective Date.** This Agreement, when executed by Buyer and delivered to Seller, together with the Initial Deposit specified hereunder, shall constitute an offer by Buyer to purchase the Property in accordance with the terms and conditions provided herein, and shall not be binding upon Seller until such time as a Division Agent or Officer of Seller has executed this Agreement. The date of such acceptance is the "**Effective Date**" of this Agreement. In the event Buyer's offer is not accepted by Seller, all paid Deposits made by Buyer to Seller to date shall be returned to Buyer, and Buyer's offer shall be deemed withdrawn.

38. **Counterparts and Signatures.** This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which together shall comprise but a single instrument. Signatures may be given via electronic transmission and shall be deemed given as of the date and time of the transmission of this Agreement to the other party.

THE INITIAL DEPOSIT HAS BEEN RECEIVED BY SELLER SUBJECT TO CLEARANCE.

SELLER: Lennar Carolinas, LLC

New Home Consultant - Samuel Broadway
Date:

THIS AGREEMENT IS NOT BINDING ON SELLER UNTIL ACCEPTED BELOW BY AN AUTHORIZED AGENT OF SELLER.

SELLER: Lennar Carolinas, LLC

Authorized Agent of Seller - Ann Ivey
Date: 10/1/2011

Buyer - Brian K Camara
Date: 10-2-11

Buyer - Cynthia Camara
Date: 10-2-11

Buyer -
Date:

Buyer -
Date:

ELECTION FORM ADDENDUM

THIS ELECTION FORM ADDENDUM (this "**Addendum**") is executed in conjunction with and, by this reference, incorporated into the Purchase and Sale Agreement (the "**Agreement**") dated as of the Thirtieth day of September, 2011, between Brian K Camara, Cynthia Camara(collectively, "**Buyer**") and Seller, as defined in the Agreement, respecting Lot 0059 of Building/Block _____ of The Abbey at Spring Grove Subdivision/Plat in the community known as The Abbey at Spring Grove (the "**Community**").

1. **Defined Terms.** All initially capitalized terms not defined herein shall have the meanings set forth in the Agreement, and all references in this Addendum to the Agreement shall be deemed to include references to this Addendum and to every other addendum attached to the Agreement, which are hereby incorporated by this reference.

2. **Affiliated Business.** Seller has given Buyer notice in the Affiliated Business Arrangement Disclosure Statement that Seller has business relationships with Universal American Mortgage Company, LLC ("**UAMC**") and North American Title Company, and its affiliate, North American Title Insurance Corporation (collectively, "**North American**"). Buyer is hereby informed that Buyer is not obligated to use an affiliated business of Seller as a condition to the sale of the Home.

3. **Deposits.** Seller's standard practice within the Community is to require the following earnest money deposits:

3.1 Minimum of $1,000 for owner-occupants on homes priced up to $165,000.

3.2 Minimum of $2,000 for owner-occupants on homes priced above $165,000.

3.3 Minimum of $5,000 for non owner-occupants.

3.4 Buyer represents, covenants and warrants to Seller that Buyer is purchasing the Home (check one):

☒ as an owner-occupant.

☐ not as an owner-occupant.

☐ as a cash buyer.

Buyer: _____ _____

3.5 In the event of Buyer's default and to the extent allowed by law, Seller shall be entitled to keep, as liquidated damages and not as a penalty, Buyer's Deposit. Buyer agrees that actual damages in the event of breach by Buyer would be costly and difficult to calculate, and that such liquidated damages are a fair and reasonable remedy and shall not be considered a penalty.

4. **Mortgage Loan and Title Insurance.**

4.1 Buyer agrees to pay all loan and closing costs in connection with this transaction.

4.2 By checking one of the boxes below and initialing below the selected text, Buyer hereby selects the lender and/or title insurance company that Buyer will use in connection with the purchase of the Home.

4.2.1 ☒ Buyer elects to use UAMC (or such other lender named on the Approved Lender Addendum).

Buyer's Initials: _____ _____

4.2.2 ☐ Buyer intends to purchase the Home without financing.

Buyer's Initials: _____ _____

4.2.2 ☐ Buyer elects to use a lender other than UAMC (or such other lender named on the Approved Lender Addendum) as its Lender.

Buyer's Initials: _____ _____

4.3 Seller will pay up to $ 4,000.00 toward Buyer's Closing Costs.

4.4 Seller will not accept a Purchase Agreement, without a pre-approval Letter (not a pre-qualification letter), for the loan amount from a lender. Buyer must provide written loan approval within 30 days from approval of the Agreement.

5. **Closing Attorney.**

5.1 By checking the box below and initialing below the selected text, Buyer hereby selects the closing attorney that Buyer will use in connection with the purchase of the Home.

5.1.1 ☒ Buyer elects to use Seller's closing attorney, Richard E. Leister (Myrtle Beach), or Buist, Byars & Taylor (Charleston).

Buyer's Initials: _____ _____

Buyer is hereby notified and acknowledges that Buyer is not required to use Seller's closing attorney as a condition to purchasing the Home. There are other closing attorneys available who can represent Buyer in this transaction. If Buyer desires to engage an attorney to represent

Buyer, then Buyer may do so at Buyer's sole expense and will not receive the incentives set forth below. If Buyer elects to use Seller's closing attorney, Seller's closing attorney will represent Seller and Buyer in this transaction, and Seller's closing attorney cannot offer substantive legal advice to either party in connection with the sale and purchase of the Home. BUYER HAS CERTAIN RIGHTS IN CONNECTION WITH THIS TRANSACTION, AND SELLER ENCOURAGES BUYER TO CONSULT WITH ITS OWN ATTORNEY ABOUT SUCH RIGHTS, INCLUDING BUYER'S USE OF SELLER'S CLOSING ATTORNEY TO PURCHASE THE HOME. Seller's closing attorney may make additional disclosures with respect to his or her joint representation of Seller and Buyer. Seller's closing attorney may also elect not to represent Buyer in this transaction, in which case Buyer will need to hire an attorney to represent Buyer.

Buyer's Initials: BC CC

5.1.2 ☐ Buyer elects to use an attorney other than Seller's closing attorney.

Buyer's Initials: _____ _____

6. **Governing Law**. This Agreement is governed by the law of the state where the Property is located, without regard to its conflicts of law rules.

7. **Counterparts**. This Addendum may be executed in counterparts, a complete set of which shall form a single Addendum.

8. **Conflicts**. In the event of any conflict between this Addendum and the Agreement, this Addendum shall control. In all other respects, the Agreement shall remain in full force and effect.

9. **Entire Agreement**. The Agreement, together with this Addendum and any other addenda or riders to the Agreement, contains the entire agreement between Buyer and Seller concerning the matters set forth herein. All prior discussions, negotiations and contracts relating to investors and occupancy requirements, if any, whether oral or written, are hereby superseded by these documents. No addition or modification of this Addendum or the Agreement shall be effective unless set forth in writing and signed by Buyer and an authorized agent of Seller.

Buyer - Brian K Camara
Date 10-2-11

Buyer - Cynthia Camara
Date 10-2-11

Buyer -
Date

Buyer -
Date

SELLER: Lennar Carolinas, LLC

Authorized Agent of Seller - Ann Ivey
Date 10/12/11

RIDER A
(SOUTH CAROLINA)

THIS RIDER A (SOUTH CAROLINA) (this "**Rider A**") is executed in conjunction with and, by this reference, incorporated into the Purchase and Sale Agreement (the "**Agreement**") entered into as of the 2 day of October, 2011 between Brian K Camara & Cynthia Camara ("**Buyer**") and Seller, as defined in the Agreement, respecting Lot _____ of Block _____ of _____ Subdivision/Plat in the community known as The Abbey (the "**Community**").

1. **Defined Terms**. All initially capitalized terms not defined herein shall have the meanings set forth in the Agreement, and all references in this Rider A to the Agreement shall be deemed to include references to this Rider A and to any other addenda and riders attached to the Agreement, which are hereby incorporated by this reference.

2. **Deposit**. All payments made by Buyer to Seller with respect to the Total Purchase Price (including but not limited to the Deposit and the Advanced Payments) shall be paid to Seller for such purposes as Seller shall determine, and Seller shall not be required to maintain the payments in an escrow or trust account. Buyer shall have no right to interest upon the payments. If and to the extent such payments are deposited in any interest bearing account, then any interest on such payments shall inure to the benefit of Seller. At the time of Closing, the amount of the payments shall be credited to Buyer against the Total Purchase Price.

Buyer's Initials BC CC

3. **Return of Deposit**. In the event this Agreement is cancelled for any reason other than Seller's default, the Buyer shall be required to execute and return a release form provided by the Seller prior to return of the Deposit in accordance with this Agreement, as set forth herein.

4. **Real Estate Tax Disclosure**. When a new home is built, the assessed value of the home is calculated as of January 1st. Therefore, if the Home has a certificate of occupancy issued as of January 1st of the calendar year, Buyer will be assessed based on the value of the completed construction for that tax year. Seller is not responsible for communicating any information regarding real estate taxes (current or future) and cannot and will not predict what the taxes on the Home may be. Buyer should confirm any information provided concerning appraisals, tax valuation, tax rates or other tax-related questions, with Buyer's personal tax advisor and the local taxing authorities.

5. **Radon Gas and Environmental Pollutants**. The United States Environmental Protection Agency and various state agencies have detected elevated levels of naturally occurring radon gas in some residential structures. These agencies have expressed concern that prolonged exposure to high levels of radon gas may result in adverse effects on human health. The Seller is not having any testing done on the Property, or in the Home, with respect to radon gas or environmental pollutants. The Buyer acknowledges that Seller has made no representations or warranties, express or implied, concerning the presence or absence of radon gas or environmental pollutants in the Home or on the Property, and the Buyer acknowledges that the Seller is not qualified to analyze or evaluate these very complex issues with respect to the Home or Property. The Buyer releases the Seller from any and all liability and claims with respect to radon gas and environmental pollutants.

6. **FORM I-295**. At Closing, Seller shall provide Buyer with an affidavit on Form I-295 (Seller's Affidavit – Nonresident Seller Withholding), complying with Section 12-8-580, South Carolina Code of Laws 1976, as amended.

7. **Counterparts**. This Rider A may be executed in counterparts, a complete set of which shall form a single document.

8. **Conflicts**. In the event of any conflict between this Rider A and the Agreement, this Rider A shall control. In all other respects, the Agreement shall remain in full force and effect.

9. **Entire Agreement**. The Agreement, together with this Rider A and any other addenda and riders to the Agreement, contains the entire agreement between Buyer and Seller concerning the matters set forth herein. All prior discussions, negotiations and contracts relating to investors and occupancy requirements, if any, whether oral or written, are hereby superseded by these documents. No addition or modification of this Rider A or the Agreement shall be effective unless set forth in writing and signed by Buyer and an authorized agent of Seller.

Buyer
Date: 10-2-11

Buyer
Date: 10-2-11

Buyer
Date:

Buyer
Date:

SELLER:

Authorized Agent of Seller
Date: 10/12/11

RIDER B
Coastal Carolina Division

THIS RIDER B (Coastal Carolina Division) (this "Rider B") is executed in conjunction with and, by this reference, incorporated into the Purchase and Sale Agreement (the "Agreement") entered into as of the 2 day of October, 2011, between Brian K Camara/Cynthia Camara ("Buyer") and Seller, as defined in the Agreement, respecting Lot 59 of Block _____ of _____ Subdivision/Plat in the community known as The Abbey (the "Community").

1. **Defined Terms**. All initially capitalized terms not defined herein shall have the meanings set forth in the Agreement, and all references in this Rider B to the Agreement shall be deemed to include references to this Rider B and to any other rider and addenda attached to the Agreement, which are hereby incorporated by this reference. In addition to those terms, the following terms shall have the meanings set forth below:

"**Closing Date Notice Period**" shall mean at least seven (7) days prior to the Closing Date.

"**Mortgage Contingency Period**" shall mean five (5) days if this Agreement is contingent on Buyer obtaining financing as indicated in the Purchase and Sale Agreement.

2. **Additional Mortgage Contingency**. Unless Buyer shall have notified Seller otherwise in writing within the Mortgage Contingency Period, Buyer shall be conclusively presumed to have obtained the loan commitment or agreed to purchase the Property without mortgage financing. If Buyer does timely notify Seller within the Mortgage Contingency Period that he/she failed to obtain a loan commitment, Seller may require Buyer to immediately reapply for a mortgage loan with another lending institution designated by Seller. If Buyer then fails to obtain a loan commitment within seven (7) days from Seller's notice to reapply, either Buyer or Seller shall have the right to terminate this Agreement whereupon the Deposit shall be returned to Buyer, and thereupon the parties hereto shall be released from all liability hereunder without any further acts by either party.

3. **Closing Costs**. BUYER UNDERSTANDS AND AGREES THAT IN ADDITION TO THE TOTAL CASH TO CLOSE (WHICH AMOUNT IS SPECIFIED IN SECTION 2 OF THE AGREEMENT AND THE PURCHASE PRICE AND PAYMENT ADDENDUM), BUYER SHALL PAY CERTAIN OTHER FEES AND CLOSING COSTS, IF ANY, AT CLOSING (LISTED BELOW). IN CONNECTION THEREWITH, WITHOUT LIMITATION, THE ITEMS LISTED BELOW WILL COLLECTIVELY BE REFERRED TO AS "CLOSING COSTS." NOTWITHSTANDING ANYTHING IN THIS AGREEMENT TO THE CONTRARY, IN THE CASE OF AN FHA/VA OR FANNIE MAE LOAN, BUYER SHALL NOT PAY FOR ANY COSTS PROHIBITED BY HUD (FHA), VA OR FANNIE MAE REGULATIONS. ALL REFERENCES TO "PRO RATA SHARES" WILL BE DEEMED A TIME PRO RATION, BASED ON THE CLOSING DATE, WITH BUYER PAYING AMOUNTS ACCRUED ON AND AFTER THE CLOSING DATE. The Closing Costs include, without limitation:

3.1 The premium for a policy of mortgagee's title insurance and the cost to record the Deed. If the settlement charges that VA does not allow Buyer to pay exceed the amount of settlement charges, if any, to be paid by Seller, Seller at its sole discretion may terminate the Agreement and refund Buyer's earnest money. If the settlement charges that FHA does not allow Buyer to pay exceed the amount of settlement charges, if any, to be paid by Seller, Buyer may either pay the additional settlement charges at Closing or the additional settlement charges shall be added to the principal on Buyer's loan, regardless of whether or not the interest rate on Buyer's loan will increase as result of the addition of the settlement charges to the principal.

3.2 Customary closing costs of a Buyer of a single family residence, including but not limited to items such as loan fees, loan closing costs and all other related sums, attorneys' fees, escrows for taxes and insurance, recording fees, documentary stamp taxes on the note, intangible taxes, credit reports and PMI insurance, if applicable, charged by the Lender or otherwise customary for a Buyer at Closing.

3.3 Title search updates, title examination fees, delivery charges, and any other Closing expenses of Buyer.

3.4 All additional costs respecting the Property imposed by any governmental authority.

3.5 The cost of any obligations Buyer incurs not provided for in this Agreement.

3.6 The cost of a survey of the Property.

3.7 Certified governmental liens (liens which can be paid pursuant to written notice), if any, shall be assumed and paid by Seller, pending governmental improvement liens shall be paid and assumed by Buyer.

3.8 A pro rata share of County interim service fees, if any.

3.9 A pro rata share of waste fees.

3.10 A pro rata share of utility deposits and capacity fees (water and/or sewer) for the Property prepaid by Seller.

3.11 Any other expenses of an owner of the Property provided for or referenced in the Documents.

BUYER _____ BUYER _____

3.12 Amounts reflected in the Master Disclosure and Information Addendum to the Purchase and Sale Agreement, if any, attached hereto and incorporated herein.

3.13 Current expenses of the Property (for example: taxes, special assessments and current monthly assessments to one or more homeowner's associations) will be adjusted between Seller and Buyer as of the Closing Date. Buyer shall reimburse Seller for any prepaid expenses of the Property and capital contributions made to one or more homeowners' associations, paid by Seller in advance and/or for the month in which the Closing Date occurs.

3.14 If real estate taxes for the year in which the Closing Date occurs are assessed in the aggregate on the real estate comprising the portion of the Community (including the Property) rather than on a homesite-by-homesite basis, Seller will pay such taxes in full when due, but Buyer will reimburse Seller at the Closing for Buyer's pro rata share of such taxes from the Closing Date (if such taxes are then known) or the Property's allocable share (so prorated) of Seller's estimate of those taxes (if such taxes are not then known), subject to readjustment at either the request of Seller or Buyer within six (6) months from when the actual tax bill is known. If taxes for the year in which the Closing Date occurs are assessed on a homesite-by-homesite basis but such taxes are not due on the Closing Date, Buyer will be responsible for paying such tax bill in full when due but Seller will reimburse Buyer at the Closing for Seller's pro rata share of such taxes (if the taxes are then known) or Seller's estimate of those taxes (if such taxes are not then known) through the Closing Date, subject to readjustment at either the request of Seller or Buyer within six (6) months from when the actual bill is known. If the Closing takes place after Seller has paid the taxes for the year in which the Closing Date occurs, Buyer will reimburse Seller at Closing for Buyer's pro rata share of those taxes from and after the Closing Date.

3.15 The cost of any modifications or changes which are incurred by Seller as a result of changes in building codes, governmental rules, regulations or requirements, or the enforcement of any of the same, after the Effective Date of this Agreement, shall be paid by Buyer at the time of Closing.

4. **Additional Financing and Closing Costs Disclosures.**

4.1 Although Seller may make available to Buyer the name of one or more lenders or information about one or more available financing alternatives, Buyer agrees that the choice of a lender and loan is Buyer's sole decision, and Seller has not made any promises or representations concerning the likelihood of Buyer obtaining the loan, the terms and conditions of such loan or the interest rate or fees associated with such loan.

4.2 BUYER IS HEREBY ADVISED BY SELLER THAT INTEREST RATES, LOANS FEES, AND OTHER LOAN CONDITIONS ARE NOT GUARANTEED, FIXED OR ESTABLISHED (AND SELLER MAKES NO REPRESENTATIONS OR WARRANTIES WITH RESPECT TO SUCH ITEMS) AND ARE SUBJECT TO CHANGE BY ANY LENDER. SUBJECT TO SECTION 8 OF THE AGREEMENT, SELLER DOES NOT WARRANT OR GUARANTEE THAT COMPLETION OF THE IMPROVEMENTS OR LOAN FUNDING CAN BE ACHIEVED WITHIN LOAN LOCK PERIODS, IF ANY, REGARDLESS OF WHETHER SUCH LOCKS ARE PAID FOR BY SELLER OR BUYER. IF BUYER LOCKS IN AN INTEREST RATE AND POINTS FOR LOAN FUNDING PRIOR TO CLOSING, BUYER AGREES TO PAY THE DIFFERENCE BETWEEN THE LOCK-IN RATE AND THE MARKET INTEREST RATE AT CLOSING IF THE LOCK-IN RATE EXPIRES PRIOR TO CLOSING.

4.3 Responsibility for obtaining the loan and for satisfying all conditions made by the Lender with regard to the loan shall rest solely with the Buyer.

5. **Warranties.** Buyer understands and agrees that Seller is making only those express limited warranties set forth in the homeowner's warranty (the "**Limited Warranty**"). The Limited Warranty, incorporated herein, shall be delivered to Buyer at Closing and a copy of which is attached hereto **OR** a copy of which is available for examination at Seller's office and will, at Buyer's request, be attached as an exhibit to this Agreement. THE EXPRESS LIMITED WARRANTY AND REMEDIES PROVIDED BY SELLER CONSTITUTE THE EXCLUSIVE WARRANTY AND REMEDIES TO BE MADE AVAILABLE BY SELLER AND, EXCEPT WHERE ADDITIONAL WARRANTIES ARE REQUIRED BY APPLICABLE LAW OR REGULATION, ARE IN PLACE OF ALL OTHER GUARANTIES OR WARRANTIES, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO WARRANTIES OF WORKMANSHIP, MERCHANTABILITY, HABITABILITY, SUITABILITY AND FITNESS, WHICH ARE HEREBY EXPRESSLY DISCLAIMED BY SELLER AND WAIVED BY BUYER. TO THE EXTENT OF ANY CONFLICT BETWEEN ANY PROVISION OF THIS AGREEMENT RELATED TO WARRANTIES AND THE LIMITED WARRANTY, THE PROVISIONS OF THE LIMITED WARRANTY SHALL CONTROL. All of the terms of this Section 6 shall survive Closing and the delivery of the Deed. BUYER AND SELLER ACKNOWLEDGE THAT THEY HAVE EXPRESSLY NEGOTIATED AND BARGAINED FOR THE WAIVER OF THE IMPLIED WARRANTY OF HABITABILITY, AND BUYER ACKNOWLEDGES THE SUFFICIENCY AND RECEIPT OF VALUABLE CONSIDERATION FOR SUCH WAIVER IN THE AMOUNT OF $_____.00, WHICH AMOUNT SHALL BE CREDITED TOWARD THE PURCHASE PRICE AT CLOSING. THE CONSIDERATION AGREED UPON ABOVE HAS BEEN SPECIFICALLY NEGOTIATED BETWEEN BUYER AND SELLER.

Buyer _____ Buyer _____

BUYER_____BUYER_____

6. **Documents**. Buyer acknowledges receipt of the Document Book for the Community containing many important documents regarding the Community, including but not limited to some of the documents of record affecting the Property and the Community (collectively, the "**Documents**"). The Document Book is hereby incorporated into this Agreement by this reference. The Document Book may be amended as deemed necessary by Seller in its sole and absolute discretion. Buyer agrees to take title to the Property subject to the Documents, to abide by and be bound by all of the terms and conditions of the Documents, and any amendments thereto. The Master Disclosure and Information Addendum to Purchase and Sale Agreement attached hereto sets forth additional information respecting lien rights and homeowners association's restrictions affecting the Property. Buyer understands and agrees this Section shall survive the termination of this Agreement.

7. **Inspection of the Home**. BUYER SHALL BE GIVEN AN OPPORTUNITY TO EXAMINE THE HOME WITH SELLER'S REPRESENTATIVE PRIOR TO CLOSING ON A DATE AND TIME SCHEDULED BY SELLER (A "NEW HOME ORIENTATION," COMMONLY REFERRED TO AS A "WALKTHROUGH"). AT THAT TIME, IF ANY DEFECTIVE OR INCOMPLETE ITEMS ARE NOTED, BUYER SHALL PRESENT TO SELLER AN INSPECTION STATEMENT LISTING SAID ITEMS AND SIGNED BY BUYER. IF ANY ITEMS NOTED ARE ACTUALLY DEFECTIVE IN WORKMANSHIP OR MATERIALS IN SELLER'S OPINION (IN ACCORDANCE WITH CONSTRUCTION STANDARDS PREVALENT FOR A SIMILAR HOME IN THE COUNTY), SELLER WILL BE OBLIGATED TO CORRECT THOSE ITEMS AT SELLER'S COST. A SECOND INSPECTION OF THE HOME WILL BE CONDUCTED PRIOR TO CLOSING AT WHICH TIME BUYER WILL BE GIVEN AN OPPORTUNITY TO EXAMINE THE HOME WITH SELLER'S REPRESENTATIVE TO ACKNOWLEDGE THAT ITEMS LISTED ON THE INSPECTION STATEMENT PREPARED AFTER THE FIRST INSPECTION HAVE BEEN CORRECTED. ANY REMAINING ITEMS THAT SELLER HAS AGREED TO CORRECT WILL BE CORRECTED BY SELLER AT SELLER'S SOLE COST AND EXPENSE PRIOR TO CLOSING (OR AT SELLER'S OPTION WITHIN A REASONABLE TIME AFTER CLOSING), PROVIDED HOWEVER THAT SELLER'S OBLIGATION TO CORRECT WILL NOT BE A GROUND FOR DEFERRING CLOSING, NOR FOR ANY SETOFF, NOR FOR IMPOSING ANY CONDITION ON CLOSING AS LONG AS THE HOME IS HABITABLE. THE ISSUANCE OF A CERTIFICATE OF COMPLETION, OR USE SHALL BE CONCLUSIVE EVIDENCE OF HABITABILITY. NO ESCROW OR HOLDBACK OF CLOSING FUNDS OR ANY CASH TO CLOSE SHALL BE PERMITTED. **EXCEPT FOR WORK THAT CANNOT BE COMPLETED AT THAT TIME OF YEAR.** IF A BUYER FAILS TO TAKE ADVANTAGE OF ANY PRE-CLOSING INSPECTION ON THE TIME AND DATE SCHEDULED BY SELLER, BUYER SHALL BE DEEMED TO HAVE WAIVED THE RIGHT TO INSPECT THE HOME PRIOR TO CLOSING.

8. **No Right to Enter**. Buyer acknowledges that all matters pertaining to the initial construction of the Property will be performed by Seller and Seller's representatives. Buyer acknowledges and agrees that for reasons of safety and to comply with liability and insurance requirements imposed upon Seller, neither Buyer nor any agent of Buyer shall, until after the Closing, be permitted to enter upon the Property without being accompanied by Seller's representative. Any permitted personal inspections shall be made at times designated by Seller, and shall not be allowed under any condition prior to the formal inspection described above and only with Seller's representative. Buyer agrees not to give instructions to, interfere with or interrupt any workmen at the Property. Buyer may not order any work on the Property until after the Closing. Buyer recognizes that Seller is under no obligation to agree to provide options, extras and/or upgrades. Without limiting the applicability of this Section to all obligations, representations and covenants of Buyer hereunder, Buyer specifically acknowledges that any breach by Buyer of the terms and conditions contained within this Section shall be deemed to be a material breach and shall entitle Seller to declare this Agreement to be in default in accordance with the provisions of the Buyer's Default in the Agreement. Seller's failure to promptly take any action with respect to Buyer's breach of the terms and conditions contained herein shall not be deemed a waiver of any of Seller's rights or remedies hereunder. Whenever this Agreement shall require Seller to complete or substantially complete an item of construction, unless provided specifically to the contrary herein, such item shall be deemed complete or substantially complete when so completed, in the sole and unfettered opinion of Seller. Should Seller fail to provide any item of construction required to be provided, Buyer's sole remedy therefore will be to collect an amount from Seller equal to Seller's cost for such item and for Seller's cost of installation of such item had such item been installed at the appropriate time during construction. Without limiting Seller's rights and Buyer's obligations contained within this Section and elsewhere in this Agreement, should any warranted defects in workmanship or materials be discovered before or after the Closing, Buyer agrees that Buyer's sole remedy therefore is for Seller to, at Seller's sole and absolute discretion, either repair or replace the defective item. To the extent permitted by applicable law, Seller disclaims any liability for incidental or consequential damages that may arise from a defective item.

9. **Counterparts**. This Rider B may be executed in counterparts, a complete set of which shall form a single document.

10. **Conflicts**. In the event of any conflict between this Rider B and the Agreement, this Rider B shall control. In all other respects, the Agreement shall remain in full force and effect.

11. **Entire Agreement**. The Agreement, together with this Rider B and any other addenda and riders to the Agreement, contains the entire agreement between Buyer and Seller concerning the matters set forth herein. All prior discussions, negotiations and contracts relating to investors and occupancy requirements, if any, whether oral or written, are hereby superseded by these documents. No addition or modification of this Rider B or the Agreement shall be effective unless set forth in writing and signed by Buyer and an authorized agent of Seller.

BUYER _____ BUYER _____

Buyer
Date: 10-2-11

Buyer
Date: 10-2-11

Buyer
Date:

Buyer
Date:

SELLER:

Authorized Agent of Seller
Date: 10/12/11

FHA/VA ADDENDUM

THIS FHA/VA ADDENDUM (this "**Addendum**") is executed in conjunction with and, by this reference, incorporated into the Purchase and Sale Agreement (the "**Agreement**") dated as of the 2 day of October, 20 11, between Brian K Camara / Cynthia Camara (collectively, "**Buyer**") and Seller, as defined in the Agreement, respecting Lot 59 of Block ____, of _____ Subdivision/Plat in the community known as The Abbey/Spring Crest (the "**Community**").

1. **Defined Terms.** All initially capitalized terms not defined herein shall have the meanings set forth in the Agreement, and all references in this Addendum to the Agreement shall be deemed to include references to this Addendum and to any other addenda and riders attached to the Agreement, which are hereby incorporated by this reference.

2. **FHA/VA.** BUYER AGREES TO PROCEED WITH THE PURCHASE OF THE HOME AFTER HAVING READ BUYER'S RIGHTS AND PRIVILEGES, AS SET FORTH BELOW:

2.1 FHA Loans.

2.1.1 It is expressly agreed that, notwithstanding any provisions of the Agreement (contract) to the contrary, Buyer (purchaser) shall not incur any penalty by forfeiture of earnest money deposits or otherwise be obligated to complete the purchase of the Home (property described herein) unless Buyer (purchaser) has been given in accordance with the Department of Housing and Urban Development ("**HUD**"), Federal Housing Administration ("**FHA**") or United States Department of Veterans Affairs (the "**VA**") requirements, a written statement by the Federal Housing Commissioner, the VA, or a Direct Endorsement lender setting forth the appraised value of the Home (property) (for mortgage purposes) of not less than $_____ (which statement Seller agrees to deliver to Buyer (purchaser) promptly after such Appraised Value Statement is made available to Seller). Buyer (purchaser) shall have the privilege and option of proceeding with the consummation of the Agreement (the contract) without regard to the maximum mortgage the Department of Housing and Urban Development will insure. HUD DOES NOT WARRANT THE VALUE OR THE CONDITION OF THE HOME (PROPERTY). BUYER (PURCHASER) SHOULD SATISFY HIMSELF/HERSELF THAT THE PRICE AND CONDITION OF THE HOME (PROPERTY) ARE ACCEPTABLE.

2.1.2 In the event the value of the Property set forth in the Appraised Value Statement is less than the Total Purchase Price, Buyer shall have the right to exercise the above-mentioned privilege and option to proceed at the Total Purchase Price, which is over and above the FHA Appraised Value Statement, by giving Seller written notice of Buyer's intention to do so in accordance with the Agreement notice requirements. Said notice shall be given within *five (5)* days of Buyer's receipt of the FHA appraisal by returning to Seller a copy of this Addendum executed by Buyer in the "AGREE TO PROCEED" signature block below. In the event Buyer fails to give proper notice hereunder of Buyer's intention to proceed at the Total Purchase Price, the Agreement shall automatically become null and void and the parties shall promptly execute a written release of Buyer's Deposit, pursuant to which the Deposit shall immediately be returned in full to Buyer.

2.1.3 Buyer agrees to pay a mortgage insurance premium as required by FHA. Buyer has the right to pay the entire premium at the time of Closing or the premium may be added to the loan amount and financed over the term of the loan. If Buyer elects to add the premium to the loan amount, the total loan amount shall consist of the Cash to Close amount specified in the Purchase Price and Payment Addendum, plus the mortgage insurance premium. Pursuant to FHA regulations, Buyer shall pay an annual premium, if required, in addition to the up-front (or financed) premium. Said additional premium shall be paid monthly on a declining balance (excluding the portion of the balance, if any, attributable to the up-front premium).

2.1.4 All parties acknowledge that the processing of a government loan is not subject to specific time limitations. Nevertheless, Buyer agrees to diligently pursue such loan commitment.

2.1.5 Seller and Buyer certify that the terms of the Agreement are true and complete to the best of their respective knowledge and belief. Seller and Buyer further certify that all agreements relating to this real estate transaction have been fully disclosed and are covered in the Agreement, including any addenda attached thereto. Seller and Buyer understand that the failure to provide a complete and accurate copy of the Agreement could jeopardize this transaction. If there are any subsequent changes to the Agreement, the undersigned will submit them promptly to the Lender.

2.1.6 Buyer acknowledges that Buyer has read and completed the attached U.S. Department of Housing and Urban Development form HUD-92564-CN entitled "For Your Protection: Get a Home Inspection".

BUYER BUYER

2.2 VA Loans.

2.2.1 It is expressly agreed that, notwithstanding any provisions of the Agreement to the contrary, Buyer shall not incur any penalty by forfeiture of earnest monies or otherwise be obligated to complete the purchase of the Home if Buyer cannot obtain a loan guaranteed by the VA, including without limitation, if the Total Purchase Price exceeds the reasonable value of the Home established by the VA or a VA lender pursuant to the Lender Appraisal Proceeding Program ("**LAPP**"). Buyer shall, however, have the privilege and option of proceeding with the consummation of the Agreement without regard to the amount of reasonable value established by the VA or a VA lender with LAPP authority. Buyer agrees that should Buyer elect to complete the purchase at an amount in excess of the reasonable value established by the VA or a VA LAPP lender, Buyer shall pay such excess amount in cash from a source that Buyer agrees to disclose to the lender and the VA, which source Buyer represents and covenants will not be from borrowed funds except as approved by the VA.

2.2.2 To exercise the above-mentioned privilege and option to proceed at the Total Purchase Price, which is over and above the amount of reasonable value established by the VA or a VA LAPP lender, Buyer shall give Seller written notice of Buyer's intention to do so in accordance with the Agreement notice requirements. Said notice shall be given within *five (5)* days of Buyer's receipt of the amount of reasonable value established by the VA or a VA LAPP lender by returning to Seller a copy of this Addendum executed by Buyer in the "AGREE TO PROCEED" signature block below. In the event Buyer fails to give proper notice hereunder of Buyer's intention to proceed at the Total Purchase Price, the Agreement shall automatically become null and void and the parties shall promptly execute a written release of Buyer's Deposit, pursuant to which the Deposit shall immediately be returned in full to Buyer.

2.2.3 VA DOES NOT WARRANT THE VALUE OR THE CONDITION OF THE HOME (PROPERTY). BUYER (PURCHASER) SHOULD SATISFY HIMSELF/HERSELF THAT THE PRICE AND CONDITION OF THE HOME (PROPERTY) ARE ACCEPTABLE.

2.3 Special Trust Account. If Buyer is financing the purchase of the Home with a VA guaranteed loan, the Deposit received from Buyer prior to Closing shall be placed in a special trust account with Sun Trust Bank ("**Escrow Agent**") in accordance with the provisions of an Amended and Restated VA Escrow Agreement ("**VA Escrow Agreement**") between Lennar Corporation on behalf of Seller and the Escrow Agent, and as required under 38 U.S.C. §3706 or other applicable law. In the event that the Agreement is cancelled for any reason other than Seller's default and pursuant to the provisions of the VA Escrow Agreement, if Buyer seeks a refund of the Deposit from Seller and Seller refunds the Deposit directly to Buyer, Buyer hereby authorizes the Escrow Agent to reimburse Seller for such refund. In consideration for either Seller's or Escrow Agent's refund of the Deposit to Buyer, Seller and Lennar Corporation shall be unconditionally released from any claim arising out of or related to the Deposit and purchase of the Home and Escrow Agent shall be unconditionally released from any claim arising out of or related to the escrow of the Deposit in connection with the purchase of the Home.

Buyer's Initials BC CC

[**ADD THE FOLLOWING PARAGRAPH 3 FOR ALL FEDERALLY SUBSIDIZED LOANS WHICH REQUIRE AN INSURED WARRANTY**]

3. Warranty Program. If Buyer is financing the purchase of the Home with a FHA financed or VA guaranteed loan, Buyer and Seller expressly agree that, notwithstanding any provisions of the Agreement to the contrary, the only express warranties that Seller is providing Buyer are: (i) the Residential Warranty Company, LLC warranty ("**RWC Warranty**"), and (ii) the Warranty of Completion of Construction. In addition, any and all manufacturers' warranties on personalty and fixtures will, to the extent allowable, be passed through to Buyer at Closing and all items covered by manufacturers' warranties are expressly not warranted by Seller. The RWC Warranty Booklet and the Warranty of Completion of Construction, incorporated herein by reference, shall be delivered to Buyer at Closing and are available for examination at Seller's offices and will, at Buyer's request, be attached as an exhibit to this Agreement. By initialing below, Buyer acknowledges that Buyer has had the opportunity to receive and review the RWC Warranty and the Warranty of Completion of Construction prior to the execution of this Agreement. Validation of the RWC Warranty by the administrator is not guaranteed, but is conditioned on the satisfactory completion of all required inspections, upon Seller's compliance with all the administrator's enrollment procedures, and upon Seller remaining a member in good standing of the warranty program.

Buyer's Initials BC CC

3.1 To the maximum extent lawful, except for: (1) the RWC Warranty, (2) the Warranty of Completion of Construction, and (3) any additional warranties required by applicable law or regulation, to the extent they cannot be disclaimed and to the extent they have not expired by their terms, Seller disclaims any and all implied warranties of merchantability and fitness, fitness for a particular purpose, habitability, intended use, workmanship, or construction respecting the Property, common areas/elements of the Community/Subdivision, if any, and all fixtures or items of personal property sold pursuant to this Agreement, or any other real or personal property whatsoever conveyed in connection with the sale of the

BUYER BC BUYER CC

Property, or located within the Home whether arising from this Agreement, usage, trade, imposed by statute, course of dealing, case law or otherwise (except where additional warranties are required by applicable law or regulation).

3.2 Some states do not allow limitations on how long an implied warranty lasts, so the above limitation may not apply to Buyer. Seller disclaims any liability for incidental or consequential damages. Some states do not allow the exclusion or limitation of incidental or consequential damages, so the above limitation may not apply to Buyer. The RWC Warranty and the Warranty of Completion of Construction gives Buyer specific legal rights, and Buyer may also have other rights which vary from state to state.

3.3 Seller reserves the right to substitute, and Buyer agrees to accept, a third-party insured warranty from a warranty company other than RWC Warranty so long as the coverage is comparable.

[ADD THE FOLLOWING PARAGRAPH 4 FOR ALL FEDERALLY SUBSIDIZED LOANS FOR CONDOMINIUMS**]**

4. **FHA/VA Condominium Rules**. The Department of Housing and Urban Development issues rules that could impact your ability to obtain a FHA-insured or VA guaranteed loan on your condominium unit. Among other things, the rules may provide:

4.1 A minimum percentage of the total units which must be sold prior to endorsement of any mortgage on a unit. Valid presales include an executed sales agreement and evidence that a lender is willing to make the loan.

4.2 A minimum percentage of the units must be owner-occupied or sold to owners who intend to occupy the units.

Buyer agrees that if FHA or VA financing is not available that Buyer will apply for alternative financing.

5. **Counterparts**. This Addendum may be executed in counterparts, a complete set of which shall form a single Addendum.

6. **Conflicts**. In the event of any conflict between this Addendum and the Agreement, this Addendum shall control. In all other respects, the Agreement shall remain in full force and effect.

7. **Entire Agreement**. The Agreement, together with this Addendum and any other addenda and riders to the Agreement, contains the entire agreement between Buyer and Seller concerning the matters set forth herein. All prior discussions, negotiations and contracts relating to investors and occupancy requirements, if any, whether oral or written, are hereby superseded by these documents. No addition or modification of this Addendum or the Agreement shall be effective unless set forth in writing and signed by Buyer and an authorized agent of Seller.

Buyer
Date: 10-2-11

Buyer
Date: 10-2-11

Buyer
Date:

Buyer
Date:

SELLER:

Authorized Agent of Seller
Date: 10/12/11

AGREE TO PROCEED

☒ If this box is checked, Buyer is financing the purchase of the home with an FHA insured loan. BY THE SIGNATURES BELOW, BUYER ACKNOWLEDGES THAT BUYER IS PURCHASING THE HOME WITH FULL KNOWLEDGE, UNDERSTANDING AND AGREEMENT THAT THE VALUE OF THE PROPERTY SET FORTH IN THE APPRAISED VALUE STATEMENT IS LESS THAN THE TOTAL PURCHASE PRICE. BUYER AGREES TO PROCEED WITH THE CLOSING OF THE PURCHASE OF THE HOME AT THE TOTAL PURCHASE PRICE, AND BUYER FURTHER AGREES TO PAY THE DIFFERENCE AT CLOSING. BUYER HEREBY EXECUTES THIS NOTICE WITHIN FIVE (5) DAYS OF BUYER'S RECEIPT OF THE FHA APPRAISED VALUE STATEMENT.

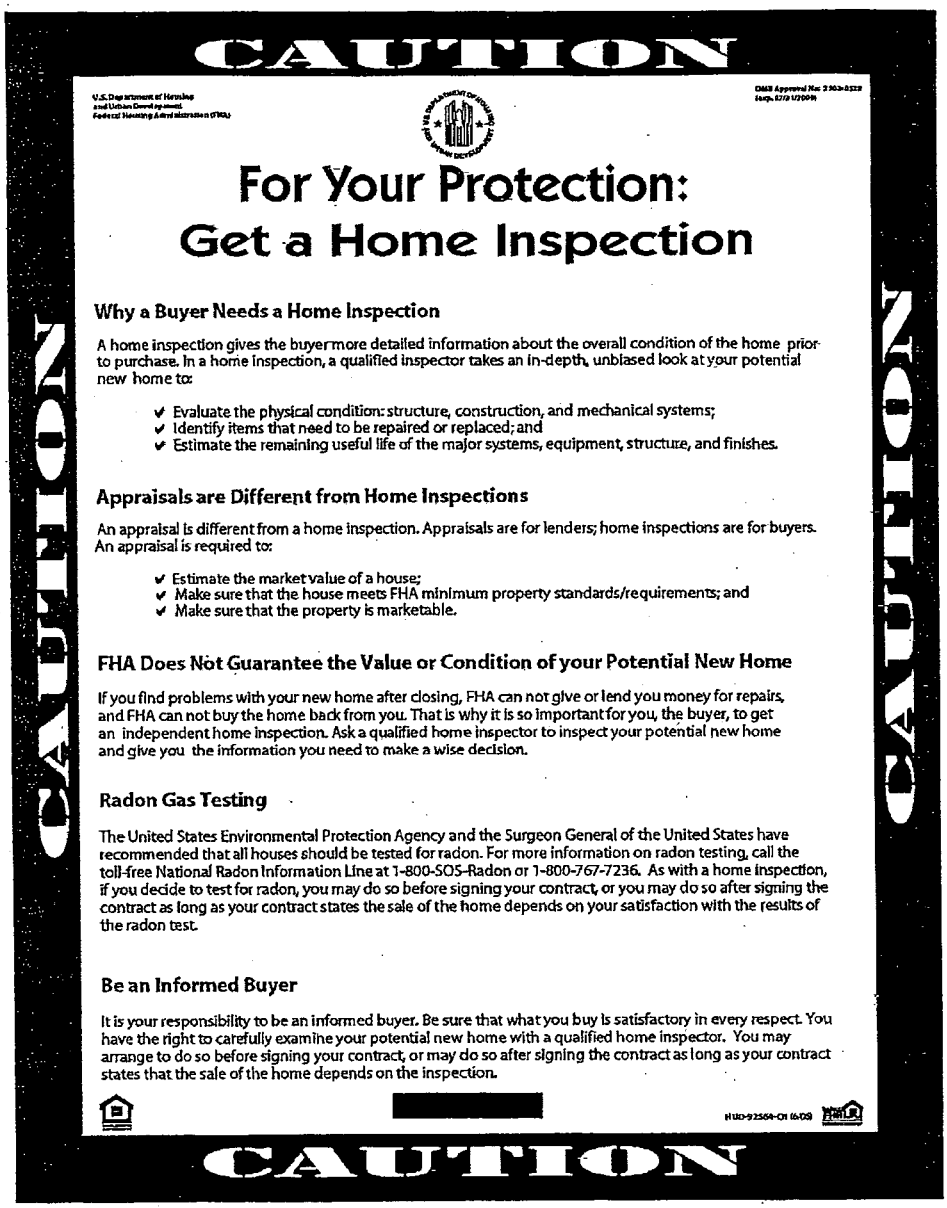
Buyer _____ Buyer _____
Date: 10-2-11 Date: 10-2-11

Buyer _____ Buyer _____
Date: _____ Date: _____

☐ If this box is checked, Buyer is financing the purchase of the home with an VA guaranteed loan. BY THE SIGNATURES BELOW, BUYER ACKNOWLEDGES THAT BUYER IS PURCHASING THE HOME WITH FULL KNOWLEDGE, UNDERSTANDING AND AGREEMENT THAT THE VALUE OF THE PROPERTY SET FORTH IN THE AMOUNT OF REASONABLE VALUE ESTABLISHED BY THE VA OR A VA LAPP LENDER IS LESS THAN THE TOTAL PURCHASE PRICE. BUYER AGREES TO PROCEED WITH THE CLOSING OF THE PURCHASE OF THE HOME AT THE TOTAL PURCHASE PRICE, AND BUYER FURTHER AGREES TO PAY THE DIFFERENCE AT CLOSING. BUYER HEREBY EXECUTES THIS NOTICE WITHIN FIVE (5) DAYS OF BUYER'S RECEIPT OF THE AMOUNT OF REASONABLE VALUE ESTABLISHED BY THE VA OR VA LAPP LENDER.

Buyer _____ Buyer _____
Date: _____ Date: _____

Buyer _____ Buyer _____
Date: _____ Date: _____


CAUTION

U.S. Department of Housing and Urban Development
Federal Housing Administration (FHA)

OMB Approved No. 2502-0532
Exp. 07/31/2009

For Your Protection: Get a Home Inspection

Why a Buyer Needs a Home Inspection

A home inspection gives the buyer more detailed information about the overall condition of the home prior to purchase. In a home inspection, a qualified inspector takes an in-depth, unbiased look at your potential new home to:

- ✔ Evaluate the physical condition: structure, construction, and mechanical systems;
- ✔ Identify items that need to be repaired or replaced; and
- ✔ Estimate the remaining useful life of the major systems, equipment, structure, and finishes.

Appraisals are Different from Home Inspections

An appraisal is different from a home inspection. Appraisals are for lenders; home inspections are for buyers. An appraisal is required to:

- ✔ Estimate the market value of a house;
- ✔ Make sure that the house meets FHA minimum property standards/requirements; and
- ✔ Make sure that the property is marketable.

FHA Does Not Guarantee the Value or Condition of your Potential New Home

If you find problems with your new home after closing, FHA can not give or lend you money for repairs, and FHA can not buy the home back from you. That is why it is so important for you, the buyer, to get an independent home inspection. Ask a qualified home inspector to inspect your potential new home and give you the information you need to make a wise decision.

Radon Gas Testing

The United States Environmental Protection Agency and the Surgeon General of the United States have recommended that all houses should be tested for radon. For more information on radon testing, call the toll-free National Radon Information Line at 1-800-SOS-Radon or 1-800-767-7236. As with a home inspection, if you decide to test for radon, you may do so before signing your contract, or you may do so after signing the contract as long as your contract states the sale of the home depends on your satisfaction with the results of the radon test.

Be an Informed Buyer

It is your responsibility to be an informed buyer. Be sure that what you buy is satisfactory in every respect. You have the right to carefully examine your potential new home with a qualified home inspector. You may arrange to do so before signing your contract, or may do so after signing the contract as long as your contract states that the sale of the home depends on the inspection.

[redacted]

HUD-92564-CN (6/09)

CAUTION

CAUTION

CAUTION

I/we understand the importance of getting an independent home inspection. I/we have considered this before signing a contract with the Seller for a home. Furthermore, I/we have carefully read this notice and fully understand that FHA will not perform a home inspection nor guarantee the price or condition of the property.

✓ **I/We choose to have a home inspection performed.**

_____ **I/We choose <u>not</u> to have a home inspection performed.**

X [signature] 10-2-11	X [signature] 10-2-11
Signature & Date	Signature & Date
X	X
Signature & Date	Signature & Date

Affiliated Business Arrangement Disclosure Statement

BUYER: Brian K Camara / Cynthia Camara

PROPERTY: 118 Maywood Dr.

This is to give you notice that the following companies have business relationships with each other: Universal American Mortgage Company, LLC, Lennar Carolinas, LLC and North American Advantage Insurance Services, LLC, and each of these companies is, directly or indirectly, wholly owned by Lennar Corporation. Because of these relationships, referral of services by the undersigned may provide a financial or other benefit.

Set forth below are the types of settlement services offered by these affiliated companies and the estimated charge or range of charges generally required by these companies for such settlement services. You are NOT required to use any of the companies listed above as a condition for purchase of the subject property.

THERE ARE FREQUENTLY OTHER SETTLEMENT SERVICE PROVIDERS AVAILABLE WITH SIMILAR SERVICES. YOU ARE FREE TO SHOP AROUND TO DETERMINE THAT YOU ARE RECEIVING THE BEST SERVICES AND THE BEST RATE FOR THESE SERVICES.

Provider and Settlement Services/ Estimated Range of Charges

MORTGAGE

Universal American Mortgage Company, LLC arranges and makes mortgage loans and the following are estimated mortgage loan related charges or range of charges **(not all of the charges may apply):**

Description of Fee	Range of Cost	
Loan Origination Points	0% - 1%	(of the loan amount)
Loan Points for Interest Rate Chosen	0% - 3%	(of the loan amount)
Loan Origination Charge	$575 - $900	
Appraisal Fee Paid to Appraiser	$350 - $500	
Credit Report Fee Paid to Outside Agency	$ 12 - $100	

The actual fees charged may vary based on the size of your loan, loan program and interest rate you choose. There also will be other third party charges. You will receive a Good Faith Estimate when you apply for your mortgage loan that will give you an estimate of all anticipated charges.

TITLE

Lester & Lester, P.A. and Buist, Byars & Taylor LLC (collectively, Attorney) provides closing services and also arranges for title insurance through numerous underwriters, one of which is North American Title Insurance Company (North American). Attorney is not affiliated with Lennar Corporation. In connection with the purchase of the subject property, we recommend Attorney to handle the closing and the issuance of any title insurance, which (if Attorney is selected by you) may be provided by North American. Because of the business relationship and arrangement described above, the referral to Attorney may provide Lennar Corporation a financial or other benefit. You are not required to use Attorney or North American.

The following are estimated charges or range of charges for the settlement services listed should North American provide the title insurance:

- Owner's Policy:

$3.00 per $1,000 of purchase price up to $50,000
$2.50 per $1,000 of purchase price over $50,000 and up to $100,000
$1.75 per $1,000 of purchase price over $100,000 and up to $500,000
$1.50 per $1,000 of purchase price over $500,000 and up to $5,000,000
$1.00 per $1,000 of purchase price over $5,000,000

Affiliated Business Arrangement Disclosure Statement

- Loan Policy:
$3.00 per $1,000 of loan amount up to $50,000
$2.50 per $1,000 of loan amount over $50,000 and up to $100,000
$1.75 per $1,000 of loan amount over $100,000 and up to $500,000
$1.50 per $1,000 of loan amount over $500,000 and up to $5,000,000
$1.00 per $1,000 of loan amount over $5,000,000

- Enhanced Owner's or Loan Policies are 20% more

- Title Policy Endorsement(s):
$50.00 - $100 each for standard endorsements, 10% or 20% of policy premium for extra-risk endorsements

INSURANCE

North American Advantage Insurance Services, LLC (NAAIS) is an insurance agent that provides, among other products, homeowner's/hazard and flood insurance. Set forth below is the estimated range of charges by NAAIS for the settlement services listed.

Settlement Service	Range of Charges - Annual Premium
Hazard Insurance	.2% - 2.5% of Home Price
Flood Insurance	.1% - .5% of Home Price

NOTE:
The above is a premium range for hazard and flood insurance. If enhancements to the standard policy such as increased limits, scheduled articles, and/or earthquake coverage are required, the premium may increase. Actual quote and acceptance by NAAIS is subject to NAAIS' application of its underwriting guidelines, including but not limited to verification of your credit score and previous loss history.

Of course, the cost of your insurance may vary due to many factors including, without limitation, the size, location and cost of your home.

Acknowledgement

I/we have read this notice and understand that Seller is referring me/us to purchase the above-described settlement services and may receive a financial or other benefit as a result of this referral.

Buyer's Signature _____ Date 10-2-11 — Printed Name of Seller: Brian Cynthia Camara

Buyer's Signature _____ Date 10-2-11 — Sales Associate's Signature _____ Date

Buyer's Signature _____ Date

Buyer's Signature _____ Date

SOUTH CAROLINA-LENNAR (7/28/11)
MODIFICATION 7

1629375v.8

COOPERATING BROKER AGREEMENT

THIS COOPERATING BROKER AGREEMENT (this "Agreement") is made and entered into effective as of the 2 day of October, 2011, between Brian K Camara / Cynthia Camara ("Cooperating Broker") and Lennar ("Seller"), respecting Lot 59 of Block ____, of Spring Grove Plantation Subdivision/Plat in the community known as The Abby (the "Community").

1. **Defined Terms**. All initially capitalized terms not defined herein shall have the meanings set forth in that certain Purchase and Sale Agreement, by and between _____ ("Buyer") and Seller, dated as of _____, 20[ ].

2. **Cooperating Broker**. Notwithstanding anything contained in the Agreement to the contrary, Seller and Cooperating Broker acknowledge that Buyer has dealt with the following brokerage firm in connection with the purchase of the Property ("Cooperating Broker"):

Name of Cooperating Broker:	Gay Hartman
Address:	1530 Trolley Rd Summerville, SC 29485
Business Phone:	843-607-3480
Name of Sales Associate of Cooperating Broker:	
Date of Registration:	9-16-2011

Seller agrees to pay Cooperating Broker, at Closing, a commission in the amount of three percent (3%) of the **Base Purchase Price plus the Homesite Premium less any builder incentives and/or discounts to the Base Purchase Price** as that amount is determined by the Purchase Price and Payment Addendum (the "Commission"), subject however to the terms and conditions set forth below and in the Broker Participation Policy ("Participation Policy"). As set forth herein, "incentive" shall mean the total dollar value of all consideration, incentives, discounts, credits, reductions, gifts or other inducements offered or arranged by Seller in connection with Buyer's purchase of the Property, including, without limitation, any: reduction or discount in the Total Purchase Price, Base Purchase Price, or the Homesite Premium; credit for or contribution toward Closing Costs; payment of or contribution toward assessments or capital contributions charged by any homeowner's association or Seller; payment of or contribution toward homeowner's casualty or liability insurance, and/or lease payments; financing incentive such as payment of buy down fees to the Lender; and retail value of any gift to Buyer. No Commission shall be payable by Seller unless Buyer consummates the purchase of the Property in accordance with the terms and conditions of the Purchase and Sale Agreement; accordingly, the Commission shall not be deemed earned unless and until the Closing occurs. Cooperating Broker agrees that it shall look to Buyer for any other commission due to Cooperating Broker that is in excess of the Commission payable by Seller pursuant to this Agreement and for any commission due to any other real estate brokers or salesmen claiming to have represented Buyer in connection with the purchase of the Property. Notwithstanding the foregoing, Seller agrees to pay any and all commissions due to Seller's New Home Consultants working in Seller's sales office.

3. **Sales Associate of Cooperating Broker**. By signing below, sales associate or designated agent of Cooperating Broker ("Sales Associate") agrees, on behalf of himself/herself and on behalf of Cooperating Broker, to the terms of this Agreement. Without limiting the foregoing, Sales Associate agrees that Seller's sole responsibility hereunder is to pay the Commission to Cooperating Broker in the manner described above. Any other amounts payable to Sales Associate and/or Cooperating Broker shall be the sole responsibility of Buyer, if provided for in a separate agreement between Cooperating Broker and Buyer. In addition, Sales Associate hereby personally represents and warrants that Sales Associate has full power and authority to execute and deliver this Agreement on behalf of Cooperating Broker and that such execution of this Agreement on behalf of Cooperating Broker has been duly authorized by all necessary and proper corporate action of Cooperating Broker.

4. **Participation Policy**. By signing this Agreement, Sales Associate acknowledges that Sales Associate has read and agrees, on behalf of such Sales Associate and Cooperating Broker, to comply with the terms and conditions in the Participation Policy set forth below. This Agreement shall be null and void if Seller determines, in its absolute discretion, at any time before Closing that Sales Associate and/or Cooperating Broker has/have violated the terms of the Participation Policy. The Participation Policy follows:

> 4.1 In order for Cooperating Broker to receive a commission in connection with the sale of real property in the Community, Cooperating Broker or Sales Associate must register a prospective buyer (the "Prospect") in person at the sales office for the Community (phone registrations will not be accepted). Cooperating Broker or Sales Associate must accompany the Prospect during Prospect's initial visit. If the tracking system used at the sales office for the Community indicates that the Prospect was initially introduced to the Community via the internet, and/or initially registered at the sales office without being accompanied by Cooperating Broker or Sales Associate, neither Cooperating Broker nor Sales Associate shall be entitled to receive a commission in connection with the sale of real property in the Community to such Prospect. This registration is effective for the period of their realtor buyers contract ("Registration Period"). Cooperating Broker may extend the Registration Period as needed.

Broker _____

4.2 Cooperating Broker shall be entitled to receive the Commission, provided that the Prospect (i) is properly registered, (ii) contracts to purchase a home from the on-site sales staff in the Community ("**New Home Consultant**") before the expiration of the Registration Period, and (iii) closes on the transaction pursuant to the Purchase and Sale Agreement for the Property. Notwithstanding the foregoing, in the event two or more brokers claim that they are entitled to a commission from having registered a Prospect, the cooperating broker who is the procuring cause of the sale will be entitled to the commission. This registration, or any extension thereof, does not protect Cooperating Broker or Sales Associate from another broker or sales associate registering the same Prospect in the Community.

4.3 Seller will pay the Commission to Cooperating Broker, provided that the terms and conditions contained herein are satisfied and except as otherwise set forth above relating to later-registering cooperating brokers. In all cases, Sales Associate agrees to look solely to Cooperating Broker for payment of any commission. By way of example, if Sales Associate terminates his/her employment with a registered Cooperating Broker who is entitled to a commission pursuant to this Participation Policy, then Sales Associate shall have no claim against Seller with respect to such commission.

4.4 Cooperating Broker and Sales Associate acknowledge that this Participation Policy, the registration forms, sign-up sheets and other incentives, contracts, or forms given to Prospects or buyers of homes are trade secrets of Seller. Cooperating Broker agrees to indemnify, defend and hold Seller harmless from and against any and all claims, demands, damages, losses, costs and expenses of whatever nature or kind, including reasonable attorneys' fees, paraprofessional fees and costs relating to or arising out of any claim against Seller as a result of conduct or representations made by Cooperating Broker and/or Sales Associate. In the event that Seller must enforce or defend any of the terms and conditions of this Participation Policy, Seller shall be entitled to collect from Cooperating Broker reasonable attorneys' fees, paraprofessional fees and costs.

5. **Cooperating Broker Status, Duties and Prohibitions**. Sales Associate, on behalf of himself/herself and on behalf of Cooperating Broker, hereby represents, warrants and covenants as follows:

[**SALES ASSOCIATE MUST INITIAL 5.1 AND 5.2 BELOW IF SERVING AS A SINGLE AGENT, OR 5.4 BELOW IF SERVING AS A DUAL AGENT**]

_____
Initials

5.1 Cooperating Broker is a licensed real estate broker in the State of South Carolina and is serving as a single agent on behalf of Buyer in the purchase of the Home. Cooperating Broker agrees to provide Seller with a copy of their current and valid broker license within fifteen (15) days of the execution of the Purchase and Sale Agreement by Buyer.

_____
Initials

5.2 Sales Associate is a licensed real estate broker or salesperson in the State of South Carolina and is a designated agent of Cooperating Broker serving as a single agent on behalf of Buyer in the purchase of the Home. Sales Associate agrees to provide Seller with a copy of their current and valid license within fifteen (15) days of the execution of the Purchase and Sale Agreement by Buyer.

_____
Initials

5.3 Each of Cooperating Broker and Sales Associate shall comply with all requirements of applicable law as an agent on behalf of Buyer in their representation of Buyer in the purchase of the Home and will assist the parties with communication, interposition, advisement, negotiation, contract terms and closing.

_____
Initials

5.4 The Cooperating Broker and/or Sales Associate is/are a licensed real estate broker and/or salesperson in the State of South Carolina, and is serving as a disclosed dual agent for both the Buyer and the Seller. Cooperating Broker and/or Sales Associate hereby agree to provide Seller with a copy of their current and valid license within fifteen (15) days of the execution of the Purchase and Sale Agreement by Buyer. Cooperating Broker and/or Sales Associate agree that they shall not, without express permission, disclose that the Seller will accept a price less than the listing price of that Buyer will pay a price greater than the offered price.

6. **Acknowledgment by Cooperating Broker**. This document supersedes any previous Registration Form filed by the Cooperating Broker or any of its agents or employees with the Seller, its agents or employees. Violation by the Cooperating Broker of any provision of this document will constitute a breach of this document by the Cooperating Broker and will, at the Seller's election, void any obligation of the Seller to pay a commission or fee to the Cooperating Broker and will, at the Seller's election, entitle the Seller to whatever remedies it may have at law or in equity.

7. **Governing Law**. This Agreement is governed by South Carolina law, without regard to its conflicts of law rules.

Broker_____

8. **Conflicts**. In the event of any conflict between this Cooperating Broker Agreement and the Purchase and Sale Agreement or any other addenda and/or riders, this Disclosure shall control. In all other respects, the Purchase and Sale Agreement shall remain in full force and effect.

9. **Counterparts**. This Agreement may be executed in counterparts, a complete set of which shall form a single document.

10. **Entire Agreement**. This Agreement sets forth the entire agreement between Seller, Cooperating Broker and Sales Associate and shall not be altered, modified or amended unless such amendment is set forth in writing and signed by all parties to this Agreement.

COOPERATING BROKER:

_____, by
its Sales Associate

By: Gay A. Hartman

Print Name: Gay A. Hartman

Date: 10/12/11

SELLER: _____

_____
Authorized Agent of Seller
Date: 10/12/11

SALES ASSOCIATE

Samuel Bradley

Print Name: Samuel Bradley

Date: 10-2-2011

COOPERATING BROKER ADDENDUM

THIS COOPERATING BROKER ADDENDUM (this "Addendum") is executed in conjunction with and, by this reference, incorporated into the Purchase and Sale Agreement (the "Agreement") dated as of the 2 day of October, 2011, between Brian K Cannon/Cynthia Cannon (collectively, "Buyer") and Seller, as defined in the Agreement, respecting Lot 59 of Block ____, of Spring Grove Subdivision/Plat in the community known as The Abbey (the "Community").

1. Defined Terms. All initially capitalized terms not defined herein shall have the meanings set forth in the Agreement, and all references in this Addendum to the Agreement shall be deemed to include references to this Addendum and to every other addendum attached to the Agreement, which are hereby incorporated by this reference.

2. Cooperating Broker. Notwithstanding anything contained in the Agreement to the contrary, Seller and Buyer acknowledge that Buyer has dealt with the following brokerage firm in connection with the purchase of the Property ("Cooperating Broker"):

Name of Cooperating Broker: Gay Hartman

Address: 1536 Trolley Road, Summerville, SC 29485

Business Phone: 843-871-9000

Name of Sales Associate of Cooperating Broker: ____

Date of Registration: 9-16-2011

Seller agrees to pay Cooperating Broker, at Closing, a commission in the amount of three percent (3%) of the Base Purchase Price plus the Homesite Premium less any builder incentives and/or discounts to the Base Purchase Price as that amount is determined by the Purchase Price and Payment Addendum (the "Commission"), subject however to the terms and conditions set forth below and in a separate Cooperating Broker Agreement ("Broker Agreement"). As set forth herein, "incentive" shall mean the total dollar value of all consideration, incentives, discounts, credits, reductions, gifts or other inducements offered or accepted by Seller in connection with Buyer's purchase of the Property, including, without limitation, any: reduction or discount in the Total Purchase Price, Base Purchase Price, or the Homesite Premium; credit for or contribution toward Closing Costs; payment of or contribution toward assessments or capital contributions charged by any homeowner's association or Seller; payment of or contribution toward homeowner's casualty or liability insurance, and/or lease payments; financing incentive such as payment of buy down fees to the Lender; and retail value of any gift to Buyer. No Commission shall be payable by Seller unless Buyer consummates the purchase of the Property in accordance with the terms and conditions of the Purchase and Sale Agreement; accordingly, the Commission shall not be deemed earned unless and until the Closing occurs. Buyer agrees that it shall be responsible for any other commission due to Cooperating Broker that is in excess of the Commission payable by Seller pursuant to this Addendum and the Broker Agreement and for any commission due to any other real estate brokers or salesmen claiming to have represented Buyer in connection with the purchase of the Property. Notwithstanding the foregoing, Seller agrees to pay any and all commissions due to Seller's New Home Consultants working in Seller's sales office.

3. Governing Law. This Addendum is governed by the law of the state where the Property is located, without regard to its conflicts of law rules.

4. Counterparts. This Addendum may be executed in counterparts, a complete set of which shall form a single Addendum.

5. Conflicts. In the event of any conflict between this Addendum and the Agreement, this Addendum shall control. In all other respects, the Agreement shall remain in full force and effect.

6. Entire Agreement. The Agreement, together with this Addendum and any other addenda or riders to the Agreement, contains the entire agreement between Buyer and Seller concerning the matters set forth herein. All prior discussions, negotiations and contracts relating to investors and occupancy requirements, if any, whether oral or written, are hereby superseded by these documents. No addition or modification of this Addendum or the Agreement shall be effective unless set forth in writing and signed by Buyer and an authorized agent of Seller.

7. Survival. All of the terms of this Addendum shall survive Closing and the delivery of the Deed.

[THE REST OF THIS PAGE LEFT INTENTIONALLY BLANK]

Broker ____

1877323v.1

INITIAL

Buyer
Date: 10-2-11

Buyer
Date: 10-2-11

Buyer
Date:

Buyer
Date:

SELLER:

10/12/11
Authorized Agent of Seller

INSULATION ADDENDUM

THIS INSULATION ADDENDUM (this "**Addendum**") is executed in conjunction with and, by this reference, incorporated into the Purchase and Sale Agreement (the "**Agreement**") dated as of Oct. 2, 20 11, between Brian K Camara/Cynthia Camara (collectively, "**Buyer**") and Seller, as defined in the Agreement, respecting Lot 59 of Block ____ of Spring Grove Subdivision/Plat in the community known as The Abbey (the "**Community**").

1. **Defined Terms**. All initially capitalized terms not defined herein shall have the meanings set forth in the Agreement, and all references in this Addendum to the Agreement shall be deemed to include references to this Addendum and to any other addenda and riders attached to the Agreement, which are hereby incorporated by this reference.

2. **Insulation**. Pursuant to Title 16, Chapter I, Section 460.16 of the Code of Federal Regulations, the insulation that is or will be installed in the Home where conditioned space meets unconditioned space is as follows and will, according to the manufacturer, yield the R-values stated:

Location	Type	Thickness	R-Value
Exterior Walls	Insulative Foil		R- 13
Other Walls	Fiberglass Batts		R-
Ceilings	Fiberglass Blown		R- 30
Non-slab floors (if applicable)	Fiberglass Batts		R-
Roof	Fiberglass Batts		R- 30

If so indicated above, fiberglass (also known as glass wool) is/will be used for insulation in the Home. The U.S. Department of Health and Human Services ("**HHS**") has listed fiberglass as a substance "which may reasonably be anticipated to be a carcinogen." This listing identifies substances selected for further study because of their potential carcinogenic risk but is not an assessment by HHS that there is a causal connection between fiberglass and human cancer. The listing does not establish that fiberglass presents a risk to persons in their daily lives.

3. **Counterparts**. This Addendum may be executed in counterparts, a complete set of which shall form a single Addendum.

4. **Conflicts**. In the event of any conflict between this Addendum and the Agreement, this Addendum shall control. In all other respects, the Agreement shall remain in full force and effect.

5. **Entire Agreement**. The Agreement, together with this Addendum and any other addenda and riders to the Agreement, contains the entire agreement between Buyer and Seller concerning the matters set forth herein. All prior discussions, negotiations and contracts relating to investors and occupancy requirements, if any, whether oral or written, are hereby superseded by these documents. No addition or modification of this Addendum or the Agreement shall be effective unless set forth in writing and signed by Buyer and an authorized agent of Seller.

Buyer
Date: 10-2-11

Buyer
Date: 10-2-11

Buyer
Date:

Buyer
Date:

SELLER:

Authorized Agent of Seller
Date: 10/12/11

INDOOR ENVIRONMENTAL QUALITY DISCLOSURE

THIS INDOOR ENVIRONMENTAL QUALITY DISCLOSURE (this "Disclosure") is delivered in conjunction with and, by this reference, incorporated into the Purchase and Sale Agreement (the "Agreement") dated as of the 2 day of October, 2011 between Brian K Carson/Cynthia Carson (collectively, "Buyer") and Seller, as defined in the Agreement, respecting Lot 56 of Block ____, of Spring Cove Subdivision/Plat in the community known as The Abby (the "Community").

1. **Defined Terms**. All initially capitalized terms not defined herein shall have the meanings set forth in the Agreement, and all references in this Disclosure to the Agreement shall be deemed to include references to this Disclosure and to any other disclosure and/or addenda and riders attached to the Agreement, which are hereby incorporated by this reference.

2. **Indoor Environmental Contaminates**. There are many different types of indoor environmental contaminants, such as pet dander, dust mites and mold. Molds and other potential contaminants have been a part of our environment for millions of years. Contaminants are everywhere, indoors and outdoors. Therefore, everyone is exposed to some contaminants on a daily basis without evident harm. Due to a number of factors, including the fact that sensitivities to various types of molds and other potential contaminants vary from person to person, there are no state or federal standards concerning acceptable levels of exposure to mold. According to the Consumer Product Safety Commission and the American Lung Association, some diseases or illness have been linked with biological pollutants in the indoor environment, including some forms of mold. However, many of these conditions also have causes unrelated to the indoor environment. Therefore, it is unknown how many potential health problems relate exclusively to poor indoor air. Buyer should determine for himself/herself whether Buyer, Buyer's family members or any other individuals who will occupy or use the Home have special needs or increased risk to these conditions. Buyer should carefully monitor the conditions in the Home for mold growth and other contaminants.

When excessive moisture or water accumulates indoors, mold growth can and will occur, particularly if the moisture problem remains unaddressed. There is no practical way to eliminate all molds or mold spores in an indoor environment. The key to controlling indoor mold growth is to control moisture.

There are many ways to help control moisture in and beneath the Home. The U.S. Environmental Protection Agency, the Consumer Product Safety Commission, the American Lung Association and others recommend taking measures such as those listed below to help control moisture in and beneath the Home. The following list is not meant to be all-inclusive.

- Fix leaking plumbing and any other source of unwanted water immediately.
- Maintain proper indoor humidity. Equipment that conditions the air, such as air conditioners, humidifiers and ventilation systems must be operated year round.
- Raise the temperature in areas where moisture condenses on surfaces and open doors between rooms to increase air circulation in the Home, including doors to closets.
- Have major appliances, such as furnaces, heat pumps, central air conditioners, window air conditioning units, ventilation systems and furnace attached humidifiers inspected, cleaned and serviced regularly by a qualified professional.
- Clean and dry refrigerator, air conditioner and dehumidifier drip pans and filters regularly and make sure that refrigerator and freezer doors seal properly.
- Keep water away from the foundation of the Home by maintaining required slopes, drainage and keeping plantings and sprinklers the proper distance from the Home.
- If there is a sump pump in the Home, inspect it regularly to ensure that it is properly operating.
- If there is a crawl space or structural sub-floor, inspect the ground beneath the floor on a regular basis to make sure there is no standing or excessive water. If there is standing or excessive water, seek professional assistance to remove the water. If Buyer is interested in finishing the basement, only do so after consulting an expert to determine the suitability of the basement for a finished area.

The following are suggestions that may assist Buyer in preventing and addressing mold growth in the Home.

- It is important that Buyer responds promptly when Buyer sees signs of moisture or mold.
- Do not allow moisture to stand or make contact with carpet, furniture and cellulose-based materials, such as wood, drywall or other non-tile, non-plastic or non-metal materials.
- Dry all water damaged areas and items immediately to prevent mold growth.

Buyer _____ Buyer _____

- If mold develops, clean up the mold by washing off hard surfaces with detergent and water and completely dry the surface.
- Depending upon the nature and extent of the mold infestation, trained professionals may be needed to assist in the remediation effort.
- Mold that is not properly and adequately removed may reappear.

Proper maintenance and cleaning of the Home is the responsibility of each homeowner and will lessen the potential for water intrusion and help to control indoor environmental contaminants. Further, it is the responsibility of each homeowner to monitor their Home on a continual basis for excessive moisture, water and mold accumulation. If Buyer discovers accumulation of water or moisture in, around or under the Home, Buyer should immediately seek to control the source of the water or moisture. Failing to control the source could result in additional damage and the growth of mold. Plumbing leaks and water penetrations that are covered by the Limited Warranty, if any, during the term of the Limited Warranty must be reported to Seller immediately. If the Limited Warranty has expired or does not cover the specific problem, Buyer should not delay in having professionals address the problem. Seller will not be responsible for, and Buyer agrees to indemnify and hold harmless Indemnified Parties from and against all Claims in connection with, water-related damages, including personal injuries or property damage caused by mold, but only to extent that the damages are caused by (A) Buyer's negligence, (B) Buyer's failure to promptly take appropriate corrective measures and minimize any damages caused by the water or moisture, or (C) Buyer's failure to promptly provide Seller with notice of the water or moisture and give Seller an opportunity to dry the water or moisture and remediate, if necessary, any moisture conditions in the Home caused by improper construction. Buyer also agrees to waive all rights of subrogation for damages resulting from water-related damages, mold growth, any personal injuries, or any remediation resulting from (A) Buyer's negligence, (B) Buyer's failure to promptly take appropriate corrective measures and minimize any damages caused by the water or moisture, or (C) Buyer's failure to promptly provide Seller with notice of the water or moisture and give Seller an opportunity to dry the water or moisture and remediate, if necessary, any moisture conditions in the Home caused by improper construction.

3. **Counterparts**. This Disclosure may be executed in counterparts, a complete set of which shall form a single Disclosure.

4. **Conflicts**. In the event of any conflict between this Disclosure and the Agreement or any other addenda and/or riders, this Disclosure shall control. In all other respects, the Agreement shall remain in full force and effect.

5. **Entire Agreement**. The Agreement, together with this Disclosure and any other addenda and/or riders to the Agreement, contains the entire agreement between Buyer and Seller concerning the matters set forth herein. All prior discussions, negotiations and contracts relating to investors and occupancy requirements, if any, whether oral or written, are hereby superseded by these documents. No addition or modification of this Disclosure or the Agreement shall be effective unless set forth in writing and signed by Buyer and an authorized agent of Seller.

Buyer
Date: 10-2-11

Buyer
Date: 10-2-11

Buyer
Date:

Buyer
Date:

SELLER:

Authorized Agent of Seller
Date: 10/12/11

SCHLAGE LINK ADDENDUM

THIS SCHLAGE LINK ADDENDUM (this "**Addendum**") is, by this reference, made part of the Purchase and Sale Agreement (the "**Agreement**") dated as of the 2 day of October, 2011 between Brian K Cameron / Cynthia Cameron (collectively, "**Buyer**") and Seller, as defined in the Agreement, respecting Lot 457 of Block ____ of 1 Spring Grove Subdivision/Plat in the community known as The Abbey (the "**Community**").

1. **Defined Terms**. All initially capitalized terms not defined herein shall have the meanings set forth in the Agreement, and all references in this Addendum to the Agreement shall be deemed to include references to this Addendum and to any other addenda and riders attached to the Agreement, which are hereby incorporated by this reference.

2. **Schlage LiNK**. The Property will be equipped with Schlage LiNK which uses Z-Wave® technology in a secure, web-based system that allows remote monitoring and control of Z-Wave® enabled door locks, Z-Wave enabled Trane Remote Energy Management Thermostats, Schlage cameras and indoor and outdoor Z-Wave enabled lighting. There is a monthly fee for remote access capabilities and there must be internet access.

3. **Schlage LiNK Performance**. Buyer will receive a warranty from the manufacturer. Seller assumes no liability for either the performance of Schlage LiNK or the performance or availability of remote access.

4. **Manufacturers' Warranty Disclaimer**. SELLER ASSIGNS AND PASSES THROUGH TO BUYER THE MANUFACTURERS' WARRANTIES FOR SCHLAGE LINK AND SELLER MAKES NO WARRANTIES WITH RESPECT THERETO. SELLER DISCLAIMS ANY WARRANTY OF ANY KIND, EXPRESS OR IMPLIED, ON SCHLAGE LINK, INCLUDING, WITHOUT LIMITATION, ANY WARRANTY OF USE, FITNESS OF USE, WORKMANSHIP OR QUALITY. SELLER SHALL NOT BE LIABLE FOR ANY DAMAGES OR INJURY TO THE SCHLAGE LINK OR FOR ANY DAMAGES OR INJURY CAUSED BY SCHLAGE LINK. SELLER'S DISCLAIMER OF MANUFACTURERS' WARRANTIES DOES NOT LIMIT OR OTHERWISE AFFECT THE WARRANTY OF ANY MANUFACTURER.

5. **Counterparts**. This Addendum may be executed in counterparts, a complete set of which shall form a single Addendum.

6. **Conflicts**. In the event of any conflict between this Addendum and the Agreement, this Addendum shall control. In all other respects, the Agreement shall remain in full force and effect.

7. **Entire Agreement**. The Agreement, together with this Addendum and any other addenda and riders to the Agreement, contains the entire agreement between Buyer and Seller concerning the matters set forth herein. All prior discussions, negotiations and contracts, whether oral or written, are hereby superseded by these documents. No addition or modification of this Addendum or the Agreement shall be effective unless set forth in writing and signed by Buyer and an authorized agent of Seller.

Buyer
Date: 10-2-11

Buyer
Date: 10-2-11

Buyer
Date:

Buyer
Date:

SELLER:

Authorized Agent of Seller
Date: 10/12/11

BUYER_____ BUYER_____

RICEFIELD WAY and THE ABBEY AT SPRING GROVE PLANTATION
MASTER DISCLOSURE AND INFORMATION ADDENDUM TO
PURCHASE AND SALE AGREEMENT
SOUTH CAROLINA

THIS MASTER DISCLOSURE AND INFORMATION ADDENDUM (this "**Addendum**") is executed in conjunction with and, by this reference, incorporated into the Purchase and Sale Agreement (the "**Agreement**") dated as of the 2 day of October, 20 11, between Brian K Camara / Cynthia Camara ("**Buyer**") and Seller, as defined in the Agreement, respecting Lot 54 of Building/Block ____, of Spring Grove Subdivision/Plat in the community known as **Spring Grove Plantation** (the "**Community**").

1. **Defined Terms**. All capitalized terms not defined herein shall have the meanings set forth in the Agreement, and all references in this Addendum to the Agreement shall be deemed to include references to this Addendum and to any other addenda and riders attached to the Agreement, which are hereby incorporated by this reference.

2. **Community**. The Property lies within a neighborhood known as Ricefield Way or The Abbey at Spring Grove Plantation (the "**Neighborhood**"), which lies within a community known as Spring Grove Plantation (the "**Community**"). This Addendum explains certain terms which are applicable to the purchase of Homes within the Community and the Neighborhood. Current plans are for Ben McCormick Homes, Harbor Homes and First Coast Homes to build homes in the Community. Other builders besides Seller may be added or deleted from the list of builders in the future. Seller, and any other builder in the Community, shall have the right, without notice to Buyer, to make changes to, among other things, homesite sizes, number of homes being built, size and style of homes being built, features and materials in homes being built, prices of homes (whether more or less than currently published), price per square foot of homes (whether more or less than currently published), street layout, amenity layout, and usage, location, size and number of trees, bushes and other foliage (current and future), and any other items or uses which are currently planned for the Community or the Neighborhood. Seller makes no representation or warranties that Seller will be the exclusive builder or developer in the Community or the Neighborhood or that the Community or the Neighborhood will be built out exactly as currently planned, and Seller expressly reserves the right to make whatever changes it deems necessary relating to future development or build out of the Community and the Neighborhood. Any current maps or other materials showing any final or projected community development may be modified or updated in the future.

SELLER HAS MADE NO REPRESENTATIONS OR PROVIDED ANY ASSURANCES WITH REGARD TO THE DEVELOPMENT OF HOMESITES IN AND AROUND THE COMMUNITY. HOMESITES IN AND AROUND THE COMMUNITY MAY REMAIN UNDEVELOPED AT THE SOLE DISCRETION OF SELLER, OTHER BUILDERS IN THE COMMUNITY, AND/OR THE DEVELOPER OF THE COMMUNITY. BUYER ACKNOWLEDGES THAT SELLER HAS MADE NO REPRESENTATIONS OR PROVIDED ANY ASSURANCES, STATED, IMPLIED, OR OTHERWISE WITH REGARD TO SELLER BEING THE SOLE OR EXCLUSIVE BUILDER WITHIN THE COMMUNITY. SELLER HAS MADE NO REPRESENTATIONS OR PROVIDED ANY ASSURANCES, STATED, IMPLIED, OR OTHERWISE WITH REGARD TO CONTINUING TO BUILD IN THE COMMUNITY THROUGH FINAL BUILD OUT AND/OR BUILDING UPON ANY UNDEVELOPED HOMESITE(S). FURTHERMORE, IT IS UNDERSTOOD THAT NO REPRESENTATIONS, ESTIMATES OR PROJECTIONS HAVE BEEN CONVEYED REGARDING THE FINAL BUILD OUT TIME OF ANY UNDEVELOPED HOMESITE(S) OR THE OVERALL COMPLETION SCHEDULE OF THIS COMMUNITY. BUYER ACKNOWLEDGES THAT SELLER CONSTANTLY EVALUATES THE PRICING, DESIGNS, PRODUCT MIX AND AMENITIES OF ITS COMMUNITIES AND SELLER MAKES NO REPRESENTATIONS OR WARRANTIES REGARDING WHETHER TO CONTINUE TO BUILD HOMES WITHIN THE COMMUNITY AND BUYER IS NOT RELYING UPON ANY OF THE FOREGOING IN DECIDING TO PURCHASE THE PROPERTY.

3. **Governing Documents**. Buyer acknowledges receipt, either in hard-copy or via internet or electronic means, of all documents ("**Governing Documents**") for the Community and the Neighborhood.

3.1 Buyer acknowledges receipt of, and agrees to be bound by the Declaration for Spring Grove Plantation Community (the "**Declaration**"), the Articles of Incorporation, By-Laws and any Rules and Regulations of Spring Grove Plantation Community Service Association, Inc., all as amended and supplemented from time to time (collectively, the "**Community Documents**"). Buyer acknowledges and agrees that title to the Home will be subject to the Community Documents.

3.2 The Property will be subject to certain deed restrictions as reflected in the General Limited Warranty Deed executed by Seller and furnished to Buyer at Closing. The deed restrictions run with the Homesite and require, among other things, that (i) buyer give Seller notice of Seller's defaults or any Claim (as defined therein) after Closing and (ii) Seller have an opportunity to inspect and cure defects in the Home. The deed restrictions further require the arbitration of any Claim against Seller that cannot be resolved.

3.3 Buyer acknowledges the provisions of the Governing Documents are fair and reasonable.

4. **Association Memberships**.

BUYER BC BUYER CC

4.1 Upon conveyance and recording of the Deed to the Home, Buyer understands and agrees that Buyer will then become a member of the Spring Grove Plantation Community Service Association, Inc., a South Carolina nonprofit corporation (the "**Association**"). Buyer agrees to accept the liability and obligations of such memberships. Buyer understands that as a member of the Association, Buyer will be required to pay Assessments (as defined in the Governing Documents) for the maintenance of the Common Areas (as defined in the Governing Documents) and for such other uses and purposes as are provided for in the Governing Documents. Buyer also understands and agrees that a failure to pay Assessments when due could cause the Association to record a lien on the Home and to foreclose such lien. Assessments are subject to additional increases in the manner currently provided for in the Governing Documents. Neither Seller, the Association, nor any other builder can estimate the amount or frequency of any such increase.

4.2 Buyer acknowledges that nominees of Seller, and the developer of the Community and the developer of the Neighborhood may serve as the initial officers and directors of the Association. The officers and directors and the management company, which may be an affiliate of Seller, are authorized by Buyer to act for and on the behalf of the Association. Seller may, but is not required to, advance monies to the Association for operations. In the event such advances are made, they will be considered a loan from Seller, and the Association will be obligated to repay such advances as set forth in the Community Documents.

4.3 Buyer acknowledges that all new construction and modifications of existing construction and exterior improvements within the Community are subject to the prior written approval of the appropriate architectural review, design review or similar committee or authority, which is appointed by the Board of Directors of the Association. Buyer agrees to comply with all rules and regulations of the appropriate authority (or authorities) governing construction of improvements within the Community and the Neighborhood as the same may be amended and exist from time to time. These restrictions are subject to change without notice. Building and use restrictions include, but are not limited to, residential and nonresidential uses, building specifications, accessory structures, nuisance, home occupancy, signage, antennas, animals, driveways, vehicle parking, rubbish, utility and drainage easements, clothes lines, fences, special rights of Seller, the developer of the Community, the developer of the Neighborhood and homebuilder(s), leases and restoration of homesites. Buyer agrees not to commence any construction upon the Homesite until it has obtained all requisite written approvals therefore. Buyer further agrees not to make any modifications of any existing buildings and improvements, including, but not limited to, landscaping and landscape irrigation, without the prior written approvals of the appropriate authority (or authorities) pursuant to any city, county or state regulation and pursuant to recorded covenants, conditions or restrictions governing the land. In addition, every city, county or town has building codes and other ordinances that regulate what is permissible within its jurisdictional limits. Prior to making changes to the Home or Homesite, Buyer should contact the applicable governmental authorities for further information concerning local codes and ordinances. Decks, fences and exterior color are among the more common, although not the only, improvements for which architectural approval is required.

4.4 Approval of any work by the appropriate reviewing authority or authorities shall not constitute an express or implied warranty of representation that any work complies with applicable codes, ordinances or other governmental regulations, or that the work is well designated or will be constructed in a proper manner.

4.5 Failure to submit plans and specifications to the appropriate reviewing authority or authorities for approval is a violation of the provisions of the Declaration and/or applicable deed restrictions, which may result in sanctions and/or the imposition of fines, and the removal, at homeowner expense, any of non-approved improvements or modifications.

5. **Community Charges**. In addition to the Closing Costs set forth in Rider B, Buyer shall pay the following additional Closing Costs respecting the Community:

5.1 Association Assessments. Assessments payable to the Association ("**Association Assessments**"), prorated for the month in which the Closing occurs (based on the then current Assessments at the time of closing). Such Assessments are estimated to be $_____ per year at this time. Buyer understands that the estimated operating budget for the Association is only an estimate of what it will cost to run the Association. The Association may make changes in the budget at any time to cover increases or decreases in expenses or estimates in the budget. Without limiting the generality of this Section, those changes will not give Buyer any right to cancel the Agreement.

5.2 Association Initial Capital Contribution. Buyer acknowledges that among other Assessments provided for in the Community Documents, the Association has established an initial capital contribution ("**Initial Capital Contribution**"). Buyer acknowledges that upon conveyance of the Property an Initial Capital Contribution in an amount equal to $_____ (or such amount as determined from time to time) is due. The Initial Capital Contribution may be used for any reason whatsoever including, without limitation, reimbursement for costs in setting up the Association and costs of deficit funding. Buyer acknowledges and agrees that the Initial Capital Contribution is not to be considered as an advance payment of Assessments.

5.3 Resale Capital Contribution. Buyer acknowledges that the Association may establish a Resale Capital Contribution (as defined in the Governing Documents). For more information on the Resale Capital Contribution, please refer to the Governing Documents.

6. **Security**. The Community is not a gated community and the roads in the Community are public.

7. **Building and Use Restrictions**. Every homesite is subject to building and use restrictions as set forth in the Declaration. These restrictions are subject to change without notice. Building and use restrictions may affect, among other things, residential and nonresidential uses, building specifications, accessory structures, nuisance, home occupancy, signage, antennas, satellite dishes, animals, driveways, vehicle parking, rubbish, utility and drainage easements, clothes lines, fences, special rights of Seller, any developer and homebuilder(s), leases and restoration of homesites. Seller encourages you to carefully review the Declaration and to ensure the long-term quality of life for both you and your neighbors.

8. **Municipal Building Codes And Ordinances**. Every city or town has building codes and other ordinances that regulate what is permissible within its jurisdictional limits. Prior to making changes to your Home or Homesite, you should contact the Building Inspector for Berkeley County at 843.719.4095 for further information concerning local codes and ordinances. Seller is not responsible for notifying Buyer or any other homeowners of the content or restrictions contained in any local codes or ordinances.

9. **Architectural Review**.

9.1 The Declaration currently provides that no improvements shall be commenced upon any homesite, nor shall the exterior color, style and materials of an approved structure on a homesite be altered without the prior written approval of the Architectural Control Committee ("**ACC**"), as applicable, which is appointed by the Board of Directors of the Association. Improvements constructed by Seller or the developer of the Community, or the Neighborhood, as applicable, are exempt from this requirement. Approval of any work by the ACC shall not constitute an express or implied warranty or representation by the ACC that any work complies with applicable codes, ordinances or other governmental regulations, or that the work is well designed or will be constructed in a proper manner. Decks, fences and exterior color are among the more common, although not the only, improvements for which architectural approval is required. For more information concerning architectural review, please review the Declaration.

9.2 Failure to submit plans and specifications to the ACC for approval is a violation of the Declaration, which may result in sanctions and/or the imposition of fines, and the removal, at homeowner expense, of any non-approved modifications.

10. **Pet Restrictions**. Buyer understands that the only pets allowed in the Neighborhood and the Community are those which are in accordance with the restrictions contained in the Community Documents or any amendments thereto.

11. **Short-Term Rentals**. Buyer acknowledges that homes in the Community may be rented for any length of time, subject to certain restrictions set forth in the Community Documents.

12. **Flood Zone**. Buyer acknowledges that the Property may be in a flood zone. Mortgage lenders will typically require the issuance of flood insurance as a requirement for financing, which insurance must be present at Closing. Seller recommends that each Buyer of a Home protect his/her Home by obtaining proper insurance coverage. It is possible, however, for Buyer to submit documentation to the Federal Emergency Management Agency (FEMA) to have the Home re-classified by FEMA, whereby the mortgage lender may have the option to waive the requirement of flood insurance. Buyer is solely responsible for the submission to FEMA for such re-classification and any and all expenses related to such submission. Further, Buyer acknowledges and understands that the waiver of flood insurance is at the sole discretion of the mortgage lender.

13. **Utilities**.

13.1 Buyer acknowledges that no septic tanks shall be permitted within the Community and the Neighborhood. No wells shall be installed without the express written consent of the ACC and all other applicable government agencies.

13.2 Some homesites contain or are adjacent to drainage and utility structures such as storm water overflow swales, storm water retention and/or detention basins, manholes, fire hydrants, electrical transformers, switch boxes, telephone pedestals and streetlights. None of these items shall be altered, obstructed, buried, modified, restricted or interfered with in any manner whatsoever. Overflow swales are generally utilized for overflow storm water capacity as a result of water drainage. Electrical transformers may only be landscaped to the extent permission is given by the utility provider. In some cases, water may flow from one homesite to another. State law may provide that the owner of the homesite receiving water is required to accept the water flow and may not impede the flow of this water. In addition, the Property will be graded to provide for reasonable drainage away from the Home's foundation. The vast majority of foundation problems are caused by insufficient drainage or lack of watering of soil around the foundation. Buyer should keep Buyer's lawn well watered to maintain consistent moisture content and avoid excess wetness, dryness or cracking of soil. The construction of curbs, decks, retaining walls, pools, spas, patios, landscape edging and similar items can also trap water within the yard area and cause structural damage to the Home's foundation. Seller strongly recommends that Buyer consult with a licensed landscape architect and civil engineer before performing any work or making any changes that may affect the existing drainage pattern.

BUYER _____ BUYER _____

13.3 Berkeley County provides water to the Community. Because Seller does not control the water supply, Seller cannot guarantee the quality of the water provided to the Community. In addition, this area is periodically subjected to extended periods of drought that may cause depletion of water supplies. Municipalities and other providers of water services (including the Town of Moncks Corner) may enact mandatory or voluntary cut backs or other restrictions in water usage. Seller has no control, influence, responsibility or liability for or over decisions concerning water rationing.

13.4 If Buyer has any questions about utility rates, services, safety, or anything else to do with overhead or underground transmission or utility lines, Buyer should contact the utility companies directly. Because Seller values Buyer's safety and that of Buyer's neighbors, no excavation or trenching should be done without first calling the utility companies for the location of buried utilities. There is currently no charge by the utilities for this service. This is especially important in utility easements where buried utility equipment is probable. Digging without advance notification and approval of the utility companies may be illegal, is dangerous and can result in severe personal injury or death to Buyer and Buyer's neighbors, and can also result in severe property damage to homes, property and utility equipment.

14. **Waterbodies**. BUYER ACKNOWLEDGES THAT THE WATER LEVELS OF LAKES, PONDS OR OTHER WATERBODIES WITHIN THE COMMUNITY AND/OR THE NEIGHBORHOOD MAY VARY. THERE IS NO GUARANTEE BY SELLER, THE ASSOCIATION THAT WATER LEVELS WILL BE CONSTANT OR AESTHETICALLY PLEASING AT ANY PARTICULAR TIME; AT TIMES, WATER LEVELS MAY BE NONEXISTENT.

15. **Regulatory And Governmental Approvals**. The zoning, plans, etc. have been approved by Berkeley County. The development of the project, lot, sidewalks, etc. is subject to approval by Berkeley County. For more information on the approvals required and pending in the Community, Buyer should contact the Berkeley County Planning & Zoning Department at 843.719.4095.

16. **Prices/Market Values**. Seller, and any other builder in the Community, shall have the unilateral right to establish prices for the homes it builds in the Community. Seller and any other builder in the Community may, at its sole discretion, increase or decrease the price or the price per square foot for any home, homesite or option at any time, or offer incentives for sales of homesites and homes, all without notice to Buyer. Once Buyer has signed the Agreement establishing a price for the Property, the prices for any subsequent changes or upgrades to the Home as requested by Buyer, including but not limited to design, floor plan, options, materials or otherwise, are subject to change by Seller until a written and signed agreement on the price is reached by Seller and Buyer for such change or upgrade. Seller makes no representations or warranties that the price for the Property or options in the Home will be increased or decreased for other buyers of identical or similar homes or options. Seller also makes no representations or warranties that changes or options made by Buyer will or will not increase or decrease the market value of the Property. The Property is being sold for residential purposes and not as an investment.

17. **Construction And Sales Activities**. BUYER ACKNOWLEDGES THAT SOME AREAS OF THE NEIGHBORHOOD AND THE COMMUNITY MAY BE UNDER CONSTRUCTION AND DEVELOPMENT FOR AN EXTENDED TIME. INCIDENT TO THE DEVELOPMENT PROCESS, THE QUIET ENJOYMENT OF THE NEIGHBORHOOD AND THE COMMUNITY MAY BE UNAVOIDABLY INTERFERED WITH TO SOME EXTENT BY THE CONSTRUCTION OPERATIONS. Construction, development and sales activities in the Community and/or the Neighborhood will likely occur after Buyer has taken occupancy of Buyer's Home. Depending upon Buyer's sensitivities, this may result in some inconvenience to Buyer and Buyer's family and guests due to increased noise, dust, road closures, operation of the model homes and sales offices, and other activities. Construction activities can occur at various hours throughout the day, and sales activities can result in additional traffic and visitors throughout the Community, particularly before the Community is completely built out. Neither Seller nor any other builder that may be active in the Community can guarantee that Buyer will not be affected or impacted as a result of the overall construction and development of the Community. Seller gives no guarantees or assurances on the active time of the Community model homes. Homesites across the street or next to the model homes may remain undeveloped until Seller determines that these homesites are no longer needed for marketing purposes.

18. **Views**. Future development and construction activities in the Community can and will modify the view from homesites (including but not limited to the Homesite). Trees and other foliage may be added or removed from lots or common areas of the Community. Additional housing and other improvements will be added within the community. Because future development and construction activities in the Community will modify views from homesites, Seller does not warrant or guarantee any existing views will be maintained in the future relative to the Property.

19. **Streetlights**. Numerous streetlights will be installed within the Community, many of which will be installed after homes have been completed, sold and occupied. Streetlights are sized and placed in accordance with Town ordinances and governmental requirements, and could in some instances generate light in or obstruct views from homes in the Community. Information about streetlight size, light output, design and location of streetlights within the Community can be obtained from the service provider.

20. **Trees And Foliage**. The Community contains numerous native trees of various sizes and varieties. While Seller has taken great care during the planning and construction of the Community to save trees, future development and construction will require the removal of additional trees, shrubs and other foliage and, therefore, Seller does not guarantee the preservation of any trees, shrubs, ground cover or other foliage in the Community or Buyer's Homesite, and cannot be responsible for short or long-term damages to foliage due to construction or development

activities. Seller makes no representation or warranty that trees on the Homesite being purchased or any other homesite or common area in the Community will not be removed. All care and maintenance of foliage on an individual homesite is the responsibility of the homeowner, and Seller does not guarantee or warranty the survival of any foliage. Berkeley County has adopted a Tree Ordinance regulating the removal of any tree over a certain size. Before removing a tree, Buyer should contact Berkeley County to ensure that its regulations are adhered to. The Declaration also contains restrictions regarding the removal of any tree over a certain size. Buyer should contact the Association to ensure that its regulations are adhered to.

21. **Facilities And Conditions Affecting Homesites.**

21.1 The information set forth in this section contains an overview of facilities and conditions which may affect some or all homesites in the Community (including but not limited to the Homesite). Because Seller does not have control over development outside of the Community, Seller does not warrant or guarantee any future development, usage, or lack of development or usage for properties located outside of the Community, or their possible impact on the residents of the Community. For additional information about offsite features that may affect the purchase of the Property, please contact the local governmental authorities having jurisdiction over the Community.

21.2 Seller advises Buyer that some of the homesites (including but not limited to the Homesite) are or may be adjacent to or near some of the following:

DRAINAGE CHANNEL, AIRPORT, RAILROAD TRACKS, STORM WATER DETENTION FACILITY, COMMUNITY CENTER, ELEVATED WATER STORAGE TOWER, SCHOOL FACILITY, PARK SCHOOL SITE, SPORTS FACILITY OR BALL FIELD, COMMUNITY LAKES, PARK AND/OR RECREATION FACILITY, WATER PLANT/SEWER PLANT, LIFT STATION, CELLULAR PHONE, RADIO, TELEVISION OR OTHER TOWER ANTENNA SITE, HIGH VOLTAGE TRANSMISSION LINES OR PIPELINE EASEMENT.

Buyer acknowledges that such facilities may impact noise, vibration, lighting, traffic and other conditions caused by daily operations of the facility. Drainage channels, lakes and storm water detention facilities will have varying levels of water for varying periods of time depending upon rainfall.

21.3 Approximately 10 miles from the edge of the Community is the Charleston International Airport. Some flights landing at or taking off from the airport currently pass over the Community. Jets, helicopters or other aircraft may be seen or heard overhead from the Homesite or even from within the Home. The Charleston International Airport may, in the future, expand the Airport and its operations.

21.4 As a result of the open spaces and bodies of water in and around the Community, Buyer may periodically find wild animals within the confines of the Community including, but not limited to, skunks, nutria, opossums, deer, raccoons, spiders, snakes, bees, fire ants, and other insects common to the area. Contact with any wild animal can be dangerous. Should Buyer encounter any such animal, Buyer is encouraged to contact Buyer's local animal control office for further instructions.

21.5 Property West of the Community. The property west of the Community is currently comprised of agricultural and wooded land and land occupied by the Charleston Steel & Metal plant, Parker Gas Turbine Fuel Systems, and Mt. Holly Hill Park.

21.6 Property North of the Community. The property north of the Community is currently comprised of undeveloped woodlands and land used for residential purposes.

21.7 Property East of the Community. The property east of the Community is currently comprised of forested wetlands and undeveloped woodlands and land used for residential purposes. The property further east of the Community was occupied by the former Pattillo/Stone Mountain Industrial Park Site.

21.8 Property South of the Community. The property south of the Community is currently comprised of undeveloped woodlands and forested wetlands and land used for residential purposes.

21.9 Future Commercial/Retail Uses. The Community is located adjacent to properties which will be developed with major commercial and retail uses in the future. The development of such uses adjacent to the Community may increase traffic volumes, noise, outdoor lighting, pedestrian activity and other similar impacts resulting from commercial development.

21.10 Development of Adjacent Property. Buyer acknowledges that Seller's current construction plans for the Community where the Home and Homesite are located may change and that no representations or warranties are made concerning the development of the Community, or any property adjacent to, surrounding, or near such Community.

21.11 Public Ballfields. Public ballfields are located within the Community. The ballfields are or will be owned by the Association and the future use of the ballfields is in the discretion of Association.

21.12 Major Public Roads. The Community is located along portions of Old Hwy 52 and Cypress Garden Road. These roads may experience heavy traffic.

BUYER _____ BUYER _____

22. **Floor and Roof Truss Support**. The Home has been designed and constructed with the intent to support typical loads on the floor and roof trusses. Placing or storing excessive loads such as a waterbed or pool table, may result in the warping or failure of the supporting structural components of the Home.

23. **Real Estate Taxes**. When a new home is built, the full value of the home is typically not reflected in the real estate taxes until the second calendar year after construction has been completed. Seller is not responsible for communicating any information regarding real estate taxes (current or future) and cannot and will not predict what the taxes on the Home may be. Buyer should confirm any information provided concerning appraisals, tax valuation, tax rates or other tax-related questions, with Buyer's personal tax advisor and the local taxing authorities.

24. **Public Financing of Capital Improvements**. Berkeley County may finance certain capital improvements in the Community, may issue bonds in connection with such financing and may create one or more special tax districts within the Community to provide for repayment of such bonds.

25. **Town and County Taxes, Charges And Fees**. Property within the Community is subject to Berkeley County taxes, utility charges, fees and may become part of a special taxing district. For additional information, contact the Tax Collector's office of Berkeley at 843.719.4030.

26. **Addendum Not A Substitute**. Buyer acknowledges and agrees that this Addendum is not a substitute for reading the entire Governing Documents. For a more detailed explanation of any section contained in this Addendum, refer to the Governing Documents.

27. **Pre-Sale Contingency**. Seller shall have the right to terminate this Agreement and cause Buyer's deposits to be refunded in the event that Seller does not enter into binding contracts to sell at least ten percent (10%) of the homes and homesites in the Community. Seller must, however, notify Buyer of such a termination at any time within one hundred eighty (180) days following the date of the first purchase agreement for the sale of a home in the Community, otherwise Seller will be required to construct the Community and the Home and otherwise proceed to perform its obligations under this Agreement. This shall not delay the effectiveness of this Agreement, which shall be immediate, but rather, shall be deemed a "condition subsequent" to this Agreement. In the event of Seller's termination of this Agreement pursuant to this Section, upon such termination and the return of Buyer's Deposit, Seller and Buyer will be fully relieved and released from all obligations and liabilities under and in connection with this Agreement. Seller agrees to use its good faith efforts to meet the foregoing pre-sale requirement.

28. **Third Party Developer**. Seller is not the developer/declarant of the Community ("**Developer**"). Buyer acknowledges that (i) Seller is neither related to nor a joint venture partner with Developer, (ii) Seller does not control the amenities (existing or planned), landscaping, or other improvements that Developer may provide within the Community in the sole and absolute discretion of Developer, (iii) Seller has neither prepared nor participated in the preparation of the Community budgets or any other financial information with regard to the Community, and (iv) any representations or warranties which relate to amenities or other matters contained within the Community shall not be construed as representations made by Seller nor shall such representations be relied upon by Buyer in Buyer's determination as to whether to purchase the Property located within the Community. Seller has no control or influence related to the construction timing, completion, changes in design, changes in location, or other major decisions, including the decision not to build future amenities. Buyer agrees to look solely to the Developer with respect to any matters regarding the Association, existing Community amenities, any proposed amenities, landscaping or other improvements.

29. **Statements Made By Sales Staff And Brokers**. Seller wants to ensure that Seller and Buyer are in full agreement on all terms and conditions relating to the Agreement. To best ensure that there are no misunderstandings, Buyer should ensure that all terms and conditions (including all statements, representations, or understandings upon which Buyer relies in purchasing the Home) are set forth in writing in the Agreement. **If there are any statements, representations or understandings which are made by a sales staff person or any other representative of Seller which are material to Buyer's decision to purchase, Buyer should insist that any such statement, representation or understanding is put in writing and contained in the Agreement. Seller reserves the right to reject the Agreement notwithstanding the inclusion of any such item in the Agreement.**

30. **Public School Assignment**. Seller does not control and cannot guarantee public school assignments for the Community. Because Seller does not control public school assignments, Seller cannot assure Buyer that public school assignments will not be changed in the future. For more information about public school assignments, Buyer should contact the Berkeley County School Board.

31. **Counterparts**. This Addendum may be executed in counterparts, a complete set of which shall form a single Addendum.

32. **Conflicts**. In the event of any conflict between this Addendum and the Agreement, this Addendum shall control. In all other respects, the Agreement shall remain in full force and effect.

33. **Entire Agreement**. The Agreement, together with this Addendum and any other addenda or riders to the Agreement, contains the entire agreement between Buyer and Seller concerning the matters set forth herein. All prior discussions, negotiations and contracts relating to such matters, whether oral or written, are hereby superseded by these documents. No addition or modification of this Addendum or the Agreement shall be effective unless set forth in writing and signed by Buyer and an authorized agent of Seller.

BUYER BC BUYER CC

34. **Survival**. All of the terms of this Addendum shall survive Closing and the delivery of the Deed.

Buyer
Date: 10-2-11

Buyer
Date: 10-2-11

Buyer
Date:

Buyer
Date:

SELLER:

Authorized Agent of Seller
Date: 10/12/11

BUYER BC BUYER CC

PURCHASE PRICE AND PAYMENT ADDENDUM
Lennar Carolinas, LLC

Buyer Name: Brian K Camara, Cynthia Camara
Date of Agreement: 10/02/2011 / 09/30/2011
Community: The Abbey at Spring Grove Lot/Block: 0059 /
Address: 112 Maywood Drive Moncks Corner SC 29461
Plan/Elevation: Hartford / A Garage Orientation: Left ☐ Right ☒
Phase/Section: 10 Job #: 18867600059
Started (Y?N): Y Stage: 01
Estimated Start Date: 06/30/2011 Estimated Closing Date: 09/30/2011
Agreement Type: ☒ Standard ☐ Home to Sell ☐ Miscellaneous contingencies ☐ Owns current residence
Select One: ☒ New Agreement ☐ Transfer ☐ Revised Agreement – Revision #:

BUYER INFORMATION

Buyer(s): Brian K Camara, Cynthia Camara
Buyer Existing Address: 105 Old Bridge Lane Summerville SC 29485
Home Phone: Office Phone:
Fax: Other Phone: +1 603 9786641
Email: ripnlips10@yahoo.com
Employer: Years/Months: /
Co-Buyer: Cynthia Camara
Home Phone: Office Phone:
Fax: Other Phone:
Email:
Employer: Years/Months: /

PURCHASE PRICE AND PAYMENTS

PURCHASE PRICE:

Total Purchase Price:	
Base Purchase Price:	$ 171,990.00
Add Homesite Premium:	$ 4,000.00
Add Options, Upgrades and Extras per attached Options, Upgrades, and Extras/Change Order Summary	$ 4,900.00
Less Discretion:	$ 9,150.00
Total Due:	$ 171,740.00
Less Assistance toward closing cost. :	$ (4,000.00)

PAYMENTS:

Initial Deposit Check#	$ 500.00
Additional Deposit	
DUE Received Check#	$ .00
DUE Received Check#	$ .00
Advanced Deposit	
DUB Received Check#	$ .00
DUE Received Check#	$ .00
Amount to be financed or paid by (i) wire transfer of immediately available funds or (ii) cashier's check (subject to collection) at closing (approximate) (Total Purchase Price less Total Payments and exclude FHA, MIP, VA, funding fee, PMI, closing costs, pre-paids, homeowner insurance, prorated expenses and HOA fees.)	$ 167,240.00

Initial ____ Buyer Initial ____ Buyer

PANEL SHEET

As of Change Order #8

COMMUNITY: The Abbey at Spring Grove LOT: 18867600059 BLOCK: SECTION:

ADDRESS: 112 Maywood Drive PLAN/ELEVATION/GAR: 2073 / A / R

Action	Selected / Deselected	CO No.	Option Code	Qty	Unit Price	Extended Price
			- Custom			
Add	19-MAR-11	1	**22222**	1	275.00	275.00
Description: garage door opener Selected by: ab sanchez						
Add	19-MAR-11	1	**11111**	1	825.00	825.00
Description: 2in faux wood blinds Selected by: ab sanchez						
Add	24-MAR-11	2	**33333**	1	2,500.00	2,500.00
Description: option #1 designer pkg Selected by: ab sanchez						
			NONE - NONE			
~~Del~~	~~23-SEP-11 01-OCT-11~~	~~3~~	~~44444~~	~~-1~~	.00	.00
Description: Granite Kitchen - Chiallo Ornamental Selected by: Samuel Broadway						
Add	01-OCT-11	8	**UAPPWD2.1886760.2073**	1	1,300.00	1,300.00
Description: WHITE GE WASHER & DRYER FRONT LOAD Selected by: Samuel Broadway						

Total **$4,900**

BUYER
Date 10-2-11

BUYER
Date 10-2-11

BUYER
Date

BUYER
Date

CONSTRUCTION APPROVAL
Date

SALES APPROVAL
Date 10/2/11

NEW HOME CONSULTANT/DESIGNER
Date

Total Payment $ 500.00

Comments

WARRANTY INFORMATION

LEN 100 5/1/07
*Or other comparable warranty

FINANCING AND BROKER INFORMATION

Select One: ☐ Cash ☐ Conventional ☐ FHA ☐ VA

Lender: UAMC Phone #: 843-852-0656

Broker Participation? ☒ Yes ☐ No

Agent/Company: Guy Hartman / c Carolina One-Main(S'ville)

Street Address: 900 N. Main St.

City, State Zip: Summerville., SC 29483

Phone: +1 843 8730722

Broker Tax ID#: Broker Commission: ~~3%~~ 3% + $1416.10 balance + $500 gift Cancelled

Defined Terms. All initially capitalized terms not defined herein shall have the meanings set forth in the Purchase and Sale Agreement between Buyer and Seller dated as of the second day of October , 2011 (the "Agreement"), and all references in this Addendum to the Agreement shall be deemed to include references to this Addendum and to any other addenda and riders attached to the Agreement, which are hereby incorporated by this reference.

Counterparts. This Addendum may be executed in counterparts, a complete set of which shall form a single Addendum.

Conflicts. In the event of any conflict between this Addendum and the Agreement, this Addendum shall control. In all other respects, the Agreement shall remain in full force and effect.

Entire Agreement. The Agreement, together with this Addendum and any other addenda and riders to the Agreement, contains the entire agreement between Buyer and Seller concerning the matters set forth herein. All prior discussions, negotiations and contracts relating to investors and occupancy requirements, if any, whether oral or written, are hereby superseded by these documents. No addition or modification of this Addendum or the Agreement shall be effective unless set forth in writing and signed by Buyer and an authorized agent of Seller

Buyer - Brian K Camara
Date 10-2-11

Buyer - Cynthia Camara
Date 10-2-11

Buyer -
Date

Buyer -
Date

SELLER: Lennar Carolinas, LLC

Authorized Agent of Seller - Ann Ivey
Date 10/12/11

Buyer_____ Buyer_____

1877348v5

10/02/2011 10:50 AM COASTAL CAROLINA, SOUTH CAROLINA (14-NOV-10)
MODIFICATION 4

EXHIBIT 3

TO EXHIBIT A – AFFIDAVIT OF ROBERT MAUCH

Lennar Carolinas, LLC
1941 Savage Road, Ste. 100-C
Charleston, South Carolina 29407
843-388-8989

PURCHASE AND SALE AGREEMENT

PURSUANT TO SECTION 15-48-10, SOUTH CAROLINA CODE OF LAWS, 1976, AS AMENDED, THIS SHALL CONSTITUTE WRITTEN NOTICE THAT THIS AGREEMENT IS SUBJECT TO MANDATORY BINDING ARBITRATION PURSUANT TO SECTION 16 OF THIS AGREEMENT.

THIS PURCHASE AND SALE AGREEMENT (together with the Riders and Addenda attached hereto and incorporated by reference herein, this "**Agreement**") is made and entered into as of the second day of DECEMBER , 2011 by and between Lennar Carolinas, LLC ("**Seller**"), and Buyer(s) named below ("**Buyer**"):

BUYER(S):	Check Applicable:
1. Mathew E Collins	Married ☐ Single☒ Male ☒ Female☐
2.	Married ☐ Single☐ Male ☐ Female☐
3.	Married ☐ Single☐ Male ☐ Female☐
4.	Married ☐ Single☐ Male ☐ Female☐
No Buyer Changes Will Be Permitted	

Buyer Address:		
City: Pittburgh	State / Country: PA	Zip:

By providing your telephone and fax numbers and your email address, you hereby consent to receiving telephonic, fax and email communications, including advertisements, made or sent by or on behalf of Seller and/or its affiliates.

Home Telephone:	**Facsimile Numer:**
Business Telephone:	**Email Address:** mec5213@aol.com
Cellular Telephone: 1-412-400-7045	

1. **Purchase and Sale**. Buyer agrees to buy and Seller agrees to sell to Buyer (on the terms and conditions set forth below) Model Indigo constructed or to be constructed on the following described property:
Lot 0009 of Block _____ of The Abbey at Spring Grove Subdivision/Plat, in Berkeley County (the "**County**"), South Carolina

Address: 218 Maywood Drive Moncks Corner SC 29461

The residence and improvements (the "**Home**") constructed or to be constructed on the above described property (the "**Homesite**"), and all appurtenances thereto are collectively referred to in this Agreement as the "**Property.**" The Property is located within the community known as The Abbey at Spring Grove (the "**Community**").

2. **Purchase Price and Payments**. The total purchase price ("**Total Purchase Price**") for the Home, exclusive of any Builder's Fee, as applicable, and Closing Costs as described in Rider B and the Purchase Price and Payment Addendum, is $ 135,990.00. Buyer (and not a third party) has made an earnest money deposit upon the signing of this Agreement (the "**Initial Deposit**") of $ 500.00. Buyer shall make further payments to Seller, including but not limited to any "Additional Deposit" or "Advanced Payment" (consisting of non-refundable deposit(s) for options, extras, and upgrades) as set forth in the Purchase Price and Payment Addendum attached hereto and made a part hereof. The term "**Deposit**" shall include the Initial Deposit, Additional Deposit and Advanced Payment.

3. **Legally Binding Agreement**. THIS AGREEMENT IS A LEGALLY BINDING CONTRACT. IF NOT FULLY UNDERSTOOD, PLEASE SEEK COMPETENT LEGAL ADVICE. NO WARRANTIES OR REPRESENTATIONS, OTHER THAN THOSE SPECIFIED IN THIS AGREEMENT, ARE EXPRESSED OR IMPLIED. ORAL REPRESENTATIONS CANNOT BE RELIED UPON AS CORRECTLY STATING THE REPRESENTATIONS OF SELLER. FOR CORRECT WARRANTIES AND REPRESENTATIONS, REFERENCE SHOULD BE MADE TO THIS AGREEMENT, INCLUDING THE RIDERS AND ADDENDA ATTACHED HERETO, AND THE "**DOCUMENTS**" (AS SUCH TERM IS DEFINED IN RIDER B) PROVIDED TO BUYER, IF ANY.

4. **Financing**.

☐ **NO CONTINGENCY**. If this box is checked, this is a cash transaction and not contingent on financing. Buyer agrees to provide within five (5) calendar days from the Buyer's execution of this Agreement financial statements or other written verification of Buyer's ability to purchase the Property with cash. If Buyer does not (in Seller's sole judgment, based on the documentation provided by Buyer to Seller) have the financial ability to purchase the Property with cash, then Seller may terminate this Agreement by refunding to Buyer any paid Deposit.

☒ **MORTGAGE CONTINGENCY.** If this box is checked, this Agreement is contingent on Buyer obtaining a loan commitment within the Mortgage Contingency Period (as such term is defined in Rider B attached hereto) for a first mortgage loan from Universal American Mortgage Company, LLC (an affiliate of Seller), or another qualified institutional mortgage lender of Buyer's choice ("**Lender**"), with interest, term and service charges at current market rates at time of Closing (as defined below) for a borrower of

Buyer's credit qualifications (the "**Mortgage Contingency**"). Buyer agrees to apply within five (5) calendar days from the execution of this Agreement for a loan at the then prevailing interest rate and terms (the "**Mortgage Contingency Period**"). In the event Buyer chooses to obtain financing through a Lender other than Universal American Mortgage Company, LLC, Buyer agrees to promptly provide Seller, upon Seller's request, with the name, address and phone number of such Lender, the loan officer and the loan processor. Buyer shall furnish promptly and accurately to Lender all information and documents requested by Lender in connection with such application. If Buyer properly makes and pursues the loan application as provided herein but is unable to provide Seller with a copy of a written loan commitment reasonably satisfactory to Seller within the Mortgage Contingency Period, or if Buyer is at any time disapproved for such loan (and Buyer does not cancel or withdraw his/her loan application), then Seller, at its sole discretion, may cancel this Agreement by written notice to Buyer, at Buyer's last known address, in which event Seller shall refund any paid Deposit made by Buyer. If Buyer properly makes and pursues the loan application as provided herein but is unable to obtain mortgage loan financing, despite Buyer's good faith efforts to do so, and Buyer is not otherwise in default under this Agreement, and further provided that Buyer provides Seller with documentation from Lender that the loan has been declined, Buyer may cancel this Agreement by giving written notice to Seller within the Mortgage Contingency Period, in which event Seller shall refund any paid Deposit. If this Agreement provides for a VA guaranteed or FHA-insured loan, Buyer's obligation to complete the purchase contemplated under this Agreement is subject to the VA/FHA Addendum attached hereto and incorporated herein.

The following shall apply only if this Agreement is subject to the Mortgage Contingency, as indicated above:

4.1 Mortgage Loan. Unless Buyer shall have otherwise notified Seller in writing within the Mortgage Contingency Period, Buyer shall be conclusively presumed to have obtained the loan commitment or agreed to purchase the Property without mortgage financing, and the Mortgage Contingency shall be deemed to have been satisfied.

4.2 Application. Buyer understands that any loan application required under this Agreement must be fully completed in order to obtain the mortgage loan, and Buyer will make a good faith attempt to qualify for the mortgage loan. If Buyer has a spouse who does not constitute a Buyer under this Agreement, Buyer agrees to have his/her spouse sign the mortgage documents as required by Lender. BUYER AGREES TO INCUR NO DEBT SUBSEQUENT TO THE DATE HEREOF WHICH MIGHT JEOPARDIZE APPROVAL OF BUYER'S MORTGAGE LOAN. IF THE PROPERTY IS BEING PURCHASED BY A CORPORATION, PARTNERSHIP, OR OTHER ENTITY, BUYER AGREES TO (1) OBTAIN ANY PERSONAL ENDORSEMENTS OR GUARANTEES REQUIRED BY LENDER AND (2) PROVIDE TO LENDER AND/OR THE TITLE INSURER PROMPTLY UPON REQUEST SUCH CERTIFICATES, RESOLUTIONS OR OTHER CORPORATE, PARTNERSHIP OR OTHER ORGANIZATIONAL DOCUMENTS AS MAY BE REQUIRED. Except as provided in this Agreement, Buyer agrees to pay all loan fees and closing costs charged by Lender in connection with the mortgage loan. Buyer will pay any prepaid interest due on the mortgage loan at the time of Closing and any amount Lender may require to be put into escrow toward the payment of property taxes and insurance on the Property. Buyer will also pay any mortgage insurance premiums (prepaid or otherwise), if required by Lender.

4.3 Commitment. Buyer understands that the rate of interest on the mortgage is established by Lender and not by Seller and that any predictions or representations of present or future interest rate that may have been contained in any advertising or promotion by Seller are not binding. If Buyer obtains a written mortgage loan commitment and the mortgage loan commitment is subsequently withdrawn through no fault of Seller including, but not limited to, any condition to such loan commitment not being satisfied for any reason (other than failure of the Property to appraise equal to or greater than the Total Purchase Price), this Agreement shall remain in full force and effect and Buyer shall be conclusively presumed to have agreed to purchase the Property without mortgage financing. If the Lender's appraiser does not appraise the Property for the Total Purchase Price then Seller shall have the option in, Seller's sole discretion, to (i) lower the Total Purchase Price to the appraised value and Buyer shall proceed to Closing, or (ii) terminate this Agreement and return the Deposits to Buyer. If Buyer obtains a loan commitment containing any special condition that is not ordinarily contained in typical loan commitments for the Community, Seller, in Seller's sole discretion, may treat Buyer's loan application as having been denied; whereupon, Seller shall have the rights set forth in this Section 4.

4.4 Sale of Other Residence. Unless the Home Sale Contingency Addendum is executed, Buyer represents and warrants that this Agreement and the mortgage loan referenced herein, are not and will not be subject to or contingent upon Buyer's selling and/or closing on the sale of Buyer's present residence or other property. Failure to close on the purchase of the Property will constitute a default by Buyer and the remedies available to Seller for Buyer's default under this Agreement shall apply.

5. **Funds**. Any funds paid by Buyer under the terms of this Agreement to Seller through a check or cashier's check are accepted by Seller subject to collection. Buyer acknowledges that Seller shall have the right to deposit such check for the Initial Deposit without such action being deemed acceptance of this Agreement. If any such check is not paid by the bank after acceptance of this Agreement, Seller shall have the option to cancel this Agreement and declare Buyer in default. If Buyer provides any check for a Deposit in the form of Canadian currency (a "**C$ check**"), Seller's depository bank will convert such C$ check into a U.S. dollar amount using its currency procedures and exchange rate then in effect two (2) business days following the date of processing (the "**Conversion Date**") and the amount of the Deposit to be applied toward the Total Purchase Price shall be equal to the amount received by Seller from the depository bank on the Conversion Date. Seller reserves the right to charge or pass through any currency conversion-related fees or costs to the Buyer at Closing (as hereafter defined). Notwithstanding the foregoing or anything contained in the Agreement to the contrary, the balance of the Total Purchase Price plus all applicable Closing Costs (the "**Closing Proceeds**") shall be paid to Seller at Closing by wire transfer in immediately available funds or by cashier's check (subject to collection) issued by a bank with a branch in the County where the Property is located. If Buyer delivers all or any portion of the Closing Proceeds in the form of a cashier's check exceeding $25,000.00, then Buyer will not be entitled to possession of the Home until the Closing Proceeds have cleared.

6. **Credit Information Authorization**. Buyer authorizes Lender to whom Buyer has applied or is in the process of applying for a mortgage loan in connection with this transaction to disclose to Seller the information contained in any loan application, verification of deposit, income and employment, and credit reports or credit related documentation on Buyer. Buyer authorizes Seller to order one or more credit reports from a consumer reporting agency to be used in connection with this transaction. The cost of said report(s) is (are) to be paid by Buyer. Buyer authorizes Seller to forward all copies of all or any portion of such report(s) without interpretation to Lender who (at the request of Buyer) will evaluate a potential extension of credit to Buyer in connection with this transaction. Buyer authorizes Lender, and any credit bureau or other person or entity utilized or engaged by Lender, to obtain one or more consumer reports regarding Buyer and to investigate any information, reference, statement, or data, provided to Lender by Buyer or by any other

person or entity, pertaining to Buyer's credit and financial status. Buyer shall indemnify, defend and hold harmless Seller, its officers, directors, shareholders, employees, agents, contractors, subcontractors and suppliers ("Indemnified Parties"), Lender, and any credit bureau or other person or entity utilized or engaged by Lender or Seller, from and against any deficiencies, losses, liabilities, claims, damages, expenses, obligations, penalties, actions, judgments, awards, suits, costs or disbursements of any kind or nature whatsoever, including attorneys' fees and expenses ("Claims") arising from an investigation of Buyer's credit and financial status.

7. **Closing**. Without limiting the terms of Section 8, Buyer acknowledges and agrees that Seller has the right in its sole discretion to schedule the date, time and place for the closing of the transaction contemplated by this Agreement ("**Closing**") and Buyer shall close on such Closing Date (the "**Closing Date**"). Buyer will be given notice of the Closing Date, time and place by the "**Closing Date Notice Period**" (as such term is defined in Rider B attached hereto). Seller is authorized to postpone or advance the date of Closing at its discretion. Seller must, however, give Buyer reasonable notice of the new Closing Date. Any notice of Closing may be given verbally, by telephone, telegraph, telex, facsimile, mail, e-mail, or other means of communication at Seller's option. All notices of Closing will be given to Buyer at the address or by use of the telephone number(s) or e-mail address(es) specified on page 1 of this Agreement unless Seller has received written notice from Buyer of any change therein prior to the date notice of Closing is given. Buyer's failure to receive the notice of Closing because Buyer has failed to advise Seller of any changes of address or phone number, or because Buyer has failed to pick up a letter when Buyer has been advised of an attempted delivery or for any other reason, shall not relieve Buyer of Buyer's obligation to close on the scheduled Closing Date, unless Seller otherwise agrees in writing to postpone the Closing Date. To the extent not prohibited by applicable law, if Seller, in its sole discretion, agrees in writing to reschedule the Closing Date at Buyer's request, or because Buyer (if a corporation) has failed to produce all corporate documents requested by Seller, or for any other reason (except for delay required by Seller), then (1) Seller may impose a late charge as liquidated damages for such delay equal to One Hundred Twenty-Five Dollars ($125.00) per day for every day from the original Closing Date through the date that the transaction closes, and (2) Seller may require that prorations be made as of the original Closing Date. Buyer agrees the late charge is appropriate in order to cover Seller's administrative and other expenses resulting from a delay in Closing and that the amount of liquidated damages is fixed and agreed to by the parties as a reasonable estimate of the damages that Seller shall suffer and is not in the nature of a penalty. Seller is not required to agree to reschedule Closing, but Seller may reschedule Closing in Seller's sole discretion.

8. **Completion Date**. It is expressly agreed by Buyer that notwithstanding anything to the contrary specified herein or verbally represented (including but not limited to Seller's sales representative), any scheduled completion date is a good faith estimate, and Seller makes no promises or representations concerning the date of completion. Buyer agrees that Buyer has not relied, and will not rely upon, any estimated completion date for any purpose whatsoever, including, without limitation, relocation of residence, storage of personal property, or lock-in financing, and Buyer agrees that Seller shall not be liable for any additional costs, expenses or damages whatsoever should the Home not be completed by an estimated completion date. Notwithstanding the foregoing, Seller is required to complete and does agree that the construction of the Home shall be completed not later than two (2) years from the date of Buyer's execution of this Agreement. If construction is delayed by any event recognized by the law of the state in which the Home is located as a defense to a contract action for non-performance or a delay in performance, then the date of completion shall be extended by the delay period. It is the express intent of the parties that the parties' rights and obligations under this Agreement be construed in the manner necessary to exempt this Agreement and the sale of the Property from registration under the Interstate Land Sales Full Disclosure Act, and both Buyer and Seller hereby expressly waive any right or provision of this Agreement that would otherwise preclude such exemption.

9. **Casualty Before Closing**. If the Property is damaged by fire, act of terrorism or other casualty before Closing and the cost of restoration does not exceed three percent (3%) of the Total Purchase Price and repairs will not substantially delay Closing, Seller shall repair the damage and Closing shall proceed pursuant to the terms of this Agreement. If the cost of restoration exceeds three percent (3%) of the Total Purchase Price or the repairs would substantially delay Closing, Buyer shall have the option to: (1) terminate this Agreement and receive a refund of the Deposit made by Buyer to Seller, in which event both parties shall be released from all obligations under this Agreement, or (2) have Seller repair the damage as soon as reasonably possible, and Closing shall be extended until such repair or rebuilding is complete.
Notwithstanding the foregoing, if all or a portion of the Property is damaged by fire, act of terrorism or other casualty and (1) the plans, specifications or construction materials for the Property must be materially modified in order to repair or reconstruct the Property, or (2) the repair or reconstruction of the Property substantially in accordance with the plans and specifications is rendered impossible by any cause recognized by the law of the state in which the Property is located as a defense to a contract action for non-performance, then Seller shall have the right to terminate this Agreement and Buyer shall receive a refund of the Deposit made by Buyer to Seller in which event both parties shall be released from all obligations under this Agreement.

10. **Deed**. Seller shall convey title to Buyer at Closing by delivery to Buyer of a General Limited Warranty Deed (the "**Deed**") describing the Property, which Deed shall convey title to Buyer subject to all matters described in this Agreement.

11. **Closing and Title Matters**. Title to the Property to be delivered to Buyer at Closing will be marketable and insurable, subject only to the following matters:

11.1. Title to the Property shall be subject to the following: (1) zoning, building codes, bulkhead laws, ordinances, regulations, rights or interests vested in the United States of America or the state in which the Community is located; (2) real estate taxes and other taxes for the year of conveyance and subsequent years including taxes or assessments of any special taxing or community development district (including assessments relating to capital improvements and bonds); (3) the general printed exceptions contained in an owner's title insurance policy; (4) utility easements, sewer agreements, telephone agreements, cable agreements, telecommunications agreements, monitoring agreements, restrictions and reservations common to any plat affecting title to the Property; (5) matters that would be disclosed by an accurate survey or inspection of the Property; (6) the Documents; (7) any laws and restrictions, covenants, conditions, limitations, reservations, agreements or easements recorded in the public records for the County (for example, use limitations and obligations, easements (right-of-way) and agreements relating to telephone, gas or electric lines, water and sewer lines and drainage, provided they do not prevent use of the Property for single family residential purposes); (8) minor encroachments on easements that do not substantially interfere with an easement holder's interest in the Property; and (9) acts done or suffered by Buyer and any mortgage or deed of trust obtained by Buyer for the purchase of the Property. It is Buyer's responsibility to review and become familiar with each of the foregoing title matters, some of which are covenants running with the land. If any title defects are discovered by Buyer after Closing, Buyer's sole remedy shall be to make a claim to Buyer's title insurer.

11.2 Seller shall convey title to Buyer at Closing by delivery to Buyer of the Deed, which shall convey title to Buyer subject to all matters described in Section 11.1 of this Agreement. Any such matters omitted from the Deed shall nevertheless be deemed to be included in the Deed.

11.3 Seller shall provide an affidavit complying with the Foreign Investment in Real Property Tax Act of 1980, as amended, upon written request of Buyer.

11.4 Seller may not own title to the Property as of the date of this Agreement or at Closing. However, Seller shall obtain title to the Property on or before the Closing Date or effect the necessary transfer of title on or before the date when Seller causes title to be transferred to Buyer.

11.5 If Seller cannot provide marketable and insurable title as described above, such failure shall not be an event of default and Seller will have a reasonable period of time (at least one hundred and twenty (120) days from the date of the scheduled Closing Date) to attempt to correct any defects in title; provided, however, Seller shall not be obligated to incur any expense, nor institute any litigation, to clear title to the Property. If Seller cannot or elects not to correct the title defects, Seller shall so notify Buyer within such period, and Buyer may thereafter elect (by written notice from Buyer to Seller) one of the following two (2) options: (1) to accept title in the condition offered (with defects) and pay the balance of the Total Purchase Price for the Property (without set off or deduction therefor), thereby waiving any claim with respect to such title defects and Buyer will not make any claims against Seller because of the title defects; or (2) to terminate this Agreement and receive a full refund of the Deposit deposited hereunder. If all such amounts are refunded, Buyer agrees to accept it as full payment of Seller's liability hereunder, whereupon this Agreement shall be terminated and Seller shall thereafter be relieved and released of all further liability hereunder. Buyer shall not thereafter have any rights to make any additional claims against Seller. In the event Buyer does not notify Seller in writing within five (5) calendar days from the receipt of Seller's notice (time being strictly of the essence) as to which option Buyer elects, Buyer shall be conclusively presumed to have elected option (1) set forth above in this subsection.

11.6 The acceptance of the Deed by Buyer shall be deemed to be full performance and discharge of every agreement and obligation on the part of Seller to be performed pursuant to this Agreement, except those which are herein specifically deemed to survive Closing or which may survive by operation of law, if any.

11.7 Title to the Property will be deemed marketable if an owner's policy is issued with standard exceptions.

11.8 All of the terms of this Section 11 shall survive Closing and the delivery of the Deed.

12. **Closing Costs**. The respective responsibilities of Buyer and Seller for all costs, prorations and fees payable at Closing (the "**Closing Costs**") are shown in Rider B attached hereto.

13. **Site and Substitutions**. The materials, equipment and fixtures included in and to be used in constructing the Home will be substantially the same as or similar in quality to those described in the applicable plans and specifications (except as to extras, options and/or upgrades).

13.1 Changes to Plans and Specifications.

13.1.1 Industry Practice. It is widely observed construction industry practice for pre-construction plans and specifications for any home or building to be changed and adjusted from time to time in order to accommodate on-going site conditions and in the field construction factors. These changes and adjustments are essential in order to permit all components of the Home to be integrated into a well-functioning and aesthetically pleasing product in an expeditious manner. Based on the foregoing, Buyer acknowledges that such changes and adjustments may occur and agrees that it is reasonable and to Buyer's benefit to allow Seller the flexibility to make such changes and adjustments to the Home.

13.1.2 Seller's Absolute Right to Make Modifications to Plans and Specifications. Seller has the absolute right to make modifications to the plans and specifications for the Home. Without limiting the generality of the foregoing, Buyer specifically agrees that changes in the dimensions of rooms and patios, entrances and terraces, if applicable, and changes in room size, in the locations of windows, doors, walls, partitions, utility lead-ins and outlets (including, but not limited to, electrical, cable television, and telephone), air-conditioning components, lighting fixtures and electrical panel boxes may be made by Seller in its sole discretion, provided however that changes in the layout and dimensions of the Home shall not substantially affect the value of the Home. Such changes may also include, but are not limited to, changes in the building location, setbacks and facing, the building's external configuration, its structural components, its finishes and the landscaping associated therewith.

13.1.3 Buyer's Acceptance of Actual Floor Plan. Buyer further understands and acknowledges that many of the Homes to be constructed within the Community require floor plans which are opposite (i.e. flipped) mirror images of the model floor plan and Buyer fully understands and accepts the floor plan configuration for the Home and improvements to be constructed within the Home.

13.1.4 No Warranty for Plans and Specifications on File. Buyer further acknowledges and agrees that (1) the plans and specifications of the Home and the Community on file with the applicable governmental authorities may not be identical in detail to Seller's plans and specifications, and (2) because of the day-to-day nature of the changes described in this Section 13, the plans and specifications on file with the applicable governmental authorities may not include some or any of these changes (there being no legal requirement to file all changes with such authorities). As a result of the foregoing, Buyer and Seller both acknowledge and agree that the Home and the Community may not be constructed in accordance with the plans and specifications on file with the applicable governmental authorities. Without limiting the generality of the provisions of Rider B attached hereto, Seller disclaims and Buyer waives any and all express or implied warranties that construction will be accomplished in compliance with such plans and specifications. Seller has not given and Buyer has not relied on or bargained for any such warranties. In furtherance of the foregoing, in the event of any conflict between the actual construction of the Home and/or the

Community, and that which is set forth on the plans and specifications, Buyer agrees that the actual construction shall prevail and to accept the Home and Community as actually constructed (in lieu of what is set forth on the plans and specifications).

13.2 Lot Change. In the event that Seller, in its sole discretion, determines that the Model of the Home selected under this Agreement cannot reasonably be built on the Homesite, then Buyer and Seller hereby agree that they will negotiate in good faith to relocate the Home to another lot in the Community, provided however that there are lots available for sale. If no replacement lot is available, then Buyer may terminate this Agreement and will be entitled to a refund of any paid Deposit.

13.3 Decorative and Landscaping Items.

13.3.1 Buyer understands and agrees that certain of the finishing items, such as tile, marble, carpet, cabinets, stone, brickwork, wood, paint, stain and mica are subject to size and color variations, grain and quality variations, and may vary in accordance with price, availability and changes by manufacturers from those shown in the model, if any, or in illustrations or brochures or those included in the specifications. Furthermore, if circumstances arise that, in Seller's opinion, warrant changes of subcontractors, suppliers, manufacturers, brand names or items, Seller reserves the right to substitute equipment, materials, appliances, etc., which in Seller's opinion are considered to be of quality substantially similar or equal, or of better quality, subject to their availability. Buyer also understands that Seller has the right to substitute or change materials and/or stain colors utilized in wood decor, if any.

13.3.2 Lot grades, lot area, options, facades, shrubs, trees, trim, built-ins, wall treatments, window treatments, furniture, furnishings, fences, decks, locations of walks, driveways and other items in or about a model home area in the subdivision are for display purposes only and are not included in the Total Purchase Price unless otherwise expressly provided herein. Seller has the right to remove any existing trees on the Property or on the surrounding area for any reason. Buyer further understands and agrees that the following items (which may be seen in models or shown in illustrations) will also not be included with the sale of the Home: wall coverings, paint colors, accent light fixtures, wall ornaments, drapes, blinds, bedspreads, furniture, furnishings, wet bars, monitoring systems, certain built-in fixtures, special floor coverings, wood trim, upgraded items and/or any other items of this nature which may be added or deleted from time to time. This list of items (which is not all-inclusive) is provided as an illustration of the type of items built-in or placed upon models or shown in illustrations strictly for purposes of decoration and example only.

13.4 Deed. By acceptance of the Deed, Buyer accepts all variations of the Home.

13.5 Survival. All of the terms of this Section 13 shall survive Closing and the delivery of the Deed.

14. **Buyer's Default.** In the event of Buyer's default and to the extent allowed by law, Seller shall be entitled to keep, as liquidated damages and not as a penalty, Buyer's Deposit not to exceed fifteen percent (15%) of the Total Purchase Price, except that Seller may, in addition, keep, as liquidated damages and not as a penalty, any and all Advanced Payments made by Buyer to Seller for options, extras or upgrades for which Seller has made contractual commitments or incurred liability by placing orders or otherwise. Buyer agrees that actual damages in the event of breach by Buyer would be costly and difficult to calculate, and that such liquidated damages are a fair and reasonable remedy and shall not be considered a penalty. The provisions of this Section shall survive the termination of this Agreement.

15. **Seller's Default.** In the event of Seller's default and to the extent allowed by law, Buyer may recover actual damages but shall not be entitled to special, consequential or punitive damages. Notwithstanding the foregoing, Buyer retains all remedies at law and in equity with respect to Seller's obligation to complete the Home within two (2) years pursuant to Section 8 above. The provisions of this Section shall survive the termination of this Agreement.

16. **Mediation / Arbitration of Disputes.**

16.1 The parties to this Agreement specifically agree that this transaction involves interstate commerce and that any Dispute (as hereinafter defined) shall first be submitted to mediation and, if not settled during mediation, shall thereafter be submitted to binding arbitration as provided by the Federal Arbitration Act (9 U.S.C. §§1 et seq.) and not by or in a court of law or equity. "Disputes" (whether contract, warranty, tort, statutory or otherwise), shall include, but are not limited to, any and all controversies, disputes or claims (1) arising under, or related to, this Agreement, the Property, the Community or any dealings between Buyer and Seller; (2) arising by virtue of any representations, promises or warranties alleged to have been made by Seller or Seller's representative; and (3) relating to personal injury or property damage alleged to have been sustained by Buyer, Buyer's children or other occupants of the Property, or in the Community. Buyer has executed this Agreement on behalf of his or her children and other occupants of the Property with the intent that all such parties be bound hereby. Any Dispute shall be submitted for binding arbitration within a reasonable time after such Dispute has arisen. Nothing herein shall extend the time period by which a claim or cause of action may be asserted under the applicable statute of limitations or statute of repose, and in no event shall the Dispute be submitted for arbitration after the date when institution of a legal or equitable proceeding based on the underlying claims in such Dispute would be barred by the applicable statute of limitations or statute of repose.

16.2 Any and all mediations commenced by any of the parties to this Agreement shall be filed with and administered by the American Arbitration Association or any successor thereto ("AAA") in accordance with the AAA's Home Construction Mediation Procedures in effect on the date of the request. If there are no Home Construction Mediation Procedures currently in effect, then the AAA's Construction Industry Mediation Rules in effect on the date of such request shall be utilized. Any party who will be relying upon an expert report or repair estimate at the mediation shall provide the mediator and the other parties with a copy of the reports. If one or more issues directly or indirectly relate to alleged deficiencies in design, materials or construction, all parties and their experts shall be allowed to inspect, document (by photograph, videotape or otherwise) and test the alleged deficiencies prior to mediation. Unless mutually waived in writing by the parties, submission to mediation is a condition precedent to either party taking further action with regard to any matter covered hereunder.

16.3 If the Dispute is not fully resolved by mediation, the Dispute shall be submitted to binding arbitration and administered by the AAA in accordance with the AAA's Home Construction Arbitration Rules in effect on the date of the request. If there

are no Home Construction Arbitration Rules currently in effect, then the AAA's Construction Industry Arbitration Rules in effect on the date of such request shall be utilized. Any judgment upon the award rendered by the arbitrator may be entered in and enforced by any court having jurisdiction over such Dispute. If the claimed amount exceeds $250,000.00 or includes a demand for punitive damages, the Dispute shall be heard and determined by three arbitrators; however, if mutually agreed to by the parties, then the Dispute shall be heard and determined by one arbitrator. Arbitrators shall have expertise in the area(s) of Dispute, which may include legal expertise if legal issues are involved. All decisions respecting the arbitrability of any Dispute shall be decided by the arbitrator(s). At the request of any party, the award of the arbitrator(s) shall be accompanied by detailed written findings of fact and conclusions of law. Except as may be required by law or for confirmation of an award, neither a party nor an arbitrator may disclose the existence, content, or results of any arbitration hereunder without the prior written consent of both parties.

16.4 The waiver or invalidity of any portion of this Section shall not affect the validity or enforceability of the remaining portions of this Section. Buyer and Seller further agree (1) that any Dispute involving Seller's affiliates, directors, officers, employees and agents shall also be subject to mediation and arbitration as set forth herein, and shall not be pursued in a court of law or equity; (2) that Seller may, at its sole election, include Seller's contractors, subcontractors and suppliers, as well as any warranty company and insurer as parties in the mediation and arbitration; and (3) that the mediation and arbitration will be limited to the parties specified herein.

16.5 To the fullest extent permitted by applicable law, Buyer and Seller agree that no finding or stipulation of fact, no conclusion of law, and no arbitration award in any other arbitration, judicial, or similar proceeding shall be given preclusive or collateral estoppel effect in any arbitration hereunder unless there is mutuality of parties. In addition, Buyer and Seller further agree that no finding or stipulation of fact, no conclusion of law, and no arbitration award in any arbitration hereunder shall be given preclusive or collateral estoppel effect in any other arbitration, judicial, or similar proceeding unless there is mutuality of parties.

16.6 Unless otherwise recoverable by law or statute, each party shall bear its own costs and expenses, including attorneys' fees and paraprofessional fees, for any mediation and arbitration. Notwithstanding the foregoing, if a party unsuccessfully contests the validity or scope of arbitration in a court of law or equity, the noncontesting party shall be awarded reasonable attorneys' fees, paraprofessional fees and expenses incurred in defending such contest, including such fees and costs associated with any appellate proceedings. In addition, if a party fails to abide by the terms of a mediation settlement or arbitration award, the other party shall be awarded reasonable attorneys' fees, paraprofessional fees and expenses incurred in enforcing such settlement or award.

16.7 Buyer may obtain additional information concerning the rules of the AAA by visiting its website at www.adr.org or by writing the AAA at 335 Madison Avenue, New York, New York 10017.

16.8 Seller supports the principles set forth in the Consumer Due Process Protocol developed by the National Consumer Dispute Advisory Committee and agrees to the following:

16.8.1 Notwithstanding the requirements of arbitration stated in Section 16.3 of this Agreement, Buyer shall have the option, after pursuing mediation as provided herein, to seek relief in a small claims court for disputes or claims within the scope of the court's jurisdiction in lieu of proceeding to arbitration. This option does not apply to any appeal from a decision by a small claims court.

16.8.2 Seller agrees to pay for one (1) day of mediation (mediator fees plus any administrative fees relating to the mediation). Any mediator and associated administrative fees incurred thereafter shall be shared equally by the parties.

16.8.3 The fees for any claim pursued via arbitration in an amount of $10,000.00 or less shall be apportioned as provided in the Home Construction Arbitration Rules of the AAA or other applicable rules.

16.9 Notwithstanding the foregoing, if either Seller or Buyer seeks injunctive relief, and not monetary damages, from a court because irreparable damage or harm would otherwise be suffered by either party before mediation or arbitration could be conducted, such actions shall not be interpreted to indicate that either party has waived the right to mediate or arbitrate. The right to mediate and arbitrate should also not be considered waived by the filing of a counterclaim by either party once a claim for injunctive relief had been filed with a court.

16.10 Buyer and Seller specifically agree that notwithstanding anything to the contrary, the rights and obligations set forth in this Section 16 shall survive (1) Closing and the delivery of the Deed; (2) the termination of this Agreement by either party; or (3) the default of this Agreement by either party.

17. **Other Dispute Resolutions.** Notwithstanding the parties' obligation to submit any Dispute to mediation and arbitration, in the event that a particular dispute is not subject to the mediation or the arbitration provisions of Section 16, then the parties agree to the following provisions: **BUYER ACKNOWLEDGES THAT JUSTICE WILL BEST BE SERVED IF ISSUES REGARDING THIS AGREEMENT ARE HEARD BY A JUDGE IN A COURT PROCEEDING, AND NOT A JURY. BUYER AND SELLER AGREE THAT ANY DISPUTE, CLAIM, DEMAND, ACTION, OR CAUSE OF ACTION SHALL BE HEARD BY A JUDGE IN A COURT PROCEEDING AND NOT A JURY. BUYER AND SELLER HEREBY WAIVE THEIR RESPECTIVE RIGHT TO A JURY TRIAL. SELLER HEREBY SUGGESTS THAT BUYER CONTACT AN ATTORNEY OF BUYER'S CHOICE IF BUYER DOES NOT UNDERSTAND THE LEGAL CONSEQUENCES OF EXECUTING THIS AGREEMENT.** All of the terms of this Section 17 shall survive Closing and the delivery of the Deed.

18. **Selling Agent, Cooperating Broker, and Seller's New Home Consultant.** Unless a Purchase Price and Payment Addendum indicating otherwise is attached hereto, Buyer represents to Seller that Buyer has not consulted, dealt or negotiated with a real estate broker, salesperson or agent other than Seller's sales personnel located at Seller's sales office. Buyer agrees that Seller is not responsible for the payment of a commission to a real estate broker, salesperson or agent other than Seller's sales personnel. Buyer shall indemnify, defend and hold harmless Indemnified Parties from and against any and all Claims resulting from or arising out of any representation or breach of a representation or warranty set forth in this Section. In addition, Buyer acknowledges and

understands that Seller's New Home Consultant ("**NHC**") and Internet New Home Consultant ("**INHC**") are agents of Seller, are acting solely for the Seller's interests, and are not acting in any representative capacity for Buyer. Buyer should not disclose any information to Seller's NHC and/or INHC that Buyer considers to be confidential or otherwise does not want disclosed to Seller.

Buyer's Initials _____

19. **Construction Activities.** ALL OWNERS, OCCUPANTS AND USERS OF THE COMMUNITY ARE HEREBY PLACED ON NOTICE THAT (1) SELLER AND/OR ITS AGENTS, CONTRACTORS, SUBCONTRACTORS, LICENSEES AND OTHER DESIGNEES, AND/OR (2) ANY OTHER PARTIES, WILL BE, FROM TIME TO TIME, CONDUCTING BLASTING, EXCAVATION, CONSTRUCTION AND OTHER ACTIVITIES WITHIN OR IN PROXIMITY TO THE COMMUNITY. BY THE ACCEPTANCE OF THEIR DEED OR OTHER CONVEYANCE OR MORTGAGE, LEASEHOLD, LICENSE OR OTHER INTEREST, AND BY USING ANY PORTION OF THE COMMUNITY, EACH SUCH OWNER, OCCUPANT AND USER AUTOMATICALLY ACKNOWLEDGES, STIPULATES AND AGREES (1) THAT NONE OF THE AFORESAID ACTIVITIES SHALL BE DEEMED NUISANCES OR NOXIOUS OR OFFENSIVE ACTIVITIES, HEREUNDER OR AT LAW GENERALLY, (2) NOT TO ENTER UPON, OR ALLOW THEIR CHILDREN OR OTHER PERSONS UNDER THEIR CONTROL OR DIRECTION TO ENTER UPON (REGARDLESS OF WHETHER SUCH ENTRY IS A TRESPASS OR OTHERWISE) ANY PROPERTY WITHIN OR IN PROXIMITY TO THE AREA OF THE COMMUNITY WHERE SUCH ACTIVITY IS BEING CONDUCTED (EVEN IF NOT BEING ACTIVELY CONDUCTED AT THE TIME OF ENTRY, SUCH AS AT NIGHT OR OTHERWISE DURING NON-WORKING HOURS), (3) TO THE EXTENT PERMITTED OR NOT PROHIBITED UNDER APPLICABLE LAW, SELLER AND THE OTHER AFORESAID RELATED PARTIES SHALL NOT BE LIABLE FOR ANY AND ALL LOSSES, DAMAGES (COMPENSATORY, CONSEQUENTIAL, PUNITIVE OR OTHERWISE), INJURIES OR DEATHS ARISING FROM OR RELATING TO THE AFORESAID ACTIVITIES, EXCEPT RESULTING DIRECTLY FROM SELLER'S GROSS NEGLIGENCE OR WILLFUL MISCONDUCT, (4) ANY PURCHASE OR USE OF ANY PORTION OF THE COMMUNITY HAS BEEN AND WILL BE MADE WITH FULL KNOWLEDGE OF THE FOREGOING AND (5) THIS ACKNOWLEDGMENT AND AGREEMENT IS A MATERIAL INDUCEMENT TO SELL, CONVEY, AND/OR ALLOW THE USE OF THE PROPERTY.

20. **Dangerous Condition; Construction Work.**

20.1 Buyer understands and agrees that the Property is a construction site and that the Property and the improvements, equipment and supplies thereon constitute a danger to those who may enter on the Property. Buyer shall not enter onto the Property prior to Closing unless authorized and accompanied by Seller's representative. Any unauthorized, unaccompanied entry by Buyer shall constitute a breach of this Agreement by Buyer, at Seller's election. Moreover, any entry by Buyer onto the Property prior to Closing shall be done at Buyer's own risk and in compliance with all federal, state and local safety laws and regulations. To the extent permitted or not prohibited by applicable law, Buyer waives, releases and shall indemnify, defend and hold harmless Indemnified Parties from and against any Claims made by Buyer, Buyer's family members or guests, as a direct or indirect result of any such unauthorized, unaccompanied entry onto the Property.

20.2 Buyer agrees that supervision and direction of the working forces, including, without limitation, all contractors and subcontractors, is to be done exclusively by Seller, and Buyer agrees not to issue any instructions to the working forces or otherwise hinder construction or installation of improvements on the Property. Buyer shall not do or have any work done on the Property, nor may Buyer store any possessions thereon, prior to Closing and transfer of title to the Property to Buyer.

20.3 Buyer agrees that any and all controversies, disputes and claims arising under this Section shall be resolved through binding arbitration in accordance with the terms of this Agreement.

20.4 All of the terms of this Section 20 shall survive Closing and the delivery of the Deed.

21. **OFAC.** Executive Order 13224 requires all United States entities and persons to block assets and not transact business with entities, countries and persons (specifically designated nationals) set forth by the Office of Foreign Asset Control ("**OFAC**"). This requirement applies to all homebuilding entities in The Lennar Family of Builders (including but not limited to Seller), Universal American Mortgage Company, LLC and all of its affiliates, and North American Title Company and all of its affiliates (collectively, the "**Lennar Affiliates**"). Accordingly, each of Seller and the Lennar Affiliates will check current OFAC lists and other publications in connection with each potential transaction, loan, or home sale. In order to check the OFAC list, Buyer must provide to Seller a Government-issued identification card (this might include a driver's license, birth certificate, passport or resident alien card). To the extent Buyer (or any single person or entity constituting a part of Buyer) matches a name or entity on any such OFAC list or publication, the transactions with Buyer contemplated under or in connection with this Agreement will be immediately suspended, and Buyer shall be reported as instructed by the OFAC.

22. **Agreement not to be Recorded.** Buyer covenants that Buyer shall not record this Agreement (or any memorandum thereof) in the Public Records of the County. Buyer agrees, if Buyer records this Agreement, to pay all of Seller's attorneys' fees, paraprofessional fees and expenses incurred in removing the cloud on title caused by such recordation. Seller's rights under this Section shall be in addition to Seller's remedies for Buyer's default provided elsewhere in this Agreement.

23. **Transfer, Assignment and Persons Bound.** Buyer agrees that Buyer will not, and does not have the right to, assign, sell or transfer Buyer's interest in this Agreement (whether voluntarily or by operation of law or otherwise) without Seller's prior written consent. If Buyer is a corporation, other business entity, trustee or nominee, a transfer of any material equity or beneficial or principal interest shall constitute an assignment of this Agreement. If Buyer attempts to assign this Agreement in violation of this Section, Seller can declare Buyer in default and Seller shall be entitled to all remedies available under this Agreement. Buyer agrees that Seller may withhold its consent with or without any reason or condition in any manner it chooses (if it gives it at all) and may charge Buyer a reasonable amount to cover administrative costs incurred in considering whether or not to grant consent. If Buyer dies or in any way loses legal control of his/her affairs, this Agreement will bind his/her heirs and legal representatives. If Buyer has received Seller's permission to assign or transfer this Agreement, then Buyer's approved assignees shall be bound by the terms of this Agreement. If more than one person signs this Agreement as Buyer, each such person shall be jointly and severally liable for full performance of all of Buyer's duties and obligations hereunder.

24. **TIME OF THE ESSENCE.** BUYER ACKNOWLEDGES THAT TIME IS OF THE ESSENCE IN CONNECTION WITH THE TRANSACTIONS CONTEMPLATED UNDER THIS AGREEMENT.

25. **Interpretation and Computation of Time.** The use of the masculine gender in this Agreement shall be deemed to refer to the feminine or neuter gender, and the singular shall include the plural, and vice versa, whenever the context so requires. This Agreement reflects the negotiated agreement of the parties. Each party acknowledges that they have been afforded the opportunity to seek competent legal counsel, and each have made an informed choice as to whether or not to be represented by legal counsel. Accordingly, this Agreement shall be construed as if both parties jointly prepared it, and no presumption against one party or the other shall govern the interpretation or construction of any of the provisions of this Agreement. Any reference in this Agreement to the time periods of less than five (5) days shall, in the computation thereof, exclude Saturdays, Sundays and legal holidays. Any reference in this Agreement to time periods of five (5) days or more shall, in computation thereof, include Saturdays, Sundays and legal holidays. If the last day of any such period is a Saturday, Sunday or legal holiday, the period shall be extended to 5:00 p.m. on the next full business day. The section headings in this Agreement are for convenience only and shall not affect the meaning, interpretation or scope of the provisions which follow them.

26. **Notice.** Except as provided in the Closing Section of this Agreement with respect to notices of the scheduled Closing Date, any notice required or permitted to be given in connection with this Agreement shall be in writing and sent by United States certified mail with return receipt requested, professional overnight courier or electronic transmission (with confirmation and copy by (1) certified mail, if Buyer's address is within the United States or (2) overnight professional courier, if to a Buyer whose address is outside of the United States) to Buyer or Seller at the addresses on Page 1 of this Agreement (unless Seller has received written notice from Buyer of any change therein prior to the date such notice is given), and additionally to Seller by hand delivery at Seller's sales office. All notices shall only be effective upon receipt or refusal to accept receipt (by failure to accept delivery or otherwise).

27. **Waiver.** Seller's waiver of any of its rights or remedies shall not operate to waive any other of Seller's rights or remedies or to prevent Seller from enforcing the waived right or remedy in another instance.

28. **Incorporation and Severability.** The explanations and disclaimers set forth in the Documents are incorporated into this Agreement. In the event that any clause or provision of this Agreement shall be void or unenforceable, such clause or provision shall be deemed deleted so that the balance of this Agreement is enforceable.

29. **Governing Law.** Any disputes that develop under this Agreement or questions regarding the interpretation of this Agreement will be settled according to the law of the state where the Property is located to the extent federal law is not applicable.

30. **Entire Agreement.** BUYER CERTIFIES THAT BUYER HAS READ EVERY PROVISION OF THIS AGREEMENT, WHICH INCLUDES EACH RIDER AND ADDENDUM ATTACHED HERETO AND THAT THIS AGREEMENT, TOGETHER WITH EACH SUCH RIDER AND ADDENDUM, CONSTITUTES THE ENTIRE AGREEMENT BETWEEN BUYER AND SELLER. PRIOR AGREEMENTS, REPRESENTATIONS, UNDERSTANDINGS, AND ORAL STATEMENTS NOT REFLECTED IN THIS AGREEMENT HAVE NO EFFECT AND ARE NOT BINDING ON SELLER. BUYER ACKNOWLEDGES THAT BUYER HAS NOT RELIED ON ANY REPRESENTATIONS, NEWSPAPERS, RADIO OR TELEVISION ADVERTISEMENTS, WARRANTIES, STATEMENTS, OR ESTIMATES OF ANY NATURE WHATSOEVER, WHETHER WRITTEN OR ORAL, MADE BY SELLER, SALES PERSONS, AGENTS, OFFICERS, EMPLOYEES, CO-OPERATING BROKERS (IF ANY) OR OTHERWISE EXCEPT AS HEREIN SPECIFICALLY REPRESENTED. BUYER HAS BASED HIS/HER/THEIR DECISION TO PURCHASE THE PROPERTY ON PERSONAL INVESTIGATION, OBSERVATION AND THE DOCUMENTS.

31. **Modification.** This Agreement is the entire agreement for the sale and purchase of the Property and once it is signed by both Buyer and a Division Agent or Officer of Seller, it can only be amended by a written agreement signed by both Buyer and Seller.

32. **Additional Changes.** Notwithstanding Section 32 of this Agreement, Buyer agrees that it may be necessary (at any time and from time to time) after Buyer executes this Agreement for Seller, and/or the developer or declarant under the Documents, to change the terms and provisions of this Agreement and/or the Documents to comply with and conform to the rules and regulations (as same may exist and as same may be promulgated from time to time) of any governmental agency, subdivision or authority or court of competent jurisdiction and Buyer consents to all such changes. Notwithstanding Section 32 of this Agreement, Seller, and/or the developer or declarant under the Documents, shall have the right to amend all Documents for development or other purposes, and Buyer consents to all such amendments.

33. **Inducement.** Buyer acknowledges that the sole inducement to close on the purchase of the Property is the Property itself and not (1) the common facilities comprising part of the Community, if any, or (2) any expectation that the Property will increase in value.

34. **Reservation of Easement.** For the purpose of completing the construction and servicing of the Property and Community, Seller hereby reserves an easement of ingress and egress for itself and its successors and assigns, and each of their respective agents, employees, materialmen and subcontractors, over, under and upon the Property for a period of one (1) year after Closing. Seller shall provide reasonable notice to Buyer before exercising easement rights granted herein. All of the terms of this Section 35 shall survive Closing and the delivery of the Deed.

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35. **Riders and Addenda.** This Agreement consists of nine (9) pages and the following Riders and Addenda, which are attached hereto and by this reference made a part of this Agreement:

Check all that apply:

- [x] Rider B
- [x] Rider A
- [x] Affiliated Business Arrangements Disclosure Statement
- [x] Master Disclosure and Information Addendum
- [x] Cooperating Broker Agreement
- [x] Election Form Addendum
- [ ] FHA/VA Addendum
- [ ]
- [ ] Home Sale Contingency Addendum
- [x] Purchase Price and Payment Addendum
- [x] Cooperating Broker Addendum
- [x] Indoor Environmental Quality Disclosure Addendum
- [x] Insulation Addendum
- [ ]
- [ ]

36. **Survival.**

36.1 Buyer and Seller agree that it is their express intent that the Sections and documents listed below, together with any other terms in this Agreement that expressly so state, as well as any terms that may survive by operation of law, notwithstanding if the Section, document or term has a survival provision thereto, shall not be merged into the Deed and that these Sections and documents shall survive Closing and the delivery of the Deed: Section 11, Closing and Title Matters; Section 13, Site and Substitutions; Section 16, Mediation / Arbitration of Disputes; Section 17, Other Dispute Resolutions; Section 18, Selling Agent and Cooperating Broker; Section 19, Construction Activities; Section 20, Dangerous Conditions; Construction Work; Section 35, Reservation of Easement; Section 5 of Rider B, Warranties; Section 2 of the Indoor Environmental Quality Disclosure; Cooperating Broker Addendum, in its entirety; and, Master Disclosure and Information Addendum to Purchase and Sale Agreement, in its entirety.

36.2 Buyer and Seller agree that it is their express intent that the Sections and documents listed below, together with any other terms in this Agreement that expressly so state, as well as any terms that may survive by operation of law, notwithstanding if the Section, document or term has a survival provision thereto, shall survive termination of this Agreement: Section 14, Buyer's Default; Section 15, Seller's Default; Section 16, Mediation / Arbitration of Disputes, Section 17, Other Dispute Resolutions; Section 23, Transfer, Assignment and Persons Bound; and Section 6 of Rider B, Documents.

37. **Offer to Purchase/Effective Date.** This Agreement, when executed by Buyer and delivered to Seller, together with the Initial Deposit specified hereunder, shall constitute an offer by Buyer to purchase the Property in accordance with the terms and conditions provided herein, and shall not be binding upon Seller until such time as a Division Agent or Officer of Seller has executed this Agreement. The date of such acceptance is the "**Effective Date**" of this Agreement. In the event Buyer's offer is not accepted by Seller, all paid Deposits made by Buyer to Seller to date shall be returned to Buyer, and Buyer's offer shall be deemed withdrawn.

38. **Counterparts and Signatures.** This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which together shall comprise but a single instrument. Signatures may be given via electronic transmission and shall be deemed given as of the date and time of the transmission of this Agreement to the other party.

THE INITIAL DEPOSIT HAS BEEN RECEIVED BY SELLER SUBJECT TO CLEARANCE.

SELLER: Lennar Carolinas, LLC

New Home Consultant - Samuel Broadway
Date:

THIS AGREEMENT IS NOT BINDING ON SELLER UNTIL ACCEPTED BELOW BY AN AUTHORIZED AGENT OF SELLER.

SELLER: Lennar Carolinas, LLC

Authorized Agent of Seller - Ann Ivey
Date: 12/5/11

Buyer - Mathew E Collins
Date: 12-2-11

Buyer -
Date:

Buyer -
Date:

Buyer -
Date:

ELECTION FORM ADDENDUM

THIS ELECTION FORM ADDENDUM (this "**Addendum**") is executed in conjunction with and, by this reference, incorporated into the Purchase and Sale Agreement (the "**Agreement**") dated as of the Second day of December , 2011, between Mathew E Collins(collectively, "**Buyer**") and Seller, as defined in the Agreement, respecting Lot 0009 of Building/Block _____ of The Abbey at Spring Grove Subdivision/Plat in the community known as The Abbey at Spring Grove (the "**Community**").

1. **Defined Terms**. All initially capitalized terms not defined herein shall have the meanings set forth in the Agreement, and all references in this Addendum to the Agreement shall be deemed to include references to this Addendum and to every other addendum attached to the Agreement, which are hereby incorporated by this reference.

2. **Affiliated Business**. Seller has given Buyer notice in the Affiliated Business Arrangement Disclosure Statement that Seller has business relationships with Universal American Mortgage Company, LLC ("**UAMC**") and North American Title Company, and its affiliate, North American Title Insurance Corporation (collectively, "**North American**"). Buyer is hereby informed that Buyer is not obligated to use an affiliated business of Seller as a condition to the sale of the Home.

3. **Deposits**. Seller's standard practice within the Community is to require the following earnest money deposits:

3.1 Minimum of $1,000 for owner-occupants on homes priced up to $165,000.

3.2 Minimum of $2,000 for owner-occupants on homes priced above $165,000.

3.3 Minimum of $5,000 for non owner-occupants.

3.4 Buyer represents, covenants and warrants to Seller that Buyer is purchasing the Home (check one):

☒ as an owner-occupant.

☐ not as an owner-occupant.

☐ as a cash buyer.

Buyer: MEC _____

3.5 In the event of Buyer's default and to the extent allowed by law, Seller shall be entitled to keep, as liquidated damages and not as a penalty, Buyer's Deposit. Buyer agrees that actual damages in the event of breach by Buyer would be costly and difficult to calculate, and that such liquidated damages are a fair and reasonable remedy and shall not be considered a penalty.

4. **Mortgage Loan and Title Insurance**.

4.1 Buyer agrees to pay all loan and closing costs in connection with this transaction.

4.2 By checking one of the boxes below and initialing below the selected text, Buyer hereby selects the lender and/or title insurance company that Buyer will use in connection with the purchase of the Home.

4.2.1 ☒ Buyer elects to use UAMC (or such other lender named on the Approved Lender Addendum).

Buyer's Initials: _____ _____

4.2.2 ☐ Buyer intends to purchase the Home without financing.

Buyer's Initials: _____ _____

4.2.2 ☐ Buyer elects to use a lender other than UAMC (or such other lender named on the Approved Lender Addendum) as its Lender.

Buyer's Initials: MEC _____

4.3 Seller will pay up to $ 4,000.00 toward Buyer's Closing Costs.

4.4 Seller will not accept a Purchase Agreement, without a pre-approval Letter (not a pre-qualification letter), for the loan amount from a lender. Buyer must provide written loan approval within 30 days from approval of the Agreement.

5. **Closing Attorney**.

5.1 By checking the box below and initialing below the selected text, Buyer hereby selects the closing attorney that Buyer will use in connection with the purchase of the Home.

5.1.1 ☒ Buyer elects to use Seller's closing attorney, Richard E. Leister (Myrtle Beach), or Buist, Byars & Taylor (Charleston).

Buyer's Initials: MEC _____

Buyer is hereby notified and acknowledges that Buyer is not required to use Seller's closing attorney as a condition to purchasing the Home. There are other closing attorneys available who can represent Buyer in this transaction. If Buyer desires to engage an attorney to represent

Buyer, then Buyer may do so at Buyer's sole expense and will not receive the incentives set forth below. If Buyer elects to use Seller's closing attorney, Seller's closing attorney will represent Seller and Buyer in this transaction, and Seller's closing attorney cannot offer substantive legal advice to either party in connection with the sale and purchase of the Home. BUYER HAS CERTAIN RIGHTS IN CONNECTION WITH THIS TRANSACTION, AND SELLER ENCOURAGES BUYER TO CONSULT WITH ITS OWN ATTORNEY ABOUT SUCH RIGHTS, INCLUDING BUYER'S USE OF SELLER'S CLOSING ATTORNEY TO PURCHASE THE HOME. Seller's closing attorney may make additional disclosures with respect to his or her joint representation of Seller and Buyer. Seller's closing attorney may also elect not to represent Buyer in this transaction, in which case Buyer will need to hire an attorney to represent Buyer.

Buyer's Initials: MEC _____

5.1.2 ☐ Buyer elects to use an attorney other than Seller's closing attorney.

Buyer's Initials: _____ _____

6. **Governing Law**. This Agreement is governed by the law of the state where the Property is located, without regard to its conflicts of law rules.

7. **Counterparts**. This Addendum may be executed in counterparts, a complete set of which shall form a single Addendum.

8. **Conflicts**. In the event of any conflict between this Addendum and the Agreement, this Addendum shall control. In all other respects, the Agreement shall remain in full force and effect.

9. **Entire Agreement**. The Agreement, together with this Addendum and any other addenda or riders to the Agreement, contains the entire agreement between Buyer and Seller concerning the matters set forth herein. All prior discussions, negotiations and contracts relating to investors and occupancy requirements, if any, whether oral or written, are hereby superseded by these documents. No addition or modification of this Addendum or the Agreement shall be effective unless set forth in writing and signed by Buyer and an authorized agent of Seller.

Buyer - Mathew E Collins
Date 12-2-11

Buyer -
Date

Buyer -
Date

Buyer -
Date

SELLER: Lennar Carolinas, LLC

Authorized Agent of Seller - Ann Ivey
Date 12/5/11

RIDER A
(SOUTH CAROLINA)

THIS RIDER A (SOUTH CAROLINA) (this "**Rider A**") is executed in conjunction with and, by this reference, incorporated into the Purchase and Sale Agreement (the "**Agreement**") entered into as of the second day of DECEMBER , 2011, between Mathew E Collins ("**Buyer**") and Seller, as defined in the Agreement, respecting Lot 0009 of Block _____ of The Abbey at Spring Grove Subdivision/Plat in the community known as The Abbey at Spring Grove (the "**Community**").

1. **Defined Terms**. All initially capitalized terms not defined herein shall have the meanings set forth in the Agreement, and all references in this Rider A to the Agreement shall be deemed to include references to this Rider A and to any other addenda and riders attached to the Agreement, which are hereby incorporated by this reference.

2. **Deposit**. All payments made by Buyer to Seller with respect to the Total Purchase Price (including but not limited to the Deposit and the Advanced Payments) shall be paid to Seller for such purposes as Seller shall determine, and Seller shall not be required to maintain the payments in an escrow or trust account. Buyer shall have no right to interest upon the payments. If and to the extent such payments are deposited in any interest bearing account, then any interest on such payments shall inure to the benefit of Seller. At the time of Closing, the amount of the payments shall be credited to Buyer against the Total Purchase Price.

Buyer's Initials MEC _____

3. **Return of Deposit**. In the event this Agreement is cancelled for any reason other than Seller's default, the Buyer shall be required to execute and return a release form provided by the Seller prior to return of the Deposit in accordance with this Agreement, as set forth herein.

4. **Real Estate Tax Disclosure**. When a new home is built, the assessed value of the home is calculated as of January 1st. Therefore, if the Home has a certificate of occupancy issued as of January 1st of the calendar year, Buyer will be assessed based on the value of the completed construction for that tax year. Seller is not responsible for communicating any information regarding real estate taxes (current or future) and cannot and will not predict what the taxes on the Home may be. Buyer should confirm any information provided concerning appraisals, tax valuation, tax rates or other tax-related questions, with Buyer's personal tax advisor and the local taxing authorities.

5. **Radon Gas and Environmental Pollutants**. The United States Environmental Protection Agency and various state agencies have detected elevated levels of naturally occurring radon gas in some residential structures. These agencies have expressed concern that prolonged exposure to high levels of radon gas may result in adverse effects on human health. The Seller is not having any testing done on the Property, or in the Home, with respect to radon gas or environmental pollutants. The Buyer acknowledges that Seller has made no representations or warranties, express or implied, concerning the presence or absence of radon gas or environmental pollutants in the Home or on the Property, and the Buyer acknowledges that the Seller is not qualified to analyze or evaluate these very complex issues with respect to the Home or Property. The Buyer releases the Seller from any and all liability and claims with respect to radon gas and environmental pollutants.

6. **FORM I-295**. At Closing, Seller shall provide Buyer with an affidavit on Form I-295 (Seller's Affidavit - Nonresident Seller Withholding), complying with Section 12-8-580, South Carolina Code of Laws 1976, as amended.

7. **Counterparts**. This Rider A may be executed in counterparts, a complete set of which shall form a single document.

8. **Conflicts**. In the event of any conflict between this Rider A and the Agreement, this Rider A shall control. In all other respects, the Agreement shall remain in full force and effect.

9. **Entire Agreement**. The Agreement, together with this Rider A and any other addenda and riders to the Agreement, contains the entire agreement between Buyer and Seller concerning the matters set forth herein. All prior discussions, negotiations and contracts relating to investors and occupancy requirements, if any, whether oral or written, are hereby superseded by these documents. No addition or modification of this Rider A or the Agreement shall be effective unless set forth in writing and signed by Buyer and an authorized agent of Seller.

Buyer - Mathew E Collins
Date: 12-2-11

Buyer -
Date:

Buyer -
Date:

Buyer -
Date:

SELLER: Lennar Carolinas, LLC

Authorized Agent of Seller - Ann Ivey
Date 12/5/11

RIDER B
Coastal Carolina Division

THIS RIDER B (Coastal Carolina) (this "**Rider B**") is executed in conjunction with and, by this reference, incorporated into the Purchase and Sale Agreement (the "**Agreement**") entered into as of the second day of DECEMBER , 2011, between Mathew E Collins ("**Buyer**") and Seller, as defined in the Agreement, respecting Lot 0009 of Block _____ of The Abbey at Spring Grove Subdivision/Plat in the community known as The Abbey at Spring Grove (the "**Community**").

1. **Defined Terms**. All initially capitalized terms not defined herein shall have the meanings set forth in the Agreement, and all references in this Rider B to the Agreement shall be deemed to include references to this Rider B and to any other rider and addenda attached to the Agreement, which are hereby incorporated by this reference. In addition to those terms, the following terms shall have the meanings set forth below:

"**Closing Date Notice Period**" shall mean at least seven (7) days prior to the Closing Date.

"**Mortgage Contingency Period**" shall mean five (5) days if this Agreement is contingent on Buyer obtaining financing as indicated in the Purchase and Sale Agreement.

2. **Additional Mortgage Contingency**. Unless Buyer shall have notified Seller otherwise writing within the Mortgage Contingency Period, Buyer shall be conclusively presumed to have obtained the loan commitment or agreed to purchase the Property without mortgage financing. If Buyer does timely notify Seller within the Mortgage Contingency Period that he/she failed to obtain a loan commitment, Seller may require Buyer to immediately reapply for a mortgage loan with another lending institution designated by Seller. If Buyer then fails to obtain a loan commitment within seven (7) days from Seller's notice to reapply, either Buyer or Seller shall have the right to terminate this Agreement whereupon the Deposit shall be returned to Buyer, and thereupon the parties hereto shall be released from all liability hereunder without any further acts by either party

3. **Closing Costs**. BUYER UNDERSTANDS AND AGREES THAT IN ADDITION TO THE TOTAL CASH TO CLOSE (WHICH AMOUNT IS SPECIFIED IN SECTION 2 OF THE AGREEMENT AND THE PURCHASE PRICE AND PAYMENT ADDENDUM), BUYER SHALL PAY CERTAIN OTHER FEES AND CLOSING COSTS, IF ANY, AT CLOSING (LISTED BELOW). IN CONNECTION THEREWITH, WITHOUT LIMITATION, THE ITEMS LISTED BELOW WILL COLLECTIVELY BE REFERRED TO AS "**CLOSING COSTS**." NOTWITHSTANDING ANYTHING IN THIS AGREEMENT TO THE CONTRARY, IN THE CASE OF AN FHA/VA OR FANNIE MAE LOAN, BUYER SHALL NOT PAY FOR ANY COSTS PROHIBITED BY HUD (FHA), VA OR FANNIE MAE REGULATIONS. ALL REFERENCES TO "PRO RATA SHARES" WILL BE DEEMED A TIME PRO RATION, BASED ON THE CLOSING DATE, WITH BUYER PAYING AMOUNTS ACCRUED ON AND AFTER THE CLOSING DATE. The Closing Costs include, without limitation:

3.1 The premium for a policy of mortgagee's title insurance and the cost to record the Deed. If the settlement charges that VA does not allow Buyer to pay exceed the amount of settlement charges, if any, to be paid by Seller, Seller at its sole discretion may terminate the Agreement and refund Buyer's earnest money. If the settlement charges that FHA does not allow Buyer to pay exceed the amount of settlement charges, if any, to be paid by Seller, Buyer may either pay the additional settlement charges at Closing or the additional settlement charges shall be added to the principal on Buyer's loan, regardless of whether or not the interest rate on Buyer's loan will increase as result of the addition of the settlement charges to the principal.

3.2 Customary closing costs of a Buyer of a single family residence, including but not limited to items such as loan fees, loan closing costs and all other related sums, attorneys' fees, escrows for taxes and insurance, recording fees, documentary stamp taxes on the note, intangible taxes, credit reports and PMI insurance, if applicable, charged by the Lender or otherwise customary for a Buyer at Closing.

3.3 Title search updates, title examination fees, delivery charges, and any other Closing expenses of Buyer.

3.4 All additional costs respecting the Property imposed by any governmental authority.

3.5 The cost of any obligations Buyer incurs not provided for in this Agreement.

3.6 The cost of a survey of the Property.

3.7 Certified governmental liens (liens which can be paid pursuant to written notice), if any, shall be assumed and paid by Seller, pending governmental improvement liens shall be paid and assumed by Buyer.

3.8 A pro rata share of County interim service fees, if any.

3.9 A pro rata share of waste fees.

3.10 A pro rata share of utility deposits and capacity fees (water and/or sewer) for the Property prepaid by Seller.

3.11 Any other expenses of an owner of the Property provided for or referenced in the Documents.

3.12 Amounts reflected in the Master Disclosure and Information Addendum to the Purchase and Sale Agreement, if any, attached hereto and incorporated herein.

3.13 Current expenses of the Property (for example: taxes, special assessments and current monthly assessments to one or more homeowner's associations) will be adjusted between Seller and Buyer as of the Closing Date. Buyer shall reimburse Seller for any prepaid expenses of the Property and capital contributions made to one or more homeowners' associations, paid by Seller in advance and/or for the month in which the Closing Date occurs.

3.14 If real estate taxes for the year in which the Closing Date occurs are assessed in the aggregate on the real estate comprising the portion of the Community (including the Property) rather than on a homesite-by-homesite basis, Seller will pay such taxes in full when due, but Buyer will reimburse Seller at the Closing for Buyer's pro rata share of such taxes from the Closing Date (if such taxes are then known) or the Property's allocable share (so prorated) of Seller's estimate of those taxes (if such taxes are not then known), subject to readjustment at either the request of Seller or Buyer within six (6) months from when the actual tax bill is known. If taxes for the year in which the Closing Date occurs are assessed on a homesite-by-homesite basis but such taxes are not due on the Closing Date, Buyer will be responsible for paying such tax bill in full when due but Seller will reimburse Buyer at the Closing for Seller's pro rata share of such taxes (if the taxes are then known) or Seller's estimate of those taxes (if such taxes are not then known) through the Closing Date, subject to readjustment at either the request of Seller or Buyer within six (6) months from when the actual bill is known. If the Closing takes place after Seller has paid the taxes for the year in which the Closing Date occurs, Buyer will reimburse Seller at Closing for Buyer's pro rata share of those taxes from and after the Closing Date.

3.15 The cost of any modifications or changes which are incurred by Seller as a result of changes in building codes, governmental rules, regulations or requirements, or the enforcement of any of the same, after the Effective Date of this Agreement, shall be paid by Buyer at the time of Closing.

4. **Additional Financing and Closing Costs Disclosures.**

4.1 Although Seller may make available to Buyer the name of one or more lenders or information about one or more available financing alternatives, Buyer agrees that the choice of a lender and loan is Buyer's sole decision, and Seller has not made any promises or representations concerning the likelihood of Buyer obtaining the loan, the terms and conditions of such loan or the interest rate or fees associated with such loan

4.2 4.2 BUYER IS HEREBY ADVISED BY SELLER THAT INTEREST RATES, LOANS FEES, AND OTHER LOAN CONDITIONS ARE NOT GUARANTEED, FIXED OR ESTABLISHED (AND SELLER MAKES NO REPRESENTATIONS OR WARRANTIES WITH RESPECT TO SUCH ITEMS) AND ARE SUBJECT TO CHANGE BY ANY LENDER. SUBJECT TO SECTION 8 OF THE AGREEMENT, SELLER DOES NOT WARRANT OR GUARANTEE THAT COMPLETION OF THE IMPROVEMENTS OR LOAN FUNDING CAN BE ACHIEVED WITHIN LOAN LOCK PERIODS, IF ANY, REGARDLESS OF WHETHER SUCH LOCKS ARE PAID FOR BY SELLER OR BUYER. IF BUYER LOCKS IN AN INTEREST RATE AND POINTS FOR LOAN FUNDING PRIOR TO CLOSING, BUYER AGREES TO PAY THE DIFFERENCE BETWEEN THE LOCK-IN RATE AND THE MARKET INTEREST RATE AT CLOSING IF THE LOCK-IN RATE EXPIRES PRIOR TO CLOSING.

4.3 Responsibility for obtaining the loan and for satisfying all conditions made by the Lender with regard to the loan shall rest solely with the Buyer.

5. **Warranties.** Buyer understands and agrees that Seller is making only those express limited warranties set forth in the homeowner's warranty (the "**Limited Warranty**"). The Limited Warranty, incorporated herein, shall be delivered to Buyer at Closing and a copy of which is attached hereto **OR** a copy of which is available for examination at Seller's office and will, at Buyer's request, be attached as an exhibit to this Agreement. THE EXPRESS LIMITED WARRANTY AND REMEDIES PROVIDED BY SELLER CONSTITUTE THE EXCLUSIVE WARRANTY AND REMEDIES TO BE MADE AVAILABLE BY SELLER AND, EXCEPT WHERE ADDITIONAL WARRANTIES ARE REQUIRED BY APPLICABLE LAW OR REGULATION, ARE IN PLACE OF ALL OTHER GUARANTIES OR WARRANTIES, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO WARRANTIES OF WORKMANSHIP, MERCHANTABILITY, HABITABILITY, SUITABILITY AND FITNESS, WHICH ARE HEREBY EXPRESSLY DISCLAIMED BY SELLER AND WAIVED BY BUYER. TO THE EXTENT OF ANY CONFLICT BETWEEN ANY PROVISION OF THIS AGREEMENT RELATED TO WARRANTIES AND THE LIMITED WARRANTY, THE PROVISIONS OF THE LIMITED WARRANTY SHALL CONTROL. All of the terms of this Section 6 shall survive Closing and the delivery of the Deed. BUYER AND SELLER ACKNOWLEDGE THAT THEY HAVE EXPRESSLY NEGOTIATED AND BARGAINED FOR THE WAIVER OF THE IMPLIED WARRANTY OF HABITABILITY, AND BUYER ACKNOWLEDGES THE SUFFICIENCY AND RECEIPT OF VALUABLE CONSIDERATION FOR SUCH WAIVER IN THE AMOUNT OF $0, WHICH AMOUNT SHALL BE CREDITED TOWARD THE PURCHASE PRICE AT CLOSING. THE CONSIDERATION AGREED UPON ABOVE HAS BEEN SPECIFICALLY NEGOTIATED BETWEEN BUYER AND SELLER.

Buyer _____ Buyer _____

6. **Documents.** Buyer acknowledges receipt of the Document Book for the Community containing many important documents regarding the Community, including but not limited to some of the documents of record affecting the Property and the Community (collectively, the "**Documents**"). The Document Book is hereby incorporated into this Agreement by this reference. The Document Book may be amended as deemed necessary by Seller in its sole and absolute discretion. Buyer agrees to take title to the Property subject to the Documents, to abide

Buyer _____ Buyer _____

by and be bound by all of the terms and conditions of the Documents, and any amendments thereto. The Master Disclosure and Information Addendum to Purchase and Sale Agreement attached hereto sets forth additional information respecting lien rights and homeowners association's restrictions affecting the Property. Buyer understands and agrees this Section shall survive the termination of this Agreement.

7. **Inspection of the Home.** BUYER SHALL BE GIVEN AN OPPORTUNITY TO EXAMINE THE HOME WITH SELLER'S REPRESENTATIVE PRIOR TO CLOSING ON A DATE AND TIME SCHEDULED BY SELLER (A "NEW HOME ORIENTATION," COMMONLY REFERRED TO AS A "WALKTHROUGH"). AT THAT TIME, IF ANY DEFECTIVE OR INCOMPLETE ITEMS ARE NOTED, BUYER SHALL PRESENT TO SELLER AN INSPECTION STATEMENT LISTING SAID ITEMS AND SIGNED BY BUYER. IF ANY ITEMS NOTED ARE ACTUALLY DEFECTIVE IN WORKMANSHIP OR MATERIALS IN SELLER'S OPINION (IN ACCORDANCE WITH CONSTRUCTION STANDARDS PREVALENT FOR A SIMILAR HOME IN THE COUNTY), SELLER WILL BE OBLIGATED TO CORRECT THOSE ITEMS AT SELLER'S COST. A SECOND INSPECTION OF THE HOME WILL BE CONDUCTED PRIOR TO CLOSING AT WHICH TIME BUYER WILL BE GIVEN AN OPPORTUNITY TO EXAMINE THE HOME WITH SELLER'S REPRESENTATIVE TO ACKNOWLEDGE THAT ITEMS LISTED ON THE INSPECTION STATEMENT PREPARED AFTER THE FIRST INSPECTION HAVE BEEN CORRECTED. ANY REMAINING ITEMS THAT SELLER HAS AGREED TO CORRECT WILL BE CORRECTED BY SELLER AT SELLER'S SOLE COST AND EXPENSE PRIOR TO CLOSING (OR AT SELLER'S OPTION WITHIN A REASONABLE TIME AFTER CLOSING), PROVIDED HOWEVER THAT SELLER'S OBLIGATION TO CORRECT WILL NOT BE A GROUND FOR DEFERRING CLOSING, NOR FOR ANY SETOFF, NOR FOR IMPOSING ANY CONDITION ON CLOSING AS LONG AS THE HOME IS HABITABLE. THE ISSUANCE OF A CERTIFICATE OF COMPLETION, OR USE SHALL BE CONCLUSIVE EVIDENCE OF HABITABILITY. NO ESCROW OR HOLDBACK OF CLOSING FUNDS OR ANY CASH TO CLOSE SHALL BE PERMITTED. **EXCEPT FOR WORK THAT CANNOT BE COMPLETED AT THAT TIME OF YEAR.** IF A BUYER FAILS TO TAKE ADVANTAGE OF ANY PRE-CLOSING INSPECTION ON THE TIME AND DATE SCHEDULED BY SELLER, BUYER SHALL BE DEEMED TO HAVE WAIVED THE RIGHT TO INSPECT THE HOME PRIOR TO CLOSING.

8. **No Right to Enter.** Buyer acknowledges that all matters pertaining to the initial construction of the Property will be performed by Seller and Seller's representatives. Buyer acknowledges and agrees that for reasons of safety and to comply with liability and insurance requirements imposed upon Seller, neither Buyer nor any agent of Buyer shall, until after the Closing, be permitted to enter upon the Property without being accompanied by Seller's representative. Any permitted personal inspections shall be made at times designated by Seller, and shall not be allowed under any condition prior to the formal inspection described above and only with Seller's representative. Buyer agrees not to give instructions to, interfere with or interrupt any workmen at the Property. Buyer may not order any work on the Property until after the Closing. Buyer recognizes that Seller is under no obligation to agree to provide options, extras and/or upgrades. Without limiting the applicability of this Section to all obligations, representations and covenants of Buyer hereunder, Buyer specifically acknowledges that any breach by Buyer of the terms and conditions contained within this Section shall be deemed to be a material breach and shall entitle Seller to declare this Agreement to be in default in accordance with the provisions of the Buyer's Default in the Agreement. Seller's failure to promptly take any action with respect to Buyer's breach of the terms and conditions contained herein shall not be deemed a waiver of any of Seller's rights or remedies hereunder. Whenever this Agreement shall require Seller to complete or substantially complete an item of construction, unless provided specifically to the contrary herein, such item shall be deemed complete or substantially complete when so completed, in the sole and unfettered opinion of Seller. Should Seller fail to provide any item of construction required to be provided, Buyer's sole remedy therefore will be to collect an amount from Seller equal to Seller's cost for such item and for Seller's cost of installation of such item had such item been installed at the appropriate time during construction. Without limiting Seller's rights and Buyer's obligations contained within this Section and elsewhere in this Agreement, should any warranted defects in workmanship or materials be discovered before or after the Closing, Buyer agrees that Buyer's sole remedy therefore is for Seller to, at Seller's sole and absolute discretion, either repair or replace the defective item. To the extent permitted by applicable law, Seller disclaims any liability for incidental or consequential damages that may arise from a defective item.

9. **Counterparts.** This Rider B may be executed in counterparts, a complete set of which shall form a single document.

10. **Conflicts.** In the event of any conflict between this Rider B and the Agreement, this Rider B shall control. In all other respects, the Agreement shall remain in full force and effect.

11. **Entire Agreement**. The Agreement, together with this Rider B and any other addenda and riders to the Agreement, contains the entire agreement between Buyer and Seller concerning the matters set forth herein. All prior discussions, negotiations and contracts relating to investors and occupancy requirements, if any, whether oral or written, are hereby superseded by these documents. No addition or modification of this Rider B or the Agreement shall be effective unless set forth in writing and signed by Buyer and an authorized agent of Seller.

Buyer - Mathew E Collins
Date: 12-2-11

Buyer -
Date:

Buyer -
Date:

Buyer -
Date:

SELLER: Lennar Carolinas, LLC

Authorized Agent of Seller - Ann Ivey
Date 12/5/11

Affiliated Business Arrangement Disclosure Statement

BUYER: Mathew E Collins

PROPERTY: 218 Maywood Drive, Moncks Corner SC 29461

This is to give you notice that the following companies have business relationships with each other: Universal American Mortgage Company, LLC, Lennar Carolinas, LLC and North American Advantage Insurance Services, LLC, and each of these companies is, directly or indirectly, wholly owned by Lennar Corporation. Because of these relationships, referral of services by the undersigned may provide a financial or other benefit.

Set forth below are the types of settlement services offered by these affiliated companies and the estimated charge or range of charges generally required by these companies for such settlement services. You are NOT required to use any of the companies listed above as a condition for purchase of the subject property.

THERE ARE FREQUENTLY OTHER SETTLEMENT SERVICE PROVIDERS AVAILABLE WITH SIMILAR SERVICES. YOU ARE FREE TO SHOP AROUND TO DETERMINE THAT YOU ARE RECEIVING THE BEST SERVICES AND THE BEST RATE FOR THESE SERVICES.

Provider and Settlement Services/ Estimated Range of Charges

MORTGAGE

Universal American Mortgage Company, LLC arranges and makes mortgage loans and the following are estimated mortgage loan related charges or range of charges **(not all of the charges may apply):**

Description of Fee	Range of Cost
Loan Origination Points	0% - 1% (of the loan amount)
Loan Points for Interest Rate Chosen	0% - 3% (of the loan amount)
Loan Origination Charge	$575 - $900
Appraisal Fee Paid to Appraiser	$350 - $500
Credit Report Fee Paid to Outside Agency	$ 12 - $100

The actual fees charged may vary based on the size of your loan, loan program and interest rate you choose. There also will be other third party charges. You will receive a Good Faith Estimate when you apply for your mortgage loan, that will give you an estimate of all anticipated charges.

TITLE

Lester & Lester, P.A. and Buist, Byars & Taylor LLC (collectively, Attorney) provides closing services and also arranges for title insurance through numerous underwriters, one of which is North American Title Insurance Company (North American). Attorney is not affiliated with Lennar Corporation. In connection with the purchase of the subject property, we recommend Attorney to handle the closing and the issuance of any title insurance, which (if Attorney is selected by you) may be provided by North American. Because of the business relationship and arrangement described above, the referral to Attorney may provide Lennar Corporation a financial or other benefit. You are not required to use Attorney or North American.

The following are estimated charges or range of charges for the settlement services listed should North American provide the title insurance:

* Owner's Policy:
  $3.00 per $1,000 of purchase price up to $50,000
  $2.50 per $1,000 of purchase price over $50,000 and up to $100,000
  $1.75 per $1,000 of purchase price over $100,000 and up to $500,000
  $1.50 per $1,000 of purchase price over $500,000 and up to $5,000,000
  $1.00 per $1,000 of purchase price over $5,000,000

* Loan Policy:
  $3.00 per $1,000 of loan amount up to $50,000
  $2.50 per $1,000 of loan amount over $50,000 and up to $100,000
  $1.75 per $1,000 of loan amount over $100,000 and up to $500,000
  $1.50 per $1,000 of loan amount over $500,000 and up to $5,000,000
  $1.00 per $1,000 of loan amount over $5,000,000

* Enhanced Owner's or Loan Policies are 20% more

* Title Policy Endorsement(s):
  $50.00 - $100 each for standard endorsements, 10% or 20% of policy premium for extra-risk endorsements

Affiliated Business Arrangement Disclosure Statement

INSURANCE

North American Advantage Insurance Services, LLC (NAAIS) is an insurance agent that provides, among other products, homeowner's/hazard and flood insurance. Set forth below is the estimated range of charges by NAAIS for the settlement services listed.

Settlement Service	Range of Charges - Annual Premium
Hazard Insurance	.2% - 2.5% of Home Price
Flood Insurace	.1% - .5% of Home Price

NOTE:
The above is a premium range for hazard and flood insurance. If enhancements to the standard policy such as increased limits, scheduled articles, and/or earthquake coverage are required, the premium may increase. Actual quote and acceptance by NAAIS is subject to NAAIS' application of its underwriting guidelines, including but not limited to verification of your credit score and previous loss history.

Of course, the cost of your insurance may vary due to many factors including, without limitation, the size, location and cost of your home.

Acknowledgement

I/we have read this notice and understand that Seller is referring me/us to purchase the above described settlement services and may receive a financial or other benefit as a result of this referral.

Buyer's Signature
Date 12-2-11

Buyer's Signature
Date

Buyer's Signature
Date

Buyer's Signature
Date

Lennar Carolinas, LLC
Printed Name of Seller

Sales Associate's Signature
Date

COOPERATING BROKER ADDENDUM

THIS COOPERATING BROKER ADDENDUM (this "**Addendum**") is executed in conjunction with and, by this reference, incorporated into the Purchase and Sale Agreement (the "**Agreement**") dated as of the second day of December , 2011, between Mathew E Collins (collectively, "**Buyer**") and Seller, as defined in the Agreement, respecting Lot 0009 of Block _____ of The Abbey at Spring Grove Subdivision/Plat in the community known as The Abbey at Spring Grove (the "**Community**").

1. **Defined Terms**. All initially capitalized terms not defined herein shall have the meanings set forth in the Agreement, and all references in this Addendum to the Agreement shall be deemed to include references to this Addendum and to every other addendum attached to the Agreement, which are hereby incorporated by this reference.

2. **Cooperating Broker**. Notwithstanding anything contained in the Agreement to the contrary, Seller and Buyer acknowledge that Buyer has dealt with the following brokerage firm in connection with the purchase of the Property ("**Cooperating Broker**"):

Name of Cooperating Broker: Prudential

Address: 112 W. Doty St.

Business Phone: 843-442-1290

Name of Sales Associate of Cooperating Broker: Peggy Murray

Date of Registration: _____

Seller agrees to pay Cooperating Broker, at Closing, a commission in the amount of three percent (3%) of the Base Purchase Price plus the Homesite Premium less any builder incentives and/or discounts to the Base Purchase Price, as that amount is determined by the Purchase Price and Payment Addendum (the "**Commission**"), subject however to the terms and conditions set forth below and in a separate Cooperating Broker Agreement ("**Broker Agreement**"). As set forth herein, "incentive" shall mean the total dollar value of all consideration, incentives, discounts, credits, reductions, gifts or other inducements offered or arranged by Seller in connection with Buyer's purchase of the Property, including, without limitation, any: reduction or discount in the Total Purchase Price, Base Purchase Price, or the Homesite Premium; credit for or contribution toward Closing Costs; payment of or contribution toward assessments or capital contributions charged by any homeowner's association or Seller; payment of or contribution toward homeowner's casualty or liability insurance, and/or lease payments; financing incentive such as payment of buy down fees to the Lender; and retail value of any gift to Buyer. No Commission shall be payable by Seller unless Buyer consummates the purchase of the Property in accordance with the terms and conditions of the Purchase and Sale Agreement; accordingly, the Commission shall not be deemed earned unless and until the Closing occurs. Buyer agrees that it shall be responsible for any other commission due to Cooperating Broker that is in excess of the Commission payable by Seller pursuant to this Addendum and the Broker Agreement and for any commission due to any other real estate brokers or salesmen claiming to have represented Buyer in connection with the purchase of the Property. Notwithstanding the foregoing, Seller agrees to pay any and all commissions due to Seller's New Home Consultants working in Seller's sales office.

plus 1.5% bonus

3. **Governing Law**. This Addendum is governed by the law of the state where the Property is located, without regard to its conflicts of law rules.

4. **Counterparts**. This Addendum may be executed in counterparts, a complete set of which shall form a single Addendum.

5. **Conflicts**. In the event of any conflict between this Addendum and the Agreement, this Addendum shall control. In all other respects, the Agreement shall remain in full force and effect.

6. **Entire Agreement**. The Agreement, together with this Addendum and any other addenda or riders to the Agreement, contains the entire agreement between Buyer and Seller concerning the matters set forth herein. All prior discussions, negotiations and contracts relating to investors and occupancy requirements, if any, whether oral or written, are hereby superseded by these documents. No addition or modification of this Addendum or the Agreement shall be effective unless set forth in writing and signed by Buyer and an authorized agent of Seller.

7. **Survival**. All of the terms of this Addendum shall survive Closing and the delivery of the Deed.

Buyer - Mathew E Collins
Date 12-2-11

Buyer -
Date

Buyer -
Date

Buyer -
Date

SELLER: Lennar Carolinas, LLC

Authorized Agent of Seller - Ann Ivey
Date 12/5/11

INDOOR ENVIRONMENTAL QUALITY DISCLOSURE

THIS INDOOR ENVIRONMENTAL QUALITY DISCLOSURE (this "**Disclosure**") is executed in conjunction with and, by this reference, incorporated into the Purchase and Sale Agreement (the "**Agreement**") dated as of the second day of DECEMBER , 2011, between Mathew E Collins (collectively, "**Buyer**") and Seller, as defined in the Agreement, respecting Lot 0009 of Block _____, of The Abbey at Spring Grove Subdivision/Plat in the community known as The Abbey at Spring Grove (the "**Community**").

1. **Defined Terms**. All initially capitalized terms not defined herein shall have the meanings set forth in the Agreement, and all references in this Disclosure to the Agreement shall be deemed to include references to this Disclosure and to any other disclosure and/or addenda and riders attached to the Agreement, which are hereby incorporated by this reference.

2. **Indoor Environmental Contaminates**. There are many different types of indoor environmental contaminants, such as pet dander, dust mites and mold. Molds and other potential contaminants have been a part of our environment for millions of years. Contaminants are everywhere, indoors and outdoors. Therefore, everyone is exposed to some contaminants on a daily basis without evident harm. Due to a number of factors, including the fact that sensitivities to various types of molds and other potential contaminants vary from person to person, there are no state or federal standards concerning acceptable levels of exposure to mold. According to the Consumer Product Safety Commission and the American Lung Association, some diseases or illness have been linked with biological pollutants in the indoor environment, including some forms of mold. However, many of these conditions also have causes unrelated to the indoor environment. Therefore, it is unknown how many potential health problems relate exclusively to poor indoor air. Buyer should determine for himself/herself whether Buyer, Buyer's family members or any other individuals who will occupy or use the Home have special needs or increased risk to these conditions. Buyer should carefully monitor the conditions in the Home for mold growth and other contaminants.

When excessive moisture or water accumulates indoors, mold growth can and will occur, particularly if the moisture problem remains unaddressed. There is no practical way to eliminate all molds or mold spores in an indoor environment. The key to controlling indoor mold growth is to control moisture.

There are many ways to help control moisture in and beneath the Home. The U.S. Environmental Protection Agency, the Consumer Product Safety Commission, the American Lung Association and others recommend taking measures such as those listed below to help control moisture in and beneath the Home. The following list is not meant to be all-inclusive.

- o Fix leaking plumbing and any other source of unwanted water immediately.
- o Maintain proper indoor humidity. Equipment that conditions the air, such as air conditioners, humidifiers and ventilation systems must be operated year round.
- o Raise the temperature in areas where moisture condenses on surfaces and open doors between rooms to increase air circulation in the Home, including doors to closets.
- o Have major appliances, such as furnaces, heat pumps, central air conditioners, window air conditioning units, ventilation systems and furnace attached humidifiers inspected, cleaned and serviced regularly by a qualified professional.
- o Clean and dry refrigerator, air conditioner and dehumidifier drip pans and filters regularly and make sure that refrigerator and freezer doors seal properly.
- o Keep water away from the foundation of the Home by maintaining required slopes, drainage and keeping plantings and sprinklers the proper distance from the Home.
- o If there is a sump pump in the Home, inspect it regularly to ensure that it is properly operating.
- o If there is a crawl space or structural sub-floor, inspect the ground beneath the floor on a regular basis to make sure there is no standing or excessive water. If there is standing or excessive water, seek professional assistance to remove the water. If Buyer is interested in finishing the basement, only do so after consulting an expert to determine the suitability of the basement for a finished area.

The following are suggestions that may assist Buyer in preventing and addressing mold growth in the Home.

- o It is important that Buyer responds promptly when Buyer sees signs of moisture or mold.
- o Do not allow moisture to stand or make contact with carpet, furniture and cellulose-based materials, such as wood, drywall or other non-tile, non-plastic or non-metal materials.
- o Dry all water damaged areas and items immediately to prevent mold growth.
- o If mold develops, clean up the mold by washing off hard surfaces with detergent and water and completely dry the surface.
- o Depending upon the nature and extent of the mold infestation, trained professionals may be needed to assist in the remediation effort.
- o Mold that is not properly and adequately removed may reappear.

Proper maintenance and cleaning of the Home is the responsibility of each homeowner and will lessen the potential for water intrusion and help to control indoor environmental contaminants. Further, it is the responsibility of each homeowner to monitor their Home on a continual basis for excessive moisture, water and mold accumulation. If Buyer discovers accumulation of water or moisture in, around or under the Home, Buyer should immediately seek to control the source of the water or moisture. Failing to control the source could result in additional damage and the growth of mold. Plumbing leaks and water penetrations that are covered by the Limited Warranty, if any, during the term of the Limited Warranty must be reported to Seller immediately. If the Limited Warranty has expired or does not cover the specific problem, Buyer should not delay in having professionals address the problem. Seller will not be responsible for, and Buyer agrees to indemnify and hold harmless Indemnified Parties from and against all Claims in connection with, water-related damages, including personal injuries or property damage caused by mold, but only to extent that the damages are caused by (A) Buyer's negligence, (B) Buyer's failure to promptly take appropriate corrective measures and minimize any damages caused by the water or moisture, or (C) Buyer's failure to promptly provide Seller with notice of the water or moisture and give Seller an opportunity to dry the water or moisture and remediate, if necessary, any moisture conditions in the Home caused by improper construction. Buyer also agrees to waive all rights of subrogation for damages resulting from water-related damages, mold growth, any personal injuries, or any remediation resulting from (A) Buyer's negligence, (B) Buyer's failure to promptly take appropriate corrective measures and minimize any damages caused by the water or moisture, or (C) Buyer's failure to promptly provide Seller with notice of the water or moisture and give Seller an opportunity to dry the water or moisture and remediate, if necessary, any moisture conditions in the Home caused by improper construction.

3. **Counterparts**. This Disclosure may be executed in counterparts, a complete set of which shall form a single Disclosure.

4. **Conflicts**. In the event of any conflict between this Disclosure and the Agreement or any other addenda and/or riders, this Disclosure shall control. In all other respects, the Agreement shall remain in full force and effect.

5. **Entire Agreement**. The Agreement, together with this Addendum and any other addenda and riders to the Agreement, contains the entire agreement between Buyer and Seller concerning the matters set forth herein. All prior discussions, negotiations and contracts relating to investors and occupancy requirements, if any, whether oral or written, are hereby superseded by these documents. No addition or modification of this Addendum or the Agreement shall be effective unless set forth in writing and signed by Buyer and an authorized agent of Seller.

Buyer - Mathew E Collins
Date 12-2-11

Buyer -
Date

Buyer -
Date

Buyer -
Date

SELLER: Lennar Carolinas, LLC

Authorized Agent of Seller - Ann Ivey
Date 12/5/11

SCHLAGE LINK ADDENDUM

THIS SCHLAGE LINK ADDENDUM (this "**Addendum**") is executed in conjunction with and, by this reference, incorporated into the Purchase and Sale Agreement (the "**Agreement**") entered into as of the Second day of December , 2011, between Mathew E Collins ("**Buyer**") and Seller, as defined in the Agreement, respecting Lot 0009 of Block _____ of The Abbey at Spring Grove Subdivision/Plat in the community known as The Abbey at Spring Grove (the "**Community**").

1. **Defined Terms**. All initially capitalized terms not defined herein shall have the meanings set forth in the Agreement, and all references in this Addendum to the Agreement shall be deemed to include references to this Addendum and to any other addenda and riders attached to the Agreement, which are hereby incorporated by this reference.

2. **Schlage LiNK**. The Property will be-equipped with Schlage LiNK which uses Z-Wave® technology in a secure, web-based system that allows remote monitoring and control of Z-Wave® enabled door locks, Z-Wave enabled Trane Remote Energy Management Thermostats, Schlage cameras and indoor and outdoor Z-Wave enabled lighting. There is a monthly fee for remote access capabilities and there must be internet access. Schlage LiNK has agreed to provide 12 months of free monitoring commencing at . .

3. **Schlage LiNK Performance**. Buyer will receive a warranty from the manufacturer. Seller assumes no liability for either the performance of Schlage LiNK or the performance or availability of remote access.

4. **Manufacturers' Warranty Disclaimer**. SELLER ASSIGNS AND PASSES THROUGH TO BUYER THE MANUFACTURERS' WARRANTIES FOR SCHLAGE LINK AND SELLER MAKES NO WARRANTIES WITH RESPECT THERETO. SELLER DISCLAIMS ANY WARRANTY OF ANY KIND, EXPRESS OR IMPLIED, ON SCHLAGE LINK, INCLUDING, WITHOUT LIMITATION, ANY WARRANTY OF USE, FITNESS OF USE, WORKMANSHIP OR QUALITY. SELLER SHALL NOT BE LIABLE FOR ANY DAMAGES OR INJURY TO THE SCHLAGE LINK OR FOR ANY DAMAGES OR INJURY CAUSED BY SCHLAGE LINK. SELLER'S DISCLAIMER OF MANUFACTURERS' WARRANTIES DOES NOT LIMIT OR OTHERWISE AFFECT THE WARRANTY OF ANY MANUFACTURER.

5. **Counterparts**. This Addendum may be executed in counterparts, a complete set of which shall form a single Addendum.

6. **Conflicts**. In the event of any conflict between this Addendum and the Agreement, this Addendum shall control. In all other respects, the Agreement shall remain in full force and effect.

7. **Entire Agreement**. The Agreement, together with this Addendum and any other addenda or riders to the Agreement, contains the entire agreement between Buyer and Seller concerning the matters set forth herein. All prior discussions, negotiations and contracts relating to investors and occupancy requirements, if any, whether oral or written, are hereby superseded by these documents. No addition or modification of this Addendum or the Agreement shall be effective unless set forth in writing and signed by Buyer and an authorized agent of Seller.

Buyer - Mathew E Collins
Date 12-2-11

Buyer -
Date _____

Buyer -
Date _____

Buyer -
Date _____

SELLER: Lennar Carolinas, LLC

Authorized Agent of Seller - Ann Ivey
Date 12/5/11

RICEFIELD WAY and THE ABBEY AT SPRING GROVE PLANTATION
MASTER DISCLOSURE AND INFORMATION ADDENDUM TO
PURCHASE AND SALE AGREEMENT
SOUTH CAROLINA

THIS MASTER DISCLOSURE AND INFORMATION ADDENDUM (this "**Addendum**") is executed in conjunction with and, by this reference, incorporated into the Purchase and Sale Agreement (the "**Agreement**") entered into as of the Second day of December, 2011, between Mathew E Collins ("**Buyer**") and Seller, as defined in the Agreement, respecting Lot 0009 of Building/Block _____, of The Abbey at Spring Grove Subdivision/Plat in the community known as **Spring Grove Plantation** (the "**Community**").

1. **Defined Terms**. All capitalized terms not defined herein shall have the meanings set forth in the Agreement, and all references in this Addendum to the Agreement shall be deemed to include references to this Addendum and to any other addenda and riders attached to the Agreement, which are hereby incorporated by this reference.

2. **Community**. The Property lies within a neighborhood known as Ricefield Way or The Abbey at Spring Grove Plantation (the "**Neighborhood**"), which lies within a community known as Spring Grove Plantation (the "**Community**"). This Addendum explains certain terms which are applicable to the purchase of Homes within the Community and the Neighborhood. Current plans are for Ben McCormick Homes, Harbor Homes and First Coast Homes to build homes in the Community. Other builders besides Seller may be added or deleted from the list of builders in the future. Seller, and any other builder in the Community, shall have the right, without notice to Buyer, to make changes to, among other things, homesite sizes, number of homes being built, size and style of homes being built, features and materials in homes being built, prices of homes (whether more or less than currently published), price per square foot of homes (whether more or less than currently published), street layout, amenity layout, and usage, location, size and number of trees, bushes and other foliage (current and future), and any other items or uses which are currently planned for the Community or the Neighborhood. Seller makes no representation or warranties that Seller will be the exclusive builder or developer in the Community or the Neighborhood or that the Community or the Neighborhood will be built out exactly as currently planned, and Seller expressly reserves the right to make whatever changes it deems necessary relating to future development or build out of the Community and the Neighborhood. Any current maps or other materials showing any final or projected community development may be modified or updated in the future.

SELLER HAS MADE NO REPRESENTATIONS OR PROVIDED ANY ASSURANCES WITH REGARD TO THE DEVELOPMENT OF HOMESITES IN AND AROUND THE COMMUNITY. HOMESITES IN AND AROUND THE COMMUNITY MAY REMAIN UNDEVELOPED AT THE SOLE DISCRETION OF SELLER, OTHER BUILDERS IN THE COMMUNITY, AND/OR THE DEVELOPER OF THE COMMUNITY. BUYER ACKNOWLEDGES THAT SELLER HAS MADE NO REPRESENTATIONS OR PROVIDED ANY ASSURANCES, STATED, IMPLIED, OR OTHERWISE WITH REGARD TO SELLER BEING THE SOLE OR EXCLUSIVE BUILDER WITHIN THE COMMUNITY. SELLER HAS MADE NO REPRESENTATIONS OR PROVIDED ANY ASSURANCES, STATED, IMPLIED, OR OTHERWISE WITH REGARD TO CONTINUING TO BUILD IN THE COMMUNITY THROUGH FINAL BUILD OUT AND/OR BUILDING UPON ANY UNDEVELOPED HOMESITE(S). FURTHERMORE, IT IS UNDERSTOOD THAT NO REPRESENTATIONS, ESTIMATES OR PROJECTIONS HAVE BEEN CONVEYED REGARDING THE FINAL BUILD OUT TIME OF ANY UNDEVELOPED HOMESITE(S) OR THE OVERALL COMPLETION SCHEDULE OF THIS COMMUNITY. BUYER ACKNOWLEDGES THAT SELLER CONSTANTLY EVALUATES THE PRICING, DESIGNS, PRODUCT MIX AND AMENITIES OF ITS COMMUNITIES AND SELLER MAKES NO REPRESENTATIONS OR WARRANTIES REGARDING WHETHER TO CONTINUE TO BUILD HOMES WITHIN THE COMMUNITY AND BUYER IS NOT RELYING UPON ANY OF THE FOREGOING IN DECIDING TO PURCHASE THE PROPERTY.

3. **Governing Documents**. Buyer acknowledges receipt, either in hard-copy or via internet or electronic means, of all documents ("**Governing Documents**") for the Community and the Neighborhood.

3.1 Buyer acknowledges receipt of, and agrees to be bound by the Declaration for Spring Grove Plantation Community (the "**Declaration**"), the Articles of Incorporation, By-Laws and any Rules and Regulations of Spring Grove Plantation Community Service Association, Inc., all as amended and supplemented from time to time (collectively, the "**Community Documents**"). Buyer acknowledges and agrees that title to the Home will be subject to the Community Documents.

3.2 The Property will be subject to certain deed restrictions as reflected in the General Limited Warranty Deed executed by Seller and furnished to Buyer at Closing. The deed restrictions run with the Homesite and require, among other things, that (i) buyer give Seller notice of Seller's defaults or any Claim (as defined therein) after Closing and (ii) Seller have an opportunity to inspect and cure defects in the Home. The deed restrictions further require the arbitration of any Claim against Seller that cannot be resolved.

3.3 Buyer acknowledges the provisions of the Governing Documents are fair and reasonable.

4. **Association Memberships**.

4.1 Upon conveyance and recording of the Deed to the Home, Buyer understands and agrees that Buyer will then become a member of the Spring Grove Plantation Community Service Association, Inc., a South Carolina nonprofit corporation (the "**Association**"). Buyer agrees to accept the liability and obligations of

such memberships. Buyer understands that as a member of the Association, Buyer will be required to pay Assessments (as defined in the Governing Documents) for the maintenance of the Common Areas (as defined in the Governing Documents) and for such other uses and purposes as are provided for in the Governing Documents. Buyer also understands and agrees that a failure to pay Assessments when due could cause the Association to record a lien on the Home and to foreclose such lien. Assessments are subject to additional increases in the manner currently provided for in the Governing Documents. Neither Seller, the Association, nor any other builder can estimate the amount or frequency of any such increase.

4.2 Buyer acknowledges that nominees of Seller, and the developer of the Community and the developer of the Neighborhood may serve as the initial officers and directors of the Association. The officers and directors and the management company, which may be an affiliate of Seller, are authorized by Buyer to act for and on the behalf of the Association. Seller may, but is not required to, advance monies to the Association for operations. In the event such advances are made, they will be considered a loan from Seller, and the Association will be obligated to repay such advances as set forth in the Community Documents.

4.3 Buyer acknowledges that all new construction and modifications of existing construction and exterior improvements within the Community are subject to the prior written approval of the appropriate architectural review, design review or similar committee or authority, which is appointed by the Board of Directors of the Association. Buyer agrees to comply with all rules and regulations of the appropriate authority (or authorities) governing construction of improvements within the Community and the Neighborhood as the same may be amended and exist from time to time. These restrictions are subject to change without notice. Building and use restrictions include, but are not limited to, residential and nonresidential uses, building specifications, accessory structures, nuisance, home occupancy, signage, antennas, animals, driveways, vehicle parking, rubbish, utility and drainage easements, clothes lines, fences, special rights of Seller, the developer of the Community, the developer of the Neighborhood and homebuilder(s), leases and restoration of homesites. Buyer agrees not to commence any construction upon the Homesite until it has obtained all requisite written approvals therefore. Buyer further agrees not to make any modifications of any existing buildings and improvements, including, but not limited to, landscaping and landscape irrigation, without the prior written approvals of the appropriate authority (or authorities) pursuant to any city, county or state regulation and pursuant to recorded covenants, conditions or restrictions governing the land. In addition, every city, county or town has building codes and other ordinances that regulate what is permissible within its jurisdictional limits. Prior to making changes to the Home or Homesite, Buyer should contact the applicable governmental authorities for further information concerning local codes and ordinances. Decks, fences and exterior color are among the more common, although not the only, improvements for which architectural approval is required.

4.4 Approval of any work by the appropriate reviewing authority or authorities shall not constitute an express or implied warranty of representation that any work complies with applicable codes, ordinances or other governmental regulations, or that the work is well designated or will be constructed in a proper manner.

4.5 Failure to submit plans and specifications to the appropriate reviewing authority or authorities for approval is a violation of the provisions of the Declaration and/or applicable deed restrictions, which may result in sanctions and/or the imposition of fines, and the removal, at homeowner expense, any of non-approved improvements or modifications.

5. **Community Charges**. In addition to the Closing Costs set forth in Rider B, Buyer shall pay the following additional Closing Costs respecting the Community:

5.1 Association Assessments. Assessments payable to the Association ("**Association Assessments**"), prorated for the month in which the Closing occurs (based on the then current Assessments at the time of closing). Such Assessments are estimated to be $300.00 per year at this time. Buyer understands that the estimated operating budget for the Association is only an estimate of what it will cost to run the Association. The Association may make changes in the budget at any time to cover increases or decreases in expenses or estimates in the budget. Without limiting the generality of this Section, those changes will not give Buyer any right to cancel the Agreement.

5.2 Association Initial Capital Contribution. Buyer acknowledges that among other Assessments provided for in the Community Documents, the Association has established an initial capital contribution ("**Initial Capital Contribution**"). Buyer acknowledges that upon conveyance of the Property an Initial Capital Contribution in an amount equal to $300.00 (or such amount as determined from time to time) is due. The Initial Capital Contribution may be used for any reason whatsoever including, without limitation, reimbursement for costs in setting up the Association and costs of deficit funding. Buyer acknowledges and agrees that the Initial Capital Contribution is not to be considered as an advance payment of Assessments.

5.3 Resale Capital Contribution. Buyer acknowledges that the Association may establish a Resale Capital Contribution (as defined in the Governing Documents). For more information on the Resale Capital Contribution, please refer to the Governing Documents.

6. **Security**. The Community is not a gated community and the roads in the Community are public.

7. **Building and Use Restrictions**. Every homesite is subject to building and use restrictions as set forth in the Declaration. These restrictions are subject to change without notice. Building and use restrictions may affect,

among other things, residential and nonresidential uses, building specifications, accessory structures, nuisance, home occupancy, signage, antennas, satellite dishes, animals, driveways, vehicle parking, rubbish, utility and drainage easements, clothes lines, fences, special rights of Seller, any developer and homebuilder(s), leases and restoration of homesites. Seller encourages you to carefully review the Declaration and to ensure the long-term quality of life for both you and your neighbors.

8. **Municipal Building Codes And Ordinances**. Every city or town has building codes and other ordinances that regulate what is permissible within its jurisdictional limits. Prior to making changes to your Home or Homesite, you should contact the Building Inspector for Berkeley County at 843.719.4095 for further information concerning local codes and ordinances. Seller is not responsible for notifying Buyer or any other homeowners of the content or restrictions contained in any local codes or ordinances.

9. **Architectural Review**.

9.1 The Declaration currently provides that no improvements shall be commenced upon any homesite, nor shall the exterior color, style and materials of an approved structure on a homesite be altered without the prior written approval of the Architectural Control Committee ("**ACC**"), as applicable, which is appointed by the Board of Directors of the Association. Improvements constructed by Seller or the developer of the Community, or the Neighborhood, as applicable, are exempt from this requirement. Approval of any work by the ACC shall not constitute an express or implied warranty or representation by the ACC that any work complies with applicable codes, ordinances or other governmental regulations, or that the work is well designed or will be constructed in a proper manner. Decks, fences and exterior color are among the more common, although not the only, improvements for which architectural approval is required. For more information concerning architectural review, please review the Declaration.

9.2 Failure to submit plans and specifications to the ACC for approval is a violation of the Declaration, which may result in sanctions and/or the imposition of fines, and the removal, at homeowner expense, of any non-approved modifications.

10. **Pet Restrictions**. Buyer understands that the only pets allowed in the Neighborhood and the Community are those which are in accordance with the restrictions contained in the Community Documents or any amendments thereto.

11. **Short-Term Rentals**. Buyer acknowledges that homes in the Community may be rented for any length of time, subject to certain restrictions set forth in the Community Documents.

12. **Flood Zone**. Buyer acknowledges that the Property may be in a flood zone. Mortgage lenders will typically require the issuance of flood insurance as a requirement for financing, which insurance must be present at Closing. Seller recommends that each Buyer of a Home protect his/her Home by obtaining proper insurance coverage. It is possible, however, for Buyer to submit documentation to the Federal Emergency Management Agency (FEMA) to have the Home re-classified by FEMA, whereby the mortgage lender may have the option to waive the requirement of flood insurance. Buyer is solely responsible for the submission to FEMA for such re-classification and any and all expenses related to such submission. Further, Buyer acknowledges and understands that the waiver of flood insurance is at the sole discretion of the mortgage lender.

13. **Utilities**.

13.1 Buyer acknowledges that no septic tanks shall be permitted within the Community and the Neighborhood. No wells shall be installed without the express written consent of the ACC and all other applicable government agencies.

13.2 Some homesites contain or are adjacent to drainage and utility structures such as storm water overflow swales, storm water retention and/or detention basins, manholes, fire hydrants, electrical transformers, switch boxes, telephone pedestals and streetlights. None of these items shall be altered, obstructed, buried, modified, restricted or interfered with in any manner whatsoever. Overflow swales are generally utilized for overflow storm water capacity as a result of water drainage. Electrical transformers may only be landscaped to the extent permission is given by the utility provider. In some cases, water may flow from one homesite to another. State law may provide that the owner of the homesite receiving water is required to accept the water flow and may not impede the flow of this water. In addition, the Property will be graded to provide for reasonable drainage away from the Home's foundation. The vast majority of foundation problems are caused by insufficient drainage or lack of watering of soil around the foundation. Buyer should keep Buyer's lawn well watered to maintain consistent moisture content and avoid excess wetness, dryness or cracking of soil. The construction of curbs, decks, retaining walls, pools, spas, patios, landscape edging and similar items can also trap water within the yard area and cause structural damage to the Home's foundation. Seller strongly recommends that Buyer consult with a licensed landscape architect and civil engineer before performing any work or making any changes that may affect the existing drainage pattern.

13.3 Berkeley County provides water to the Community. Because Seller does not control the water supply, Seller cannot guarantee the quality of the water provided to the Community. In addition, this area is periodically subjected to extended periods of drought that may cause depletion of water supplies. Municipalities and other providers of water services (including the Town of Moncks Corner) may enact mandatory or voluntary cut backs or other restrictions in water usage. Seller has no control, influence, responsibility or liability for or over decisions concerning water rationing.

13.4 If Buyer has any questions about utility rates, services, safety, or anything else to do with overhead or underground transmission or utility lines, Buyer should contact the utility companies directly. Because Seller values Buyer's safety and that of Buyer's neighbors, no excavation or trenching should be done without first calling the utility companies for the location of buried utilities. There is currently no charge by the utilities for this service. This is especially important in utility easements where buried utility equipment is probable. Digging without advance notification and approval of the utility companies may be illegal, is dangerous and can result in severe personal injury or death to Buyer and Buyer's neighbors, and can also result in severe property damage to homes, property and utility equipment.

14. **Waterbodies**. BUYER ACKNOWLEDGES THAT THE WATER LEVELS OF LAKES, PONDS OR OTHER WATERBODIES WITHIN THE COMMUNITY AND/OR THE NEIGHBORHOOD MAY VARY. THERE IS NO GUARANTEE BY SELLER, THE ASSOCIATION THAT WATER LEVELS WILL BE CONSTANT OR AESTHETICALLY PLEASING AT ANY PARTICULAR TIME; AT TIMES, WATER LEVELS MAY BE NONEXISTENT.

15. **Regulatory And Governmental Approvals**. The zoning, plans, etc. have been approved by Berkeley County. The development of the project, lot, sidewalks, etc. is subject to approval by Berkeley County. For more information on the approvals required and pending in the Community, Buyer should contact the Berkeley County Planning & Zoning Department at 843.719.4095.

16. **Prices/Market Values**. Seller, and any other builder in the Community, shall have the unilateral right to establish prices for the homes it builds in the Community. Seller and any other builder in the Community may, at its sole discretion, increase or decrease the price or the price per square foot for any home, homesite or option at any time, or offer incentives for sales of homesites and homes, all without notice to Buyer. Once Buyer has signed the Agreement establishing a price for the Property, the prices for any subsequent changes or upgrades to the Home as requested by Buyer, including but not limited to design, floor plan, options, materials or otherwise, are subject to change by Seller until a written and signed agreement on the price is reached by Seller and Buyer for such change or upgrade. Seller makes no representations or warranties that the price for the Property or options in the Home will be increased or decreased for other buyers of identical or similar homes or options. Seller also makes no representations or warranties that changes or options made by Buyer will or will not increase or decrease the market value of the Property. The Property is being sold for residential purposes and not as an investment.

17. **Construction And Sales Activities**. BUYER ACKNOWLEDGES THAT SOME AREAS OF THE NEIGHBORHOOD AND THE COMMUNITY MAY BE UNDER CONSTRUCTION AND DEVELOPMENT FOR AN EXTENDED TIME. INCIDENT TO THE DEVELOPMENT PROCESS, THE QUIET ENJOYMENT OF THE NEIGHBORHOOD AND THE COMMUNITY MAY BE UNAVOIDABLY INTERFERED WITH TO SOME EXTENT BY THE CONSTRUCTION OPERATIONS. Construction, development and sales activities in the Community and/or the Neighborhood will likely occur after Buyer has taken occupancy of Buyer's Home. Depending upon Buyer's sensitivities, this may result in some inconvenience to Buyer and Buyer's family and guests due to increased noise, dust, road closures, operation of the model homes and sales offices, and other activities. Construction activities can occur at various hours throughout the day, and sales activities can result in additional traffic and visitors throughout the Community, particularly before the Community is completely built out. Neither Seller nor any other builder that may be active in the Community can guarantee that Buyer will not be affected or impacted as a result of the overall construction and development of the Community. Seller gives no guarantees or assurances on the active time of the Community model homes. Homesites across the street or next to the model homes may remain undeveloped until Seller determines that these homesites are no longer needed for marketing purposes.

18. **Views**. Future development and construction activities in the Community can and will modify the view from homesites (including but not limited to the Homesite). Trees and other foliage may be added or removed from lots or common areas of the Community. Additional housing and other improvements will be added within the community. Because future development and construction activities in the Community will modify views from homesites, Seller does not warrant or guarantee any existing views will be maintained in the future relative to the Property.

19. **Streetlights**. Numerous streetlights will be installed within the Community, many of which will be installed after homes have been completed, sold and occupied. Streetlights are sized and placed in accordance with Town ordinances and governmental requirements, and could in some instances generate light in or obstruct views from homes in the Community. Information about streetlight size, light output, design and location of streetlights within the Community can be obtained from the service provider.

20. **Trees And Foliage**. The Community contains numerous native trees of various sizes and varieties. While Seller has taken great care during the planning and construction of the Community to save trees, future development and construction will require the removal of additional trees, shrubs and other foliage and, therefore, Seller does not guarantee the preservation of any trees, shrubs, ground cover or other foliage in the Community or Buyer's Homesite, and cannot be responsible for short or long-term damages to foliage due to construction or development activities. Seller makes no representation or warranty that trees on the Homesite being purchased or any other homesite or common area in the Community will not be removed. All care and maintenance of foliage on an individual homesite is the responsibility of the homeowner, and Seller does not guarantee or warranty the survival of any foliage. Berkeley County has adopted a Tree Ordinance regulating the removal of any tree over a certain size. Before removing a tree, Buyer should contact Berkeley County to ensure that its regulations are adhered to. The Declaration also contains restrictions regarding the removal of any tree over a certain size. Buyer should contact the Association to ensure that its regulations are adhered to.

21. **Facilities And Conditions Affecting Homesites**.

21.1 The information set forth in this section contains an overview of facilities and conditions which may affect some or all homesites in the Community (including but not limited to the Homesite). Because Seller does not have control over development outside of the Community, Seller does not warrant or guarantee any future development, usage, or lack of development or usage for properties located outside of the Community, or their possible impact on the residents of the Community. For additional information about offsite features that may affect the purchase of the Property, please contact the local governmental authorities having jurisdiction over the Community.

21.2 Seller advises Buyer that some of the homesites (including but not limited to the Homesite) are or may be adjacent to or near some of the following:

DRAINAGE CHANNEL, AIRPORT, RAILROAD TRACKS, STORM WATER DETENTION FACILITY, COMMUNITY CENTER, ELEVATED WATER STORAGE TOWER, SCHOOL FACILITY, PARK SCHOOL SITE, SPORTS FACILITY OR BALL FIELD, COMMUNITY LAKES, PARK AND/OR RECREATION FACILITY, WATER PLANT/SEWER PLANT, LIFT STATION, CELLULAR PHONE, RADIO, TELEVISION OR OTHER TOWER ANTENNA SITE, HIGH VOLTAGE TRANSMISSION LINES OR PIPELINE EASEMENT.

Buyer acknowledges that such facilities may impact noise, vibration, lighting, traffic and other conditions caused by daily operations of the facility. Drainage channels, lakes and storm water detention facilities will have varying levels of water for varying periods of time depending upon rainfall.

21.3 Approximately 10 miles from the edge of the Community is the Charleston International Airport. Some flights landing at or taking off from the airport currently pass over the Community. Jets, helicopters or other aircraft may be seen or heard overhead from the Homesite or even from within the Home. The Charleston International Airport may, in the future, expand the Airport and its operations.

21.4 As a result of the open spaces and bodies of water in and around the Community, Buyer may periodically find wild animals within the confines of the Community including, but not limited to, skunks, nutria, opossums, deer, raccoons, spiders, snakes, bees, fire ants, and other insects common to the area. Contact with any wild animal can be dangerous. Should Buyer encounter any such animal, Buyer is encouraged to contact Buyer's local animal control office for further instructions.

21.5 Property West of the Community. The property west of the Community is currently comprised of agricultural and wooded land and land occupied by the Charleston Steel & Metal plant, Parker Gas Turbine Fuel Systems, and Mt. Holly Hill Park.

21.6 Property North of the Community. The property north of the Community is currently comprised of undeveloped woodlands and land used for residential purposes.

21.7 Property East of the Community. The property east of the Community is currently comprised of forested wetlands and undeveloped woodlands and land used for residential purposes. The property further east of the Community was occupied by the former Pattillo/Stone Mountain Industrial Park Site.

21.8 Property South of the Community. The property south of the Community is currently comprised of undeveloped woodlands and forested wetlands and land used for residential purposes.

21.9 Future Commercial/Retail Uses. The Community is located adjacent to properties which will be developed with major commercial and retail uses in the future. The development of such uses adjacent to the Community may increase traffic volumes, noise, outdoor lighting, pedestrian activity and other similar impacts resulting from commercial development.

21.10 Development of Adjacent Property. Buyer acknowledges that Seller's current construction plans for the Community where the Home and Homesite are located may change and that no representations or warranties are made concerning the development of the Community, or any property adjacent to, surrounding, or near such Community.

21.11 Public Ballfields. Public ballfields are located within the Community. The ballfields are or will be owned by the Association and the future use of the ballfields is in the discretion of Association.

21.12 Major Public Roads. The Community is located along portions of Old Hwy 52 and Cypress Garden Road. These roads may experience heavy traffic.

22. **Floor and Roof Truss Support**. The Home has been designed and constructed with the intent to support typical loads on the floor and roof trusses. Placing or storing excessive loads such as a waterbed or pool table, may result in the warping or failure of the supporting structural components of the Home.

23. **Real Estate Taxes**. When a new home is built, the full value of the home is typically not reflected in the real estate taxes until the second calendar year after construction has been completed. Seller is not responsible for communicating any information regarding real estate taxes (current or future) and cannot and will not predict what the taxes on the Home may be. Buyer should confirm any information provided concerning appraisals, tax valuation, tax rates or other tax-related questions, with Buyer's personal tax advisor and the local taxing authorities.

24. **Public Financing of Capital Improvements**. Berkeley County may finance certain capital improvements in the Community, may issue bonds in connection with such financing and may create one or more special tax districts

within the Community to provide for repayment of such bonds.

25. **Town and County Taxes, Charges And Fees**. Property within the Community is subject to Berkeley County taxes, utility charges, fees and may become part of a special taxing district. For additional information, contact the Tax Collector's office of Berkeley at 843.719.4030.

26. **Addendum Not A Substitute**. Buyer acknowledges and agrees that this Addendum is not a substitute for reading the entire Governing Documents. For a more detailed explanation of any section contained in this Addendum, refer to the Governing Documents.

27. **Pre-Sale Contingency.** Seller shall have the right to terminate this Agreement and cause Buyer's deposits to be refunded in the event that Seller does not enter into binding contracts to sell at least ten percent (10%) of the homes and homesites in the Community. Seller must, however, notify Buyer of such a termination at any time within one hundred eighty (180) days following the date of the first purchase agreement for the sale of a home in the Community, otherwise Seller will be required to construct the Community and the Home and otherwise proceed to perform its obligations under this Agreement. This shall not delay the effectiveness of this Agreement, which shall be immediate, but rather, shall be deemed a "condition subsequent" to this Agreement. In the event of Seller's termination of this Agreement pursuant to this Section, upon such termination and the return of Buyer's Deposit, Seller and Buyer will be fully relieved and released from all obligations and liabilities under and in connection with this Agreement. Seller agrees to use its good faith efforts to meet the foregoing pre-sale requirement.

28. **Third Party Developer**. Seller is not the developer/declarant of the Community ("**Developer**"). Buyer acknowledges that (i) Seller is neither related to nor a joint venture partner with Developer, (ii) Seller does not control the amenities (existing or planned), landscaping, or other improvements that Developer may provide within the Community in the sole and absolute discretion of Developer, (iii) Seller has neither prepared nor participated in the preparation of the Community budgets or any other financial information with regard to the Community, and (iv) any representations or warranties which relate to amenities or other matters contained within the Community shall not be construed as representations made by Seller nor shall such representations be relied upon by Buyer in Buyer's determination as to whether to purchase the Property located within the Community. Seller has no control or influence related to the construction timing, completion, changes in design, changes in location, or other major decisions, including the decision not to build future amenities. Buyer agrees to look solely to the Developer with respect to any matters regarding the Association, existing Community amenities, any proposed amenities, landscaping or other improvements.

29. **Statements Made By Sales Staff And Brokers**. Seller wants to ensure that Seller and Buyer are in full agreement on all terms and conditions relating to the Agreement. To best ensure that there are no misunderstandings, Buyer should ensure that all terms and conditions (including all statements, representations, or understandings upon which Buyer relies in purchasing the Home) are set forth in writing in the Agreement. **If there are any statements, representations or understandings which are made by a sales staff person or any other representative of Seller which are material to Buyer's decision to purchase, Buyer should insist that any such statement, representation or understanding is put in writing and contained in the Agreement. Seller reserves the right to reject the Agreement notwithstanding the inclusion of any such item in the Agreement.**

30. **Public School Assignment**. Seller does not control and cannot guarantee public school assignments for the Community. Because Seller does not control public school assignments, Seller cannot assure Buyer that public school assignments will not be changed in the future. For more information about public school assignments, Buyer should contact the Berkeley County School Board.

31. **Counterparts**. This Addendum may be executed in counterparts, a complete set of which shall form a single Addendum.

32. **Conflicts**. In the event of any conflict between this Addendum and the Agreement, this Addendum shall control. In all other respects, the Agreement shall remain in full force and effect.

33. **Entire Agreement**. The Agreement, together with this Addendum and any other addenda or riders to the Agreement, contains the entire agreement between Buyer and Seller concerning the matters set forth herein. All prior discussions, negotiations and contracts relating to investors and occupancy requirements, if any, whether oral or written, are hereby superseded by these documents. No addition or modification of this Addendum or the Agreement shall be effective unless set forth in writing and signed by Buyer and an authorized agent of Seller.

34. **Survival**. All of the terms of this Addendum shall survive Closing and the delivery of the Deed.

Buyer - Mathew E Collins
Date 12-7-11

Buyer -
Date

Buyer -
Date

Buyer -
Date

SELLER: Lennar Carolinas, LLC

Authorized Agent of Seller - Ann Ivey
Date 12/5/11

COOPERATING BROKER AGREEMENT

THIS COOPERATING BROKER AGREEMENT (this "**Agreement**") is made and entered into effective as of the second day of December , 2011, between Prudential ("**Cooperating Broker**") and Lennar Carolinas, LLC ("**Seller**"), respecting Lot 0009 of Block _____ in The Abbey at Spring Grove Subdivision/Plat in the community known as The Abbey at Spring Grove (the "**Community**").

1. **Defined Terms**.. All initially capitalized terms not defined herein shall have the meanings set forth in that certain Purchase and Sale Agreement, by and between Mathew E Collins ("**Buyer**") and Seller, dated as of December 02, 2011.

2. **Cooperating Broker**. Notwithstanding anything contained in the Agreement to the contrary, Seller and Cooperating Broker acknowledge that Buyer has dealt with the following brokerage firm in connection with the purchase of the Property ("**Cooperating Broker**"):

Name of Cooperating Broker: Prudential

Address: 112 W. Doty St.

Business Phone: 843-442-1290

Name of Sales Associate of Cooperating Broker: Peggy Murray

Date of Registration: _____

Seller agrees to pay Cooperating Broker, at Closing, a commission in the amount of three percent (3%) of the **Base Purchase Price plus the Homesite Premium less any builder incentives and/or discounts to the Base Purchase Price**, as that amount is determined by the Purchase Price and Payment Addendum (the "**Commission**"), subject however to the terms and conditions set forth below and in the Broker Participation Policy ("**Participation Policy**"). As set forth herein, "incentive" shall mean the total dollar value of all consideration, incentives, discounts, credits, reductions, gifts or other inducements offered or arranged by Seller in connection with Buyer's purchase of the Property, including, without limitation, any: reduction or discount in the Total Purchase Price, Base Purchase Price, or the Homesite Premium; credit for or contribution toward Closing Costs; payment of or contribution toward assessments or capital contributions charged by any homeowner's association or Seller; payment of or contribution toward homeowner's casualty or liability insurance, and/or lease payments; financing incentive such as payment of buy down fees to the Lender; and retail value of any gift to Buyer. No Commission shall be payable by Seller unless Buyer consummates the purchase of the Property in accordance with the terms and conditions of the Purchase and Sale Agreement; accordingly, the Commission shall not be deemed earned unless and until the Closing occurs. Cooperating Broker agrees that it shall look to Buyer for any other commission due to Cooperating Broker that is in excess of the Commission payable by Seller pursuant to this Agreement and for any commission due to any other real estate brokers or salesmen claiming to have represented Buyer in connection with the purchase of the Property. Notwithstanding the foregoing, Seller agrees to pay any and all commissions due to Seller's New Home Consultants working in Seller's sales office.

+ 1.5% bonus

3. **Sales Associate of Cooperating Broker**. By signing below, sales associate or designated agent of Cooperating Broker ("**Sales Associate**") agrees, on behalf of himself/herself and on behalf of Cooperating Broker, to the terms of this Agreement. Without limiting the foregoing, Sales Associate agrees that Seller's sole responsibility hereunder is to pay the Commission to Cooperating Broker in the manner described above. Any other amounts payable to Sales Associate and/or Cooperating Broker shall be the sole responsibility of Buyer, if provided for in a separate agreement between Cooperating Broker and Buyer. In addition, Sales Associate hereby personally represents and warrants that Sales Associate has full power and authority to execute and deliver this Agreement on behalf of Cooperating Broker and that such execution of this Agreement on behalf of Cooperating Broker has been duly authorized by all necessary and proper corporate action of Cooperating Broker.

4. **Participation Policy**. By signing this Agreement, Sales Associate acknowledges that Sales Associate has read and agrees, on behalf of such Sales Associate and Cooperating Broker, to comply with the terms and conditions in the Participation Policy set forth below. This Agreement shall be null and void if Seller determines, in its absolute discretion, at any time before Closing that Sales Associate and/or Cooperating Broker has/have violated the terms of the Participation Policy. The Participation Policy follows:

4.1 In order for Cooperating Broker to receive a commission in connection with the sale of real property in the Community, Cooperating Broker or Sales Associate must register a prospective buyer (the "**Prospect**") in person at the sales office for the Community (phone registrations will not be accepted). Cooperating Broker or Sales Associate must accompany the Prospect during Prospect's initial visit. If the tracking system used at the sales office for the Community indicates that the Prospect was initially introduced to the Community via the internet, and/or initially registered at the sales office without being accompanied by Cooperating Broker or Sales Associate, neither Cooperating Broker nor Sales Associate

shall be entitled to receive a commission in connection with the sale of real property in the Community to such Prospect. This registration is effective for the period of their realtor buyers contract ("**Registration Period**"). Cooperating Broker may extend the Registration Period as needed.

4.2 Cooperating Broker shall be entitled to receive the Commission, provided that the Prospect (i) is properly registered, (ii) contracts to purchase a home from the on-site sales staff in the Community ("**New Home Consultant**") before the expiration of the Registration Period, and (iii) closes on the transaction pursuant to the Purchase and Sale Agreement for the Property. Notwithstanding the foregoing, in the event two or more brokers claim that they are entitled to a commission from having registered a Prospect, the cooperating broker who is the procuring cause of the sale will be entitled to the commission. This registration, or any extension thereof, does not protect Cooperating Broker or Sales Associate from another broker or sales associate registering the same Prospect in the Community.

4.3 Seller will pay the Commission to Cooperating Broker, provided that the terms and conditions contained herein are satisfied and except as otherwise set forth above relating to later-registering cooperating brokers. In all cases, Sales Associate agrees to look solely to Cooperating Broker for payment of any commission. By way of example, if Sales Associate terminates his/her employment with a registered Cooperating Broker who is entitled to a commission pursuant to this Participation Policy, then Sales Associate shall have no claim against Seller with respect to such commission.

4.4 Cooperating Broker and Sales Associate acknowledge that this Participation Policy, the registration forms, sign-up sheets and other incentives, contracts, or forms given to Prospects or buyers of homes are trade secrets of Seller. Cooperating Broker agrees to indemnify, defend and hold Seller harmless from and against any and all claims, demands, damages, losses, costs and expenses of whatever nature or kind, including reasonable attorneys' fees, paraprofessional fees and costs relating to or arising out of any claim against Seller as a result of conduct or representations made by Cooperating Broker and/or Sales Associate. In the event that Seller must enforce or defend any of the terms and conditions of this Participation Policy, Seller shall be entitled to collect from Cooperating Broker reasonable attorneys' fees, paraprofessional fees and costs.

5. **Cooperating Broker Status, Duties and Prohibitions**. Sales Associate, on behalf of himself/herself and on behalf of Cooperating Broker, hereby represents, warrants and covenants as follows:

X _____ Initials

5.1 Cooperating Broker is a licensed real estate broker in the State of South Carolina and is serving as a single agent on behalf of Buyer in the purchase of the Home. Cooperating Broker agrees to provide Seller with a copy of their current and valid broker license within fifteen (15) days of the execution of the Purchase and Sale Agreement by Buyer.

_____ Inititals

5.2 Sales Associate is a licensed real estate broker or salesperson in the State of South Carolina and is a designated agent of Cooperating Broker serving as a single agent on behalf of Buyer in the purchase of the Home. Sales Associate agrees to provide Seller with a copy of their current and valid license within fifteen (15) days of the execution of the Purchase and Sale Agreement by Buyer.

X _____ Initials

5.3 Each of Cooperating Broker and Sales Associate shall comply with all requirements of applicable law as an agent on behalf of Buyer in their representation of Buyer in the purchase of the Home and will assist the parties with communication, interposition, advisement, negotiation, contract terms and closing.

_____ Inititals

5.4 The Cooperating Broker and/or Sales Associate is/are a licensed real estate broker and/or salesperson in the State of South Carolina, and is serving as a disclosed dual agent for both the Buyer and the Seller. Cooperating Broker and/or Sales Associate hereby agree to provide Seller with a copy of their current and valid license within fifteen (15) days of the execution of the Purchase and Sale Agreement by Buyer. Cooperating Broker and/or Sales Associate agree that they shall not, without express permission, disclose that the Seller will accept a price less than the listing price of that Buyer will pay a price greater than the offered price.

6. **Aknowledgment by Cooperating Broker**. This document supersedes any previous Registration Form filed by the Cooperating Broker or any of its agents or employees with the Seller, its agents or employees. Violation by the Cooperating Broker of any provision of this document will constitute a breach of this document by the Cooperating Broker and will, at the Seller's election, void any obligation of the Seller to pay a commission or fee to the Cooperating Broker and will, at the Seller's election, entitle the Seller to whatever remedies it may have at law or in equity.

Broker _____
187X3060

7. Governing Law. This Agreement is governed by South Carolina law, without regard to its conflicts of law rules.

8. Conflicts. In the event of any conflict between this Cooperating Broker Agreement and the Purchase and Sale Agreement or any other addenda and/or riders, this Disclosure shall control. In all other respects, the Purchase and Sale Agreement shall remain in full force and effect.

9. Counterparts. This Agreement may be executed in counterparts, a complete set of which shall form a single document.

10. Entire Agreement. This Agreement sets forth the entire agreement between Seller, Cooperating Broker and Sales Associate and shall not be altered, modified or amended unless such amendment is set forth in writing and signed by all parties to this Agreement.

COOPERATING BROKER:

Prudential, by
its Sales Associate

By: Peggy Murray

Print Name: Peggy Murray

Date: 12/2/2011

SALES ASSOCIATE

Print Name: Samuel Broadway
Date: 12-02-2011

Seller: Lennar Carolinas, LLC

Authorized Agent of Seller: Ann Ivey
Date: 12/5/11

EXHIBIT 4

TO EXHIBIT A – AFFIDAVIT OF ROBERT MAUCH

PURCHASE AND SALE AGREEMENT

PURSUANT TO SECTION 15-48-10, SOUTH CAROLINA CODE OF LAWS, 1976, AS AMENDED, THIS SHALL CONSTITUTE WRITTEN NOTICE THAT THIS AGREEMENT IS SUBJECT TO MANDATORY BINDING ARBITRATION PURSUANT TO SECTION 16 OF THIS AGREEMENT.

THIS PURCHASE AND SALE AGREEMENT (together with the Riders and Addenda attached hereto and incorporated by reference herein, this "**Agreement**") is made and entered into as of the 30 day of Jan, 2011 by and between Lennar Carolinas LLC. ("**Seller**"), and Buyer(s) named below ("**Buyer**"):

BUYER(S): 1. Patricia Damico 2. 3. 4. No Buyer Name Changes Will Be Permitted	Check Applicable: Married ☐ Single ☑ Male ☐ Female ☑ Married ☐ Single ☐ Male ☐ Female ☐ Married ☐ Single ☐ Male ☐ Female ☐ Married ☐ Single ☐ Male ☐ Female ☐
Buyer Address: 700 Hallmark Drive Apt 711	
City: Goose Creek / State / Country: SC / Zip: 29445	
By providing your telephone and fax numbers and your email address, you hereby consent to receiving telephonic, fax and email communications, including advertisements, made or sent by or on behalf of Seller and/or its affiliates.	
Home Telephone: _____ Business Telephone: _____ Cellular Telephone: 843-455-1288	Facsimile Number: _____ E-mail Address:: shushu7@comcast.net

1. **Purchase and Sale**. Buyer agrees to buy and Seller agrees to sell to Buyer (on the terms and conditions set forth below) Model _____ constructed or to be constructed on the following described property:

Lot TA-6 of Block _____ of _____ Subdivision/Plat, in _____ County (the "**County**"), South Carolina [****OPTIONAL: which property is more particularly described in the legal description attached hereto as Exhibit A****]

Address: TBD TA-6

The residence and improvements (the "**Home**") constructed or to be constructed on the above described property (the "**Homesite**"), and all appurtenances thereto are collectively referred to in this Agreement as the "**Property**." The Property is located within the community known as Spring Grove (the "**Community**").

2. **Purchase Price and Payments**. The total purchase price ("**Total Purchase Price**") for the Home, exclusive of any Builder's Fee, as applicable, and Closing Costs as described in Rider B and the Purchase Price and Payment Addendum, is $ 181,315. Buyer (and not a third party) has made an earnest money deposit upon the signing of this Agreement (the "**Initial Deposit**") of $ 500. Buyer shall make further payments to Seller, including but not limited to any "**Additional Deposit**" or "**Advanced Payment**" (consisting of non-refundable deposit(s) for options, extras, and upgrades) as set forth in the Purchase Price and Payment Addendum attached hereto and made a part hereof. The term "**Deposit**" shall include the Initial Deposit, Additional Deposit and Advanced Payment.

3. **Legally Binding Agreement**. THIS AGREEMENT IS A LEGALLY BINDING CONTRACT. IF NOT FULLY UNDERSTOOD, PLEASE SEEK COMPETENT LEGAL ADVICE. NO WARRANTIES OR REPRESENTATIONS, OTHER THAN THOSE SPECIFIED IN THIS AGREEMENT, ARE EXPRESSED OR IMPLIED. ORAL REPRESENTATIONS CANNOT BE RELIED UPON AS CORRECTLY STATING THE REPRESENTATIONS OF SELLER. FOR CORRECT WARRANTIES AND REPRESENTATIONS, REFERENCE SHOULD BE MADE TO THIS AGREEMENT, INCLUDING THE RIDERS AND ADDENDA ATTACHED HERETO, AND THE "**DOCUMENTS**" (AS SUCH TERM IS DEFINED IN RIDER B) PROVIDED TO BUYER, IF ANY.

BUYER PD BUYER _____

4. **Financing**.

☐ **NO CONTINGENCY.** If this box is checked, this is a cash transaction and not contingent on financing. Buyer agrees to provide within five (5) calendar days from the Buyer's execution of this Agreement financial statements or other written verification of Buyer's ability to purchase the Property with cash. If Buyer does not (in Seller's sole judgment, based on the documentation provided by Buyer to Seller) have the financial ability to purchase the Property with cash, then Seller may terminate this Agreement by refunding to Buyer any paid Deposit.

☑ **MORTGAGE CONTINGENCY.** If this box is checked, this Agreement is contingent on Buyer obtaining a loan commitment within the Mortgage Contingency Period (as such term is defined in Rider B attached hereto) for a first mortgage loan from Universal American Mortgage Company, LLC (an affiliate of Seller), or another qualified institutional mortgage lender of Buyer's choice ("Lender"), with interest, term and service charges at current market rates at time of Closing (as defined below) for a borrower of Buyer's credit qualifications (the "**Mortgage Contingency**"). Buyer agrees to apply within five (5) calendar days from the execution of this Agreement for a loan at the then prevailing interest rate and terms (the "**Mortgage Contingency Period**"). In the event Buyer chooses to obtain financing through a Lender other than Universal American Mortgage Company, LLC, Buyer agrees to promptly provide Seller, upon Seller's request, with the name, address and phone number of such Lender, the loan officer and the loan processor. Buyer shall furnish promptly and accurately to Lender all information and documents requested by Lender in connection with such application. If Buyer properly makes and pursues the loan application as provided herein but is unable to provide Seller with a copy of a written loan commitment reasonably satisfactory to Seller within the Mortgage Contingency Period, or if Buyer is at any time disapproved for such loan (and Buyer does not cancel or withdraw his/her loan application), then Seller, at its sole discretion, may cancel this Agreement by written notice to Buyer, at Buyer's last known address, in which event Seller shall refund any paid Deposit made by Buyer. If Buyer properly makes and pursues the loan application as provided herein but is unable to obtain mortgage loan financing, despite Buyer's good faith efforts to do so, and Buyer is not otherwise in default under this Agreement, and further provided that Buyer provides Seller with documentation from Lender that the loan has been declined, Buyer may cancel this Agreement by giving written notice to Seller within the Mortgage Contingency Period, in which event Seller shall refund any paid Deposit. If this Agreement provides for a VA guaranteed or FHA-insured loan, Buyer's obligation to complete the purchase contemplated under this Agreement is subject to the VA/FHA Addendum attached hereto and incorporated herein.

The following shall apply only if this Agreement is subject to the Mortgage Contingency, as indicated above:

4.1 Mortgage Loan. Unless Buyer shall have otherwise notified Seller in writing within the Mortgage Contingency Period, Buyer shall be conclusively presumed to have obtained the loan commitment or agreed to purchase the Property without mortgage financing, and the Mortgage Contingency shall be deemed to have been satisfied.

4.2 Application. Buyer understands that any loan application required under this Agreement must be fully completed in order to obtain the mortgage loan, and Buyer will make a good faith attempt to qualify for the mortgage loan. If Buyer has a spouse who does not constitute a Buyer under this Agreement, Buyer agrees to have his/her spouse sign the mortgage documents as required by Lender. BUYER AGREES TO INCUR NO DEBT SUBSEQUENT TO THE DATE HEREOF WHICH MIGHT JEOPARDIZE APPROVAL OF BUYER'S MORTGAGE LOAN. IF THE PROPERTY IS BEING PURCHASED BY A CORPORATION, PARTNERSHIP, OR OTHER ENTITY, BUYER AGREES TO (1) OBTAIN ANY PERSONAL ENDORSEMENTS OR GUARANTEES REQUIRED BY LENDER AND (2) PROVIDE TO LENDER AND/OR THE TITLE INSURER PROMPTLY UPON REQUEST SUCH CERTIFICATES, RESOLUTIONS OR OTHER CORPORATE, PARTNERSHIP OR OTHER ORGANIZATIONAL DOCUMENTS AS MAY BE REQUIRED. Except as provided in this Agreement, Buyer agrees to pay all loan fees and closing costs charged by Lender in connection with the mortgage loan. Buyer will pay any prepaid interest due on the mortgage loan at the time of Closing and any amount Lender may require to be put into escrow toward the payment of property taxes and insurance on the Property. Buyer will also pay any mortgage insurance premiums (prepaid or otherwise), if required by Lender.

4.3 Commitment. Buyer understands that the rate of interest on the mortgage is established by Lender and not by Seller and that any predictions or representations of present or future interest rate that may have been contained in any advertising or promotion by Seller are not binding. If Buyer obtains a written mortgage loan commitment and the mortgage loan commitment is subsequently withdrawn through no fault of Seller including, but not limited to, any condition to such loan commitment not being satisfied for any reason (other than failure of the Property to appraise equal to or greater than the Total Purchase Price), this Agreement shall remain in full force and effect and Buyer shall be conclusively presumed to have agreed to purchase the Property without mortgage financing. If the Lender's appraiser does not appraise the Property for the Total Purchase Price then Seller shall have the option in, Seller's sole discretion, to (i) lower the Total Purchase Price to the appraised value and Buyer shall proceed to Closing, or (ii) terminate this Agreement and return the Deposits to Buyer. If Buyer obtains a loan commitment containing any special condition that is not ordinarily contained in typical loan commitments for the Community, Seller, in Seller's sole discretion, may treat Buyer's loan application as having been denied; whereupon, Seller shall have the rights set forth in this Section 4.

4.4 Sale of Other Residence. Unless the Home Sale Contingency Addendum is executed, Buyer represents and warrants that this Agreement and the mortgage loan referenced herein, are not and will not be subject to or contingent upon Buyer's selling and/or closing on the sale of Buyer's present residence or other property. Failure to close on the purchase of the Property will constitute a default by Buyer and the remedies available to Seller for Buyer's default under this Agreement shall apply.

5. **Funds**. Any funds paid by Buyer under the terms of this Agreement to Seller through a check are accepted by Seller subject to collection. Buyer acknowledges that Seller shall have the right to deposit such checks without such action being deemed acceptance of this Agreement. If any such checks are not paid by the bank after acceptance of this Agreement, Seller shall have the right to cancel this Agreement.

6. **Credit Information Authorization**. Buyer authorizes Lender to whom Buyer has applied or is in the process of applying for a mortgage loan in connection with this transaction to disclose to Seller the information contained in any loan application, verification

BUYER _____ BUYER _____

of deposit, income and employment, and credit reports or credit related documentation on Buyer. Buyer authorizes Seller to order one or more credit reports from a consumer reporting agency to be used in connection with this transaction. The cost of said report(s) is (are) to be paid by Buyer. Buyer authorizes Seller to forward all copies of all or any portion of such report(s) without interpretation to Lender who (at the request of Buyer) will evaluate a potential extension of credit to Buyer in connection with this transaction. Buyer authorizes Lender, and any credit bureau or other person or entity utilized or engaged by Lender, to obtain one or more consumer reports regarding Buyer and to investigate any information, reference, statement, or data, provided to Lender by Buyer or by any other person or entity, pertaining to Buyer's credit and financial status. Buyer shall indemnify, defend and hold harmless Seller, its officers, directors, shareholders, employees, agents, contractors, subcontractors and suppliers ("**Indemnified Parties**"), Lender, and any credit bureau or other person or entity utilized or engaged by Lender or Seller, from and against any deficiencies, losses, liabilities, claims, damages, expenses, obligations, penalties, actions, judgments, awards, suits, costs or disbursements of any kind or nature whatsoever, including attorneys' fees and expenses ("**Claims**") arising from an investigation of Buyer's credit and financial status.

7. **Closing**. Without limiting the terms of Section 8, Buyer acknowledges and agrees that Seller has the right in its sole discretion to schedule the date, time and place for the closing of the transaction contemplated by this Agreement ("**Closing**") and Buyer shall close on such Closing Date (the "**Closing Date**"). Buyer will be given notice of the Closing Date, time and place by the "**Closing Date Notice Period**" (as such term is defined in Rider B attached hereto). Seller is authorized to postpone or advance the date of Closing at its discretion. Seller must, however, give Buyer reasonable notice of the new Closing Date. Any notice of Closing may be given verbally, by telephone, telegraph, telex, facsimile, mail, e-mail, or other means of communication at Seller's option. All notices of Closing will be given to Buyer at the address or by use of the telephone number(s) or e-mail address(es) specified on page 1 of this Agreement unless Seller has received written notice from Buyer of any change therein prior to the date notice of Closing is given. Buyer's failure to receive the notice of Closing because Buyer has failed to advise Seller of any changes of address or phone number, or because Buyer has failed to pick up a letter when Buyer has been advised of an attempted delivery or for any other reason, shall not relieve Buyer of Buyer's obligation to close on the scheduled Closing Date, unless Seller otherwise agrees in writing to postpone the Closing Date. To the extent not prohibited by applicable law, if Seller, in its sole discretion, agrees in writing to reschedule the Closing Date at Buyer's request, or because Buyer (if a corporation) has failed to produce all corporate documents requested by Seller, or for any other reason (except for delay required by Seller), then (1) Seller may impose a late charge as liquidated damages for such delay equal to One Hundred Twenty-Five Dollars ($125.00) per day for every day from the original Closing Date through the date that the transaction closes, and (2) Seller may require that prorations be made as of the original Closing Date. Buyer agrees the late charge is appropriate in order to cover Seller's administrative and other expenses resulting from a delay in Closing and that the amount of liquidated damages is fixed and agreed to by the parties as a reasonable estimate of the damages that Seller shall suffer and is not in the nature of a penalty. Seller is not required to agree to reschedule Closing, but Seller may reschedule Closing in Seller's sole discretion.

8. **Completion Date**. It is expressly agreed by Buyer that notwithstanding anything to the contrary specified herein or verbally represented (including but not limited to Seller's sales representative), any scheduled completion date is a good faith estimate, and Seller makes no promises or representations concerning the date of completion. Buyer agrees that Buyer has not relied, and will not rely upon, any estimated completion date for any purpose whatsoever, including, without limitation, relocation of residence, storage of personal property, or lock-in financing, and Buyer agrees that Seller shall not be liable for any additional costs, expenses or damages whatsoever should the Home not be completed by an estimated completion date. [**IF THERE IS A HUD FILING, OR IF NO HUD FILING, BECAUSE LESS THAN 100 UNITS, DELETE THE REST OF THIS SECTION, AND DELETE THE CROSS REFERENCE: Notwithstanding the foregoing, Seller is required to complete and does agree that the construction of the Home shall be completed not later than two (2) years from the date of Buyer's execution of this Agreement. If construction is delayed by any event recognized by the law of the state in which the Home is located as a defense to a contract action for non-performance or a delay in performance, then the date of completion shall be extended by the delay period. It is the express intent of the parties that the parties' rights and obligations under this Agreement be construed in the manner necessary to exempt this Agreement and the sale of the Property from registration under the Interstate Land Sales Full Disclosure Act, and both Buyer and Seller hereby expressly waive any right or provision of this Agreement that would otherwise preclude such exemption.**]

9. **Casualty Before Closing**. If the Property is damaged by fire, act of terrorism or other casualty before Closing and the cost of restoration does not exceed three percent (3%) of the Total Purchase Price and repairs will not substantially delay Closing, Seller shall repair the damage and Closing shall proceed pursuant to the terms of this Agreement. If the cost of restoration exceeds three percent (3%) of the Total Purchase Price or the repairs would substantially delay Closing, Buyer shall have the option to: (1) terminate this Agreement and receive a refund of the Deposit made by Buyer to Seller, in which event both parties shall be released from all obligations under this Agreement, or (2) have Seller repair the damage as soon as reasonably possible, and Closing shall be extended until such repair or rebuilding is complete.

Notwithstanding the foregoing, if all or a portion of the Property is damaged by fire, act of terrorism or other casualty and (1) the plans, specifications or construction materials for the Property must be materially modified in order to repair or reconstruct the Property, or (2) the repair or reconstruction of the Property substantially in accordance with the plans and specifications is rendered impossible by any cause recognized by the law of the state in which the Property is located as a defense to a contract action for non-performance, then Seller shall have the right to terminate this Agreement and Buyer shall receive a refund of the Deposit made by Buyer to Seller in which event both parties shall be released from all obligations under this Agreement.

10. **Deed**. Seller shall convey title to Buyer at Closing by delivery to Buyer of a General Limited Warranty Deed (the "**Deed**") describing the Property, which Deed shall convey title to Buyer subject to all matters described in this Agreement.

11. **Closing and Title Matters**. Title to the Property to be delivered to Buyer at Closing will be marketable and insurable, subject only to the following matters:

11.1 Title to the Property shall be subject to the following: (1) zoning, building codes, bulkhead laws, ordinances, regulations, rights or interests vested in the United States of America or the state in which the Community is located; (2) real estate taxes and other taxes for the year of conveyance and subsequent years including taxes or assessments of any special taxing or community development district (including assessments relating to capital improvements and bonds); (3) the general printed exceptions contained in an owner's title insurance policy; (4) utility easements, sewer agreements, telephone

agreements, cable agreements, telecommunications agreements, monitoring agreements, restrictions and reservations common to any plat affecting title to the Property; (5) matters that would be disclosed by an accurate survey or inspection of the Property; (6) the Documents; (7) any laws and restrictions, covenants, conditions, limitations, reservations, agreements or easements recorded in the public records for the County (for example, use limitations and obligations, easements (right-of-way) and agreements relating to telephone, gas or electric lines, water and sewer lines and drainage, provided they do not prevent use of the Property for single family residential purposes); (8) minor encroachments on easements that do not substantially interfere with an easement holder's interest in the Property; and (9) acts done or suffered by Buyer and any mortgage or deed of trust obtained by Buyer for the purchase of the Property. It is Buyer's responsibility to review and become familiar with each of the foregoing title matters, some of which are covenants running with the land. If any title defects are discovered by Buyer after Closing, Buyer's sole remedy shall be to make a claim to Buyer's title insurer.

11.2 Seller shall convey title to Buyer at Closing by delivery to Buyer of the Deed, which shall convey title to Buyer subject to all matters described in Section 11.1 of this Agreement. Any such matters omitted from the Deed shall nevertheless be deemed to be included in the Deed.

11.3 Seller shall provide an affidavit complying with the Foreign Investment in Real Property Tax Act of 1980, as amended, upon written request of Buyer.

11.4 Seller may not own title to the Property as of the date of this Agreement or at Closing. However, Seller shall obtain title to the Property on or before the Closing Date or effect the necessary transfer of title on or before the date when Seller causes title to be transferred to Buyer.

11.5 If Seller cannot provide marketable and insurable title as described above, such failure shall not be an event of default and Seller will have a reasonable period of time (at least one hundred and twenty (120) days from the date of the scheduled Closing Date) to attempt to correct any defects in title; provided, however, Seller shall not be obligated to incur any expense, nor institute any litigation, to clear title to the Property. If Seller cannot or elects not to correct the title defects, Seller shall so notify Buyer within such period, and Buyer may thereafter elect (by written notice from Buyer to Seller) one of the following two (2) options: (1) to accept title in the condition offered (with defects) and pay the balance of the Total Purchase Price for the Property (without set off or deduction therefor), thereby waiving any claim with respect to such title defects and Buyer will not make any claims against Seller because of the title defects; or (2) to terminate this Agreement and receive a full refund of the Deposit deposited hereunder. If all such amounts are refunded, Buyer agrees to accept it as full payment of Seller's liability hereunder, whereupon this Agreement shall be terminated and Seller shall thereafter be relieved and released of all further liability hereunder. Buyer shall not thereafter have any rights to make any additional claims against Seller. In the event Buyer does not notify Seller in writing within five (5) calendar days from the receipt of Seller's notice (time being strictly of the essence) as to which option Buyer elects, Buyer shall be conclusively presumed to have elected option (1) set forth above in this subsection.

11.6 The acceptance of the Deed by Buyer shall be deemed to be full performance and discharge of every agreement and obligation on the part of Seller to be performed pursuant to this Agreement, except those which are herein specifically deemed to survive Closing or which may survive by operation of law, if any.

11.7 Title to the Property will be deemed marketable if an owner's policy is issued with standard exceptions.

11.8 All of the terms of this Section 11 shall survive Closing and the delivery of the Deed.

12. Closing Costs. The respective responsibilities of Buyer and Seller for all costs, prorations and fees payable at Closing (the "Closing Costs") are shown in Rider B attached hereto.

13. Site and Substitutions. The materials, equipment and fixtures included in and to be used in constructing the Home will be substantially the same as or similar in quality to those described in the applicable plans and specifications (except as to extras, options and/or upgrades).

13.1 Changes to Plans and Specifications.

13.1.1 Industry Practice. It is widely observed construction industry practice for pre-construction plans and specifications for any home or building to be changed and adjusted from time to time in order to accommodate on-going site conditions and in the field construction factors. These changes and adjustments are essential in order to permit all components of the Home to be integrated into a well-functioning and aesthetically pleasing product in an expeditious manner. Based on the foregoing, Buyer acknowledges that such changes and adjustments may occur and agrees that it is reasonable and to Buyer's benefit to allow Seller the flexibility to make such changes and adjustments to the Home.

13.1.2 Seller's Absolute Right to Make Modifications to Plans and Specifications. Seller has the absolute right to make modifications to the plans and specifications for the Home. Without limiting the generality of the foregoing, Buyer specifically agrees that changes in the dimensions of rooms and patios, entrances and terraces, if applicable, and changes in room size, in the locations of windows, doors, walls, partitions, utility lead-ins and outlets (including, but not limited to, electrical, cable television, and telephone), air-conditioning components, lighting fixtures and electrical panel boxes may be made by Seller in its sole discretion, provided however that changes in the layout and dimensions of the Home shall not substantially affect the value of the Home. Such changes may also include, but are not limited to, changes in the building location, setbacks and facing, the building's external configuration, its structural components, its finishes and the landscaping associated therewith.

13.1.3 Buyer's Acceptance of Actual Floor Plan. Buyer further understands and acknowledges that many of the Homes to be constructed within the Community require floor plans which are opposite (i.e. flipped) mirror images

of the model floor plan and Buyer fully understands and accepts the floor plan configuration for the Home and improvements to be constructed within the Home.

13.1.4 No Warranty for Plans and Specifications on File. Buyer further acknowledges and agrees that (1) the plans and specifications of the Home and the Community on file with the applicable governmental authorities may not be identical in detail to Seller's plans and specifications, and (2) because of the day-to-day nature of the changes described in this Section 13, the plans and specifications on file with the applicable governmental authorities may not include some or any of these changes (there being no legal requirement to file all changes with such authorities). As a result of the foregoing, Buyer and Seller both acknowledge and agree that the Home and the Community may not be constructed in accordance with the plans and specifications on file with the applicable governmental authorities. Without limiting the generality of the provisions of Rider B attached hereto, Seller disclaims and Buyer waives any and all express or implied warranties that construction will be accomplished in compliance with such plans and specifications. Seller has not given and Buyer has not relied on or bargained for any such warranties. In furtherance of the foregoing, in the event of any conflict between the actual construction of the Home and/or the Community, and that which is set forth on the plans and specifications, Buyer agrees that the actual construction shall prevail and to accept the Home and Community as actually constructed (in lieu of what is set forth on the plans and specifications).

13.2 Lot Change. In the event that Seller, in its sole discretion, determines that the Model of the Home selected under this Agreement cannot reasonably be built on the Homesite, then Buyer and Seller hereby agree that they will negotiate in good faith to relocate the Home to another lot in the Community, provided however that there are lots available for sale. If no replacement lot is available, then Buyer may terminate this Agreement and will be entitled to a refund of any paid Deposit.

13.3 Decorative and Landscaping Items.

13.3.1 Buyer understands and agrees that certain of the finishing items, such as tile, marble, carpet, cabinets, stone, brickwork, wood, paint, stain and mica are subject to size and color variations, grain and quality variations, and may vary in accordance with price, availability and changes by manufacturers from those shown in the model, if any, or in illustrations or brochures or those included in the specifications. Furthermore, if circumstances arise that, in Seller's opinion, warrant changes of subcontractors, suppliers, manufacturers, brand names or items, Seller reserves the right to substitute equipment, materials, appliances, etc., which in Seller's opinion are considered to be of quality substantially similar or equal, or of better quality, subject to their availability. Buyer also understands that Seller has the right to substitute or change materials and/or stain colors utilized in wood decor, if any.

13.3.2 Lot grades, lot area, options, facades, shrubs, trees, trim, built-ins, wall treatments, window treatments, furniture, furnishings, fences, decks, locations of walks, driveways and other items in or about a model home area in the subdivision are for display purposes only and are not included in the Total Purchase Price unless otherwise expressly provided herein. Seller has the right to remove any existing trees on the Property or on the surrounding area for any reason. Buyer further understands and agrees that the following items (which may be seen in models or shown in illustrations) will also not be included with the sale of the Home: wall coverings, paint colors, accent light fixtures; wall ornaments, drapes, blinds, bedspreads, furniture, furnishings, wet bars, monitoring systems, certain built-in fixtures, special floor coverings, wood trim, upgraded items and/or any other items of this nature which may be added or deleted from time to time. This list of items (which is not all-inclusive) is provided as an illustration of the type of items built-in or placed upon models or shown in illustrations strictly for purposes of decoration and example only.

13.4 Deed. By acceptance of the Deed, Buyer accepts all variations of the Home.

13.5 Survival. All of the terms of this Section 13 shall survive Closing and the delivery of the Deed.

14. **Buyer's Default**. In the event of Buyer's default and to the extent allowed by law, Seller shall be entitled to keep, as liquidated damages and not as a penalty, Buyer's Deposit not to exceed fifteen percent (15%) of the Total Purchase Price, except that Seller may, in addition, keep, as liquidated damages and not as a penalty, any and all Advanced Payments made by Buyer to Seller for options, extras or upgrades for which Seller has made contractual commitments or incurred liability by placing orders or otherwise. Buyer agrees that actual damages in the event of breach by Buyer would be costly and difficult to calculate, and that such liquidated damages are a fair and reasonable remedy and shall not be considered a penalty. The provisions of this Section shall survive the termination of this Agreement.

15. **Seller's Default**. In the event of Seller's default and to the extent allowed by law, Buyer may recover actual damages but shall not be entitled to special, consequential or punitive damages. Notwithstanding the foregoing, Buyer retains all remedies at law and in equity with respect to Seller's obligation to complete the Home within two (2) years pursuant to Section 8 above. The provisions of this Section shall survive the termination of this Agreement.

16. **Mediation / Arbitration of Disputes**.

16.1 The parties to this Agreement specifically agree that this transaction involves interstate commerce and that any Dispute (as hereinafter defined) shall first be submitted to mediation and, if not settled during mediation, shall thereafter be submitted to binding arbitration as provided by the Federal Arbitration Act (9 U.S.C. §§1 et seq.) and not by or in a court of law or equity. "Disputes" (whether contract, warranty, tort, statutory or otherwise), shall include, but are not limited to, any and all controversies, disputes or claims (1) arising under, or related to, this Agreement, the Property, the Community or any dealings between Buyer and Seller; (2) arising by virtue of any representations, promises or warranties alleged to have been made by Seller or Seller's representative; and (3) relating to personal injury or property damage alleged to have been sustained by Buyer, Buyer's children or other occupants of the Property, or in the Community. Buyer has executed this

Agreement on behalf of his or her children and other occupants of the Property with the intent that all such parties be bound hereby. Any Dispute shall be submitted for binding arbitration within a reasonable time after such Dispute has arisen. Nothing herein shall extend the time period by which a claim or cause of action may be asserted under the applicable statute of limitations or statute of repose, and in no event shall the Dispute be submitted for arbitration after the date when institution of a legal or equitable proceeding based on the underlying claims in such Dispute would be barred by the applicable statute of limitations or statute of repose.

16.2 Any and all mediations commenced by any of the parties to this Agreement shall be filed with and administered by the American Arbitration Association or any successor thereto ("AAA") in accordance with the AAA's Home Construction Mediation Procedures in effect on the date of the request. If there are no Home Construction Mediation Procedures currently in effect, then the AAA's Construction Industry Mediation Rules in effect on the date of such request shall be utilized. Any party who will be relying upon an expert report or repair estimate at the mediation shall provide the mediator and the other parties with a copy of the reports. If one or more issues directly or indirectly relate to alleged deficiencies in design, materials or construction, all parties and their experts shall be allowed to inspect, document (by photograph, videotape or otherwise) and test the alleged deficiencies prior to mediation. Unless mutually waived in writing by the parties, submission to mediation is a condition precedent to either party taking further action with regard to any matter covered hereunder.

16.3 If the Dispute is not fully resolved by mediation, the Dispute shall be submitted to binding arbitration and administered by the AAA in accordance with the AAA's Home Construction Arbitration Rules in effect on the date of the request. If there are no Home Construction Arbitration Rules currently in effect, then the AAA's Construction Industry Arbitration Rules in effect on the date of such request shall be utilized. Any judgment upon the award rendered by the arbitrator may be entered in and enforced by any court having jurisdiction over such Dispute. If the claimed amount exceeds $250,000.00 or includes a demand for punitive damages, the Dispute shall be heard and determined by three arbitrators; however, if mutually agreed to by the parties, then the Dispute shall be heard and determined by one arbitrator. Arbitrators shall have expertise in the area(s) of Dispute, which may include legal expertise if legal issues are involved. All decisions respecting the arbitrability of any Dispute shall be decided by the arbitrator(s). At the request of any party, the award of the arbitrator(s) shall be accompanied by detailed written findings of fact and conclusions of law. Except as may be required by law or for confirmation of an award, neither a party nor an arbitrator may disclose the existence, content, or results of any arbitration hereunder without the prior written consent of both parties.

16.4 The waiver or invalidity of any portion of this Section shall not affect the validity or enforceability of the remaining portions of this Section. Buyer and Seller further agree (1) that any Dispute involving Seller's affiliates, directors, officers, employees and agents shall also be subject to mediation and arbitration as set forth herein, and shall not be pursued in a court of law or equity; (2) that Seller may, at its sole election, include Seller's contractors, subcontractors and suppliers, as well as any warranty company and insurer as parties in the mediation and arbitration; and (3) that the mediation and arbitration will be limited to the parties specified herein.

16.5 To the fullest extent permitted by applicable law, Buyer and Seller agree that no finding or stipulation of fact, no conclusion of law, and no arbitration award in any other arbitration, judicial, or similar proceeding shall be given preclusive or collateral estoppel effect in any arbitration hereunder unless there is mutuality of parties. In addition, Buyer and Seller further agree that no finding or stipulation of fact, no conclusion of law, and no arbitration award in any arbitration hereunder shall be given preclusive or collateral estoppel effect in any other arbitration, judicial, or similar proceeding unless there is mutuality of parties.

16.6 Unless otherwise recoverable by law or statute, each party shall bear its own costs and expenses, including attorneys' fees and paraprofessional fees, for any mediation and arbitration. Notwithstanding the foregoing, if a party unsuccessfully contests the validity or scope of arbitration in a court of law or equity, the noncontesting party shall be awarded reasonable attorneys' fees, paraprofessional fees and expenses incurred in defending such contest, including such fees and costs associated with any appellate proceedings. In addition, if a party fails to abide by the terms of a mediation settlement or arbitration award, the other party shall be awarded reasonable attorneys' fees, paraprofessional fees and expenses incurred in enforcing such settlement or award.

16.7 Buyer may obtain additional information concerning the rules of the AAA by visiting its website at www.adr.org or by writing the AAA at 335 Madison Avenue, New York, New York 10017.

16.8 Seller supports the principles set forth in the Consumer Due Process Protocol developed by the National Consumer Dispute Advisory Committee and agrees to the following:

16.8.1 Notwithstanding the requirements of arbitration stated in Section 16.3 of this Agreement, Buyer shall have the option, after pursuing mediation as provided herein, to seek relief in a small claims court for disputes or claims within the scope of the court's jurisdiction in lieu of proceeding to arbitration. This option does not apply to any appeal from a decision by a small claims court.

16.8.2 Seller agrees to pay for one (1) day of mediation (mediator fees plus any administrative fees relating to the mediation). Any mediator and associated administrative fees incurred thereafter shall be shared equally by the parties.

16.8.3 The fees for any claim pursued via arbitration in an amount of $10,000.00 or less shall be apportioned as provided in the Home Construction Arbitration Rules of the AAA or other applicable rules.

16.9 Notwithstanding the foregoing, if either Seller or Buyer seeks injunctive relief, and not monetary damages, from a court because irreparable damage or harm would otherwise be suffered by either party before mediation or arbitration could be conducted, such actions shall not be interpreted to indicate that either party has waived the right to mediate or arbitrate.

The right to mediate and arbitrate should also not be considered waived by the filing of a counterclaim by either party once a claim for injunctive relief had been filed with a court.

16.10 Buyer and Seller specifically agree that notwithstanding anything to the contrary, the rights and obligations set forth in this Section 16 shall survive (1) Closing and the delivery of the Deed; (2) the termination of this Agreement by either party; or (3) the default of this Agreement by either party.

17. **Other Dispute Resolutions.** Notwithstanding the parties' obligation to submit any Dispute to mediation and arbitration, in the event that a particular dispute is not subject to the mediation or the arbitration provisions of Section 16, then the parties agree to the following provisions: **BUYER ACKNOWLEDGES THAT JUSTICE WILL BEST BE SERVED IF ISSUES REGARDING THIS AGREEMENT ARE HEARD BY A JUDGE IN A COURT PROCEEDING, AND NOT A JURY. BUYER AND SELLER AGREE THAT ANY DISPUTE, CLAIM, DEMAND, ACTION, OR CAUSE OF ACTION SHALL BE HEARD BY A JUDGE IN A COURT PROCEEDING AND NOT A JURY. BUYER AND SELLER HEREBY WAIVE THEIR RESPECTIVE RIGHT TO A JURY TRIAL. SELLER HEREBY SUGGESTS THAT BUYER CONTACT AN ATTORNEY OF BUYER'S CHOICE IF BUYER DOES NOT UNDERSTAND THE LEGAL CONSEQUENCES OF EXECUTING THIS AGREEMENT.** All of the terms of this Section 17 shall survive Closing and the delivery of the Deed.

18. **Selling Agent, Cooperating Broker, and Seller's New Home Consultant.** Unless a Purchase Price and Payment Addendum indicating otherwise is attached hereto, Buyer represents to Seller that Buyer has not consulted, dealt or negotiated with a real estate broker, salesperson or agent other than Seller's sales personnel located at Seller's sales office. Buyer agrees that Seller is not responsible for the payment of a commission to a real estate broker, salesperson or agent other than Seller's sales personnel. Buyer shall indemnify, defend and hold harmless Indemnified Parties from and against any and all Claims resulting from or arising out of any representation or breach of a representation or warranty set forth in this Section. In addition, Buyer acknowledges and understands that Seller's New Home Consultant ("NHC") and Internet New Home Consultant ("INHC") are agents of Seller, are acting solely for the Seller's interests, and are not acting in any representative capacity for Buyer. Buyer should not disclose any information to Seller's NHC and/or INHC that Buyer considers to be confidential or otherwise does not want disclosed to Seller.

Buyer's Initials PD _____

19. **Construction Activities.** ALL OWNERS, OCCUPANTS AND USERS OF THE COMMUNITY ARE HEREBY PLACED ON NOTICE THAT (1) SELLER AND/OR ITS AGENTS, CONTRACTORS, SUBCONTRACTORS, LICENSEES AND OTHER DESIGNEES, AND/OR (2) ANY OTHER PARTIES, WILL BE, FROM TIME TO TIME, CONDUCTING BLASTING, EXCAVATION, CONSTRUCTION AND OTHER ACTIVITIES WITHIN OR IN PROXIMITY TO THE COMMUNITY. BY THE ACCEPTANCE OF THEIR DEED OR OTHER CONVEYANCE OR MORTGAGE, LEASEHOLD, LICENSE OR OTHER INTEREST, AND BY USING ANY PORTION OF THE COMMUNITY, EACH SUCH OWNER, OCCUPANT AND USER AUTOMATICALLY ACKNOWLEDGES, STIPULATES AND AGREES (1) THAT NONE OF THE AFORESAID ACTIVITIES SHALL BE DEEMED NUISANCES OR NOXIOUS OR OFFENSIVE ACTIVITIES, HEREUNDER OR AT LAW GENERALLY, (2) NOT TO ENTER UPON, OR ALLOW THEIR CHILDREN OR OTHER PERSONS UNDER THEIR CONTROL OR DIRECTION TO ENTER UPON (REGARDLESS OF WHETHER SUCH ENTRY IS A TRESPASS OR OTHERWISE) ANY PROPERTY WITHIN OR IN PROXIMITY TO THE AREA OF THE COMMUNITY WHERE SUCH ACTIVITY IS BEING CONDUCTED (EVEN IF NOT BEING ACTIVELY CONDUCTED AT THE TIME OF ENTRY, SUCH AS AT NIGHT OR OTHERWISE DURING NON-WORKING HOURS), (3) TO THE EXTENT PERMITTED OR NOT PROHIBITED UNDER APPLICABLE LAW, SELLER AND THE OTHER AFORESAID RELATED PARTIES SHALL NOT BE LIABLE FOR ANY AND ALL LOSSES, DAMAGES (COMPENSATORY, CONSEQUENTIAL, PUNITIVE OR OTHERWISE), INJURIES OR DEATHS ARISING FROM OR RELATING TO THE AFORESAID ACTIVITIES, EXCEPT RESULTING DIRECTLY FROM SELLER'S GROSS NEGLIGENCE OR WILLFUL MISCONDUCT, (4) ANY PURCHASE OR USE OF ANY PORTION OF THE COMMUNITY HAS BEEN AND WILL BE MADE WITH FULL KNOWLEDGE OF THE FOREGOING AND (5) THIS ACKNOWLEDGMENT AND AGREEMENT IS A MATERIAL INDUCEMENT TO SELL, CONVEY, AND/OR ALLOW THE USE OF THE PROPERTY.

20. **Dangerous Condition; Construction Work.**

20.1 Buyer understands and agrees that the Property is a construction site and that the Property and the improvements, equipment and supplies thereon constitute a danger to those who may enter on the Property. Buyer shall not enter onto the Property prior to Closing unless authorized and accompanied by Seller's representative. Any unauthorized, unaccompanied entry by Buyer shall constitute a breach of this Agreement by Buyer, at Seller's election. Moreover, any entry by Buyer onto the Property prior to Closing shall be done at Buyer's own risk and in compliance with all federal, state and local safety laws and regulations. To the extent permitted or not prohibited by applicable law, Buyer waives, releases and shall indemnify, defend and hold harmless Indemnified Parties from and against any Claims made by Buyer, Buyer's family members or guests, as a direct or indirect result of any such unauthorized, unaccompanied entry onto the Property.

20.2 Buyer agrees that supervision and direction of the working forces, including, without limitation, all contractors and subcontractors, is to be done exclusively by Seller, and Buyer agrees not to issue any instructions to the working forces or otherwise hinder construction or installation of improvements on the Property. Buyer shall not do or have any work done on the Property, nor may Buyer store any possessions thereon, prior to Closing and transfer of title to the Property to Buyer.

20.3 Buyer agrees that any and all controversies, disputes and claims arising under this Section shall be resolved through binding arbitration in accordance with the terms of this Agreement.

20.4 All of the terms of this Section 20 shall survive Closing and the delivery of the Deed.

21. **OFAC.** Executive Order 13224 requires all United States entities and persons to block assets and not transact business with entities, countries and persons (specifically designated nationals) set forth by the Office of Foreign Asset Control ("OFAC"). This requirement applies to all homebuilding entities in The Lennar Family of Builders (including but not limited to Seller), Universal

American Mortgage Company, LLC and all of its affiliates, and North American Title Company and all of its affiliates (collectively, the "Lennar Affiliates"). Accordingly, each of Seller and the Lennar Affiliates will check current OFAC lists and other publications in connection with each potential transaction, loan, or home sale. In order to check the OFAC list, Buyer must provide to Seller a Government-issued identification card (this might include a driver's license, birth certificate, passport or resident alien card). To the extent Buyer (or any single person or entity constituting a part of Buyer) matches a name or entity on any such OFAC list or publication, the transactions with Buyer contemplated under or in connection with this Agreement will be immediately suspended, and Buyer shall be reported as instructed by the OFAC.

22. **Agreement not to be Recorded**. Buyer covenants that Buyer shall not record this Agreement (or any memorandum thereof) in the Public Records of the County. Buyer agrees, if Buyer records this Agreement, to pay all of Seller's attorneys' fees, paraprofessional fees and expenses incurred in removing the cloud on title caused by such recordation. Seller's rights under this Section shall be in addition to Seller's remedies for Buyer's default provided elsewhere in this Agreement.

23. **Transfer, Assignment and Persons Bound**. Buyer agrees that Buyer will not, and does not have the right to, assign, sell or transfer Buyer's interest in this Agreement (whether voluntarily or by operation of law or otherwise) without Seller's prior written consent. If Buyer is a corporation, other business entity, trustee or nominee, a transfer of any material equity or beneficial or principal interest shall constitute an assignment of this Agreement. If Buyer attempts to assign this Agreement in violation of this Section, Seller can declare Buyer in default and Seller shall be entitled to all remedies available under this Agreement. Buyer agrees that Seller may withhold its consent with or without any reason or condition in any manner it chooses (if it gives it at all) and may charge Buyer a reasonable amount to cover administrative costs incurred in considering whether or not to grant consent. If Buyer dies or in any way loses legal control of his/her affairs, this Agreement will bind his/her heirs and legal representatives. If Buyer has received Seller's permission to assign or transfer this Agreement, then Buyer's approved assignees shall be bound by the terms of this Agreement. If more than one person signs this Agreement as Buyer, each such person shall be jointly and severally liable for full performance of all of Buyer's duties and obligations hereunder. Buyer has executed this Agreement on behalf of his or her children and other occupants of the Property with the intent that all such parties be bound hereby.

24. **TIME OF THE ESSENCE**. BUYER ACKNOWLEDGES THAT TIME IS OF THE ESSENCE IN CONNECTION WITH THE TRANSACTIONS CONTEMPLATED UNDER THIS AGREEMENT.

25. **Interpretation and Computation of Time**. The use of the masculine gender in this Agreement shall be deemed to refer to the feminine or neuter gender, and the singular shall include the plural, and vice versa, whenever the context so requires. This Agreement reflects the negotiated agreement of the parties. Each party acknowledges that they have been afforded the opportunity to seek competent legal counsel, and each have made an informed choice as to whether or not to be represented by legal counsel. Accordingly, this Agreement shall be construed as if both parties jointly prepared it, and no presumption against one party or the other shall govern the interpretation or construction of any of the provisions of this Agreement. Any reference in this Agreement to the time periods of less than five (5) days shall, in the computation thereof, exclude Saturdays, Sundays and legal holidays. Any reference in this Agreement to time periods of five (5) days or more shall, in computation thereof, include Saturdays, Sundays and legal holidays. If the last day of any such period is a Saturday, Sunday or legal holiday, the period shall be extended to 5:00 p.m. on the next full business day. The section headings in this Agreement are for convenience only and shall not affect the meaning, interpretation or scope of the provisions which follow them.

26. **Notice**. Except as provided in the Closing Section of this Agreement with respect to notices of the scheduled Closing Date, any notice required or permitted to be given in connection with this Agreement shall be in writing and sent by United States certified mail with return receipt requested, professional overnight courier or electronic transmission (with confirmation and copy by (1) certified mail, if Buyer's address is within the United States or (2) overnight professional courier, if Buyer's address is outside of the United States) to Buyer or Seller at the addresses on Page 1 of this Agreement (unless Seller has received written notice from Buyer of any change therein prior to the date such notice is given), and additionally to Seller by hand delivery at Seller's sales office. All notices shall only be effective upon receipt or refusal to accept receipt (by failure to accept delivery or otherwise).

27. **Waiver**. Seller's waiver of any of its rights or remedies shall not operate to waive any other of Seller's rights or remedies or to prevent Seller from enforcing the waived right or remedy in another instance.

28. **Incorporation and Severability**. The explanations and disclaimers set forth in the Documents are incorporated into this Agreement. In the event that any clause or provision of this Agreement shall be void or unenforceable, such clause or provision shall be deemed deleted so that the balance of this Agreement is enforceable.

29. **Governing Law**. Any disputes that develop under this Agreement or questions regarding the interpretation of this Agreement will be settled according to the law of the state where the Property is located to the extent federal law is not applicable.

30. **Entire Agreement**. BUYER CERTIFIES THAT BUYER HAS READ EVERY PROVISION OF THIS AGREEMENT, WHICH INCLUDES EACH RIDER AND ADDENDUM ATTACHED HERETO AND THAT THIS AGREEMENT, TOGETHER WITH EACH SUCH RIDER AND ADDENDUM, CONSTITUTES THE ENTIRE AGREEMENT BETWEEN BUYER AND SELLER. PRIOR AGREEMENTS, REPRESENTATIONS, UNDERSTANDINGS, AND ORAL STATEMENTS NOT REFLECTED IN THIS AGREEMENT HAVE NO EFFECT AND ARE NOT BINDING ON SELLER. BUYER ACKNOWLEDGES THAT BUYER HAS NOT RELIED ON ANY REPRESENTATIONS, NEWSPAPERS, RADIO OR TELEVISION ADVERTISEMENTS, WARRANTIES, STATEMENTS, OR ESTIMATES OF ANY NATURE WHATSOEVER, WHETHER WRITTEN OR ORAL, MADE BY SELLER, SALES PERSONS, AGENTS, OFFICERS, EMPLOYEES, CO-OPERATING BROKERS (IF ANY) OR OTHERWISE EXCEPT AS HEREIN SPECIFICALLY REPRESENTED. BUYER HAS BASED HIS/HER/THEIR DECISION TO PURCHASE THE PROPERTY ON PERSONAL INVESTIGATION, OBSERVATION AND THE DOCUMENTS.

31. **Modification**. This Agreement is the entire agreement for the sale and purchase of the Property and once it is signed by both Buyer and a Division Agent or Officer of Seller, it can only be amended by a written agreement signed by both Buyer and Seller.

BUYER _____ BUYER _____

32. **Additional Changes**. Notwithstanding Section 32 of this Agreement, Buyer agrees that it may be necessary (at any time and from time to time) after Buyer executes this Agreement for Seller, and/or the developer or declarant under the Documents, to change the terms and provisions of this Agreement and/or the Documents to comply with and conform to the rules and regulations (as same may exist and as same may be promulgated from time to time) of any governmental agency, subdivision or authority or court of competent jurisdiction and Buyer consents to all such changes. Notwithstanding Section 32 of this Agreement, Seller, and/or the developer or declarant under the Documents, shall have the right to amend all Documents for development or other purposes, and Buyer consents to all such amendments.

33. **Inducement**. Buyer acknowledges that the sole inducement to close on the purchase of the Property is the Property itself and not (1) the common facilities comprising part of the Community, if any, or (2) any expectation that the Property will increase in value.

34. **Reservation of Easement**. For the purpose of completing the construction and servicing of the Property and Community, Seller hereby reserves an easement of ingress and egress for itself and its successors and assigns, and each of their respective agents, employees, materialmen and subcontractors, over, under and upon the Property for a period of one (1) year after Closing. Seller shall provide reasonable notice to Buyer before exercising easement rights granted herein. All of the terms of this Section 35 shall survive Closing and the delivery of the Deed.

35. **Riders and Addenda**. This Agreement consists of _____ (___) pages and the following Riders and Addenda, which are attached hereto and by this reference made a part of this Agreement:

Check (☑) all that apply:

☑ Rider A (South Carolina)	☑ Indoor Environmental Quality Disclosure Addendum
☑ Rider B (_____ Division)	☐ Home Sale Contingency Addendum
☑ Purchase Price and Payment Addendum	Cooperating Broker Addendum
☑ Master Disclosure and Information Addendum	☐ FHA/VA Addendum
☑ Affiliated Business Arrangements Disclosure Statement	☑ Insulation Addendum
☑ Election Form Addendum	☐ Cooperating Broker Agreement
☐ _____	☐ Anti-Speculation Addendum
☐ _____	☐ _____

36. **Survival**.

36.1 Buyer and Seller agree that it is their express intent that the Sections and documents listed below, together with any other terms in this Agreement that expressly so state, as well as any terms that may survive by operation of law, notwithstanding if the Section, document or term has a survival provision thereto, shall not be merged into the Deed and that these Sections and documents shall survive Closing and the delivery of the Deed: Section 11, Closing and Title Matters; Section 13, Site and Substitutions; Section 16, Mediation / Arbitration of Disputes; Section 17, Other Dispute Resolutions; Section 18, Selling Agent and Cooperating Broker; Section 19, Construction Activities; Section 20, Dangerous Conditions; Construction Work; Section 35, Reservation of Easement; Section 5 of Rider B, Warranties; Section 2 of the Indoor Environmental Quality Disclosure; Cooperating Broker Addendum, in its entirety; and, Master Disclosure and Information Addendum to Purchase and Sale Agreement, in its entirety.

36.2 Buyer and Seller agree that it is their express intent that the Sections and documents listed below, together with any other terms in this Agreement that expressly so state, as well as any terms that may survive by operation of law, notwithstanding if the Section, document or term has a survival provision thereto, shall survive termination of this Agreement: Section 14, Buyer's Default; Section 15, Seller's Default; Section 16, Mediation / Arbitration of Disputes, Section 17, Other Dispute Resolutions; Section 23, Transfer, Assignment and Persons Bound; and Section 6 of Rider B, Documents.

37. **Offer to Purchase/Effective Date**. This Agreement, when executed by Buyer and delivered to Seller, together with the Initial Deposit specified hereunder, shall constitute an offer by Buyer to purchase the Property in accordance with the terms and conditions provided herein, and shall not be binding upon Seller until such time as a Division Agent or Officer of Seller has executed this Agreement. The date of such acceptance is the "**Effective Date**" of this Agreement. In the event Buyer's offer is not accepted by Seller, all paid Deposits made by Buyer to Seller to date shall be returned to Buyer, and Buyer's offer shall be deemed withdrawn.

[THE REST OF THIS PAGE LEFT INTENTIONALLY BLANK]

38. Counterparts and Signatures. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which together shall comprise but a single instrument. Signatures may be given via electronic transmission and shall be deemed given as of the date and time of the transmission of this Agreement to the other party.

THE INITIAL DEPOSIT HAS BEEN RECEIVED BY SELLER SUBJECT TO CLEARANCE.

SELLER: _____

_____
New Home Consultant
Date: 1-30-11

THIS AGREEMENT IS NOT BINDING ON SELLER UNTIL ACCEPTED BELOW BY AN AUTHORIZED AGENT OF SELLER.

SELLER: _____

_____
Authorized Agent of Seller
Date: 1-31-11

_____
Buyer
Date: 1-30-11

_____
Buyer
Date: _____

_____
Buyer
Date: _____

_____
Buyer
Date: _____

ELECTION FORM ADDENDUM

THIS ELECTION FORM ADDENDUM (this "Addendum") is executed in conjunction with and, by this reference, incorporated into the Purchase and Sale Agreement (the "Agreement") dated as of the Seventh day of November , 2011, between Patricia C Damico(collectively, "Buyer") and Seller, as defined in the Agreement, respecting Lot 0008 of Building/Block ____ of The Abbey at Spring Grove Subdivision/Plat in the community known as The Abbey at Spring Grove (the "Community").

1. Defined Terms. All initially capitalized terms not defined herein shall have the meanings set forth in the Agreement, and all references in this Addendum to the Agreement shall be deemed to include references to this Addendum and to every other addendum attached to the Agreement, which are hereby incorporated by this reference.

2. Affiliated Business. Seller has given Buyer notice in the Affiliated Business Arrangement Disclosure Statement that Seller has business relationships with Universal American Mortgage Company, LLC ("UAMC") and North American Title Company, and its affiliate, North American Title Insurance Corporation (collectively, "North American"). Buyer is hereby informed that Buyer is not obligated to use an affiliated business of Seller as a condition to the sale of the Home.

3. Deposits. Seller's standard practice within the Community is to require the following earnest money deposits:

3.1 Minimum of $1,000 for owner-occupants on homes priced up to $165,000.

3.2 Minimum of $2,000 for owner-occupants on homes priced above $165,000.

3.3 Minimum of $5,000 for non owner-occupants.

3.4 Buyer represents, covenants and warrants to Seller that Buyer is purchasing the Home (check one):

☒ as an owner-occupant.

☐ not as an owner-occupant.

☐ as a cash buyer.

Buyer: PD _____

3.5 In the event of Buyer's default and to the extent allowed by law, Seller shall be entitled to keep, as liquidated damages and not as a penalty, Buyer's Deposit. Buyer agrees that actual damages in the event of breach by Buyer would be costly and difficult to calculate, and that such liquidated damages are a fair and reasonable remedy and shall not be considered a penalty.

4. Mortgage Loan and Title Insurance.

4.1 Buyer agrees to pay all loan and closing costs in connection with this transaction.

4.2 By checking one of the boxes below and initialing below the selected text, Buyer hereby selects the lender and/or title insurance company that Buyer will use in connection with the purchase of the Home.

4.2.1 ☒ Buyer elects to use UAMC (or such other lender named on the Approved Lender Addendum).

Buyer's Initials: PD _____

4.2.2 ☐ Buyer intends to purchase the Home without financing.

Buyer's Initials: _____ _____

4.2.2 ☐ Buyer elects to use a lender other than UAMC (or such other lender named on the Approved Lender Addendum) as its Lender.

Buyer's Initials: _____ _____

4.3 Seller will pay up to $ 6,000.00 toward Buyer's Closing Costs.

4.4 Seller will not accept a Purchase Agreement, without a pre-approval Letter (not a pre-qualification letter), for the loan amount from a lender. Buyer must provide written loan approval within 30 days from approval of the Agreement.

5. Closing Attorney.

5.1 By checking the box below and initialing below the selected text, Buyer hereby selects the closing attorney that Buyer will use in connection with the purchase of the Home.

5.1.1 ☒ Buyer elects to use Seller's closing attorney, Richard E. Leister (Myrtle Beach), or Bulst, Byars & Taylor (Charleston).

Buyer's Initials: PD _____

Buyer is hereby notified and acknowledges that Buyer is not required to use Seller's closing attorney as a condition to purchasing the Home. There are other closing attorneys available who can represent Buyer in this transaction. If Buyer desires to engage an attorney to represent

Buyer, then Buyer may do so at Buyer's sole expense and will not receive the incentives set forth below. If Buyer elects to use Seller's closing attorney, Seller's closing attorney will represent Seller and Buyer in this transaction, and Seller's closing attorney cannot offer substantive legal advice to either party in connection with the sale and purchase of the Home. BUYER HAS CERTAIN RIGHTS IN CONNECTION WITH THIS TRANSACTION, AND SELLER ENCOURAGES BUYER TO CONSULT WITH ITS OWN ATTORNEY ABOUT SUCH RIGHTS, INCLUDING BUYER'S USE OF SELLER'S CLOSING ATTORNEY TO PURCHASE THE HOME. Seller's closing attorney may make additional disclosures with respect to his or her joint representation of Seller and Buyer. Seller's closing attorney may also elect not to represent Buyer in this transaction, in which case Buyer will need to hire an attorney to represent Buyer.

Buyer's Initials: _____ _____

5.1.2 ☐ Buyer elects to use an attorney other than Seller's closing attorney.

Buyer's Initials: _____ _____

6. Governing Law. This Agreement is governed by the law of the state where the Property is located, without regard to its conflicts of law rules.

7. Counterparts. This Addendum may be executed in counterparts, a complete set of which shall form a single Addendum.

8. Conflicts. In the event of any conflict between this Addendum and the Agreement, this Addendum shall control. In all other respects, the Agreement shall remain in full force and effect.

9. Entire Agreement. The Agreement, together with this Addendum and any other addenda or riders to the Agreement, contains the entire agreement between Buyer and Seller concerning the matters set forth herein. All prior discussions, negotiations and contracts relating to investors and occupancy requirements, if any, whether oral or written, are hereby superseded by these documents. No addition or modification of this Addendum or the Agreement shall be effective unless set forth in writing and signed by Buyer and an authorized agent of Seller.

Patricia C. Damico

Buyer - Patricia C Damico
Date Nov 5 2011

Buyer -
Date

Buyer -
Date

Buyer -
Date

SELLER: Lennar Carolinas, LLC

Authorized Agent of Seller - Ann Ivey
Date 11/7/11

RIDER A
(SOUTH CAROLINA)

THIS RIDER A (SOUTH CAROLINA) (this "Rider A") is executed in conjunction with and, by this reference, incorporated into the Purchase and Sale Agreement (the "Agreement") entered into as of the 30 day of Jan, 20 11, between Damico ("Buyer") and Seller, as defined in the Agreement, respecting Lot TA-3 of Block ____ of The Abbey Subdivision/Plat in the community known as Spring Bank (the "Community").

1. **Defined Terms**. All initially capitalized terms not defined herein shall have the meanings set forth in the Agreement, and all references in this Rider A to the Agreement shall be deemed to include references to this Rider A and to any other addenda and riders attached to the Agreement, which are hereby incorporated by this reference.

2. **Deposit**. All payments made by Buyer to Seller with respect to the Total Purchase Price (including but not limited to the Deposit and the Advanced Payments) shall be paid to Seller for such purposes as Seller shall determine, and Seller shall not be required to maintain the payments in an escrow or trust account. Buyer shall have no right to interest upon the payments. If and to the extent such payments are deposited in any interest bearing account, then any interest on such payments shall inure to the benefit of Seller. At the time of Closing, the amount of the payments shall be credited to Buyer against the Total Purchase Price.

Buyer's Initials AD _____

3. **Return of Deposit**. In the event this Agreement is cancelled for any reason other than Seller's default, the Buyer shall be required to execute and return a release form provided by the Seller prior to return of the Deposit in accordance with this Agreement, as set forth herein.

4. **Real Estate Tax Disclosure**. When a new home is built, the assessed value of the home is calculated as of January 1st. Therefore, if the Home has a certificate of occupancy issued as of January 1st of the calendar year, Buyer will be assessed based on the value of the completed construction for that tax year. Seller is not responsible for communicating any information regarding real estate taxes (current or future) and cannot and will not predict what the taxes on the Home may be. Buyer should confirm any information provided concerning appraisals, tax valuation, tax rates or other tax-related questions, with Buyer's personal tax advisor and the local taxing authorities.

5. **Radon Gas and Environmental Pollutants**. The United States Environmental Protection Agency and various state agencies have detected elevated levels of naturally occurring radon gas in some residential structures. These agencies have expressed concern that prolonged exposure to high levels of radon gas may result in adverse effects on human health. The Seller is not having any testing done on the Property, or in the Home, with respect to radon gas or environmental pollutants. The Buyer acknowledges that Seller has made no representations or warranties, express or implied, concerning the presence or absence of radon gas or environmental pollutants in the Home or on the Property, and the Buyer acknowledges that the Seller is not qualified to analyze or evaluate these very complex issues with respect to the Home or Property. The Buyer releases the Seller from any and all liability and claims with respect to radon gas and environmental pollutants.

6. **FORM I-295**. At Closing, Seller shall provide Buyer with an affidavit on Form I-295 (Seller's Affidavit – Nonresident Seller Withholding), complying with Section 12-8-580, South Carolina Code of Laws 1976, as amended.

7. **Counterparts**. This Rider A may be executed in counterparts, a complete set of which shall form a single document.

8. **Conflicts**. In the event of any conflict between this Rider A and the Agreement, this Rider A shall control. In all other respects, the Agreement shall remain in full force and effect.

9. **Entire Agreement**. The Agreement, together with this Rider A and any other addenda and riders to the Agreement, contains the entire agreement between Buyer and Seller concerning the matters set forth herein. All prior discussions, negotiations and contracts relating to investors and occupancy requirements, if any, whether oral or written, are hereby superseded by these documents. No addition or modification of this Rider A or the Agreement shall be effective unless set forth in writing and signed by Buyer and an authorized agent of Seller.

Katiuska Damico
Buyer
Date: 1-30-11

Buyer
Date:

Buyer
Date:

Buyer
Date:

SELLER:

Authorized Agent of Seller
Date: 1-31-11

RIDER B
Coastal Carolina Division

THIS RIDER B (Coastal Carolina Division) (this "Rider B") is executed in conjunction with and, by this reference, incorporated into the Purchase and Sale Agreement (the "Agreement") entered into as of the 30 day of Jan., 20 11, between Damico ("Buyer") and Seller, as defined in the Agreement, respecting Lot 73 of Block ____ of The Abbey Subdivision/Plat in the community known as Spring Grove (the "Community").

1. **Defined Terms.** All initially capitalized terms not defined herein shall have the meanings set forth in the Agreement, and all references in this Rider B to the Agreement shall be deemed to include references to this Rider B and to any other rider and addenda attached to the Agreement, which are hereby incorporated by this reference. In addition to those terms, the following terms shall have the meanings set forth below:

"**Closing Date Notice Period**" shall mean at least seven (7) days prior to the Closing Date.

"**Mortgage Contingency Period**" shall mean five (5) days if this Agreement is contingent on Buyer obtaining financing as indicated in the Purchase and Sale Agreement.

2. **Additional Mortgage Contingency.** Unless Buyer shall have notified Seller otherwise in writing within the Mortgage Contingency Period, Buyer shall be conclusively presumed to have obtained the loan commitment or agreed to purchase the Property without mortgage financing. If Buyer does timely notify Seller within the Mortgage Contingency Period that he/she failed to obtain a loan commitment, Seller may require Buyer to immediately reapply for a mortgage loan with another lending institution designated by Seller. If Buyer then fails to obtain a loan commitment within seven (7) days from Seller's notice to reapply, either Buyer or Seller shall have the right to terminate this Agreement whereupon the Deposit shall be returned to Buyer, and thereupon the parties hereto shall be released from all liability hereunder without any further acts by either party.

3. **Closing Costs.** BUYER UNDERSTANDS AND AGREES THAT IN ADDITION TO THE TOTAL CASH TO CLOSE (WHICH AMOUNT IS SPECIFIED IN SECTION 2 OF THE AGREEMENT AND THE PURCHASE PRICE AND PAYMENT ADDENDUM), BUYER SHALL PAY CERTAIN OTHER FEES AND CLOSING COSTS, IF ANY, AT CLOSING (LISTED BELOW). IN CONNECTION THEREWITH, WITHOUT LIMITATION, THE ITEMS LISTED BELOW WILL COLLECTIVELY BE REFERRED TO AS "CLOSING COSTS." NOTWITHSTANDING ANYTHING IN THIS AGREEMENT TO THE CONTRARY, IN THE CASE OF AN FHA/VA OR FANNIE MAE LOAN, BUYER SHALL NOT PAY FOR ANY COSTS PROHIBITED BY HUD (FHA), VA OR FANNIE MAE REGULATIONS. ALL REFERENCES TO "PRO RATA SHARES" WILL BE DEEMED A TIME PRO RATION, BASED ON THE CLOSING DATE, WITH BUYER PAYING AMOUNTS ACCRUED ON AND AFTER THE CLOSING DATE. The Closing Costs include, without limitation:

3.1 The premium for a policy of mortgagee's title insurance, any real property transfer taxes in connection with the transfer of the Property (whether the same are imposed primarily on Seller or Buyer), the cost of the documentary stamp taxes or other taxes on the Deed, and the cost to record the Deed. In the case of a VA guaranteed or FHA insured loan, Seller shall pay the documentary stamp taxes or other taxes on the Deed and Buyer shall pay all additional costs chargeable to Buyer under VA/FHA regulations. If the settlement charges that VA does not allow Buyer to pay exceed the amount of settlement charges, if any, to be paid by Seller, Seller at its sole discretion may terminate the Agreement and refund Buyer's earnest money. If the settlement charges that FHA does not allow Buyer to pay exceed the amount of settlement charges, if any, to be paid by Seller, Buyer may either pay the additional settlement charges at Closing or the additional settlement charges shall be added to the principal on Buyer's loan, regardless of whether or not the interest rate on Buyer's loan will increase as result of the addition of the settlement charges to the principal.

3.2 Customary closing costs of a Buyer of a single family residence, including but not limited to items such as loan fees, loan closing costs and all other related sums, attorneys' fees, escrows for taxes and insurance, recording fees, documentary stamp taxes on the note, intangible taxes, credit reports and PMI insurance, if applicable, charged by the Lender or otherwise customary for a Buyer at Closing.

3.3 Title search updates, title examination fees, delivery charges, and any other Closing expenses of Buyer.

3.4 All additional costs respecting the Property imposed by any governmental authority.

3.5 The cost of any obligations Buyer incurs not provided for in this Agreement.

3.6 The cost of a survey of the Property.

3.7 Certified governmental liens (liens which can be paid pursuant to written notice), if any, shall be assumed and paid by Seller, pending governmental improvement liens shall be paid and assumed by Buyer.

3.8 A pro rata share of County interim service fees, if any.

3.9 A pro rata share of waste fees.

Buyer _____ Buyer _____

3.10 A pro rata share of utility deposits and capacity fees (water and/or sewer) for the Property prepaid by Seller.

3.11 Any other expenses of an owner of the Property provided for or referenced in the Documents.

3.12 Amounts reflected in the Master Disclosure and Information Addendum to the Purchase and Sale Agreement, if any, attached hereto and incorporated herein.

3.13 Current expenses of the Property (for example: taxes, special assessments and current monthly assessments to one or more homeowner's associations) will be adjusted between Seller and Buyer as of the Closing Date. Buyer shall reimburse Seller for any prepaid expenses of the Property and capital contributions made to one or more homeowners' associations, paid by Seller in advance and/or for the month in which the Closing Date occurs.

3.14 If real estate taxes for the year in which the Closing Date occurs are assessed in the aggregate on the real estate comprising the portion of the Community (including the Property) rather than on a homesite-by-homesite basis, Seller will pay such taxes in full when due, but Buyer will reimburse Seller at the Closing for Buyer's pro rata share of such taxes from the Closing Date (if such taxes are then known) or the Property's allocable share (so prorated) of Seller's estimate of those taxes (if such taxes are not then known), subject to readjustment at either the request of Seller or Buyer within six (6) months from when the actual tax bill is known. If taxes for the year in which the Closing Date occurs are assessed on a homesite-by-homesite basis but such taxes are not due on the Closing Date, Buyer will be responsible for paying such tax bill in full when due but Seller will reimburse Buyer at the Closing for Seller's pro rata share of such taxes (if the taxes are then known) or Seller's estimate of those taxes (if such taxes are not then known) through the Closing Date, subject to readjustment at either the request of Seller or Buyer within six (6) months from when the actual bill is known. If the Closing takes place after Seller has paid the taxes for the year in which the Closing Date occurs, Buyer will reimburse Seller at Closing for Buyer's pro rata share of those taxes from and after the Closing Date.

3.15 The cost of any modifications or changes which are incurred by Seller as a result of changes in building codes, governmental rules, regulations or requirements, or the enforcement of any of the same, after the Effective Date of this Agreement, shall be paid by Buyer at the time of Closing.

4. **Additional Financing and Closing Costs Disclosures.**

4.1 Although Seller may make available to Buyer the name of one or more lenders or information about one or more available financing alternatives, Buyer agrees that the choice of a lender and loan is Buyer's sole decision, and Seller has not made any promises or representations concerning the likelihood of Buyer obtaining the loan, the terms and conditions of such loan or the interest rate or fees associated with such loan.

4.2 BUYER IS HEREBY ADVISED BY SELLER THAT INTEREST RATES, LOANS FEES, AND OTHER LOAN CONDITIONS ARE NOT GUARANTEED, FIXED OR ESTABLISHED (AND SELLER MAKES NO REPRESENTATIONS OR WARRANTIES WITH RESPECT TO SUCH ITEMS) AND ARE SUBJECT TO CHANGE BY ANY LENDER. SUBJECT TO SECTION 8 OF THE AGREEMENT, SELLER DOES NOT WARRANT OR GUARANTEE THAT COMPLETION OF THE IMPROVEMENTS OR LOAN FUNDING CAN BE ACHIEVED WITHIN LOAN LOCK PERIODS, IF ANY, REGARDLESS OF WHETHER SUCH LOCKS ARE PAID FOR BY SELLER OR BUYER. IF BUYER LOCKS IN AN INTEREST RATE AND POINTS FOR LOAN FUNDING PRIOR TO CLOSING, BUYER AGREES TO PAY THE DIFFERENCE BETWEEN THE LOCK-IN RATE AND THE MARKET INTEREST RATE AT CLOSING IF THE LOCK-IN RATE EXPIRES PRIOR TO CLOSING.

4.3 Responsibility for obtaining the loan and for satisfying all conditions made by the Lender with regard to the loan shall rest solely with the Buyer.

5. **Warranties.** Buyer understands and agrees that Seller is making only those express limited warranties set forth in the homeowner's warranty (the "**Limited Warranty**"). The Limited Warranty, incorporated herein, shall be delivered to Buyer at Closing and a copy of which is attached hereto **OR** a copy of which is available for examination at Seller's office and will, at Buyer's request, be attached as an exhibit to this Agreement. THE EXPRESS LIMITED WARRANTY AND REMEDIES PROVIDED BY SELLER CONSTITUTE THE EXCLUSIVE WARRANTY AND REMEDIES TO BE MADE AVAILABLE BY SELLER AND, EXCEPT WHERE ADDITIONAL WARRANTIES ARE REQUIRED BY APPLICABLE LAW OR REGULATION, ARE IN PLACE OF ALL OTHER GUARANTIES OR WARRANTIES, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO WARRANTIES OF WORKMANSHIP, MERCHANTABILITY, HABITABILITY, SUITABILITY AND FITNESS, WHICH ARE HEREBY EXPRESSLY DISCLAIMED BY SELLER AND WAIVED BY BUYER. TO THE EXTENT OF ANY CONFLICT BETWEEN ANY PROVISION OF THIS AGREEMENT RELATED TO WARRANTIES AND THE LIMITED WARRANTY, THE PROVISIONS OF THE LIMITED WARRANTY SHALL CONTROL. All of the terms of this Section 6 shall survive Closing and the delivery of the Deed. BUYER AND SELLER ACKNOWLEDGE THAT THEY HAVE EXPRESSLY NEGOTIATED AND BARGAINED FOR THE WAIVER OF THE IMPLIED WARRANTY OF HABITABILITY, AND BUYER ACKNOWLEDGES THE SUFFICIENCY AND RECEIPT OF VALUABLE CONSIDERATION FOR SUCH WAIVER IN THE AMOUNT OF $_____.00, WHICH AMOUNT SHALL BE CREDITED

Buyer _____ Buyer _____

TOWARD THE PURCHASE PRICE AT CLOSING. THE CONSIDERATION AGREED UPON ABOVE HAS BEEN SPECIFICALLY NEGOTIATED BETWEEN BUYER AND SELLER.

Buyer PD Buyer _____

6. **Documents**. Buyer acknowledges receipt of the Document Book for the Community containing many important documents regarding the Community, including but not limited to some of the documents of record affecting the Property and the Community (collectively, the "**Documents**"). The Document Book is hereby incorporated into this Agreement by this reference. The Document Book may be amended as deemed necessary by Seller in its sole and absolute discretion. Buyer agrees to take title to the Property subject to the Documents, to abide by and be bound by all of the terms and conditions of the Documents, and any amendments thereto. The Master Disclosure and Information Addendum to Purchase and Sale Agreement attached hereto sets forth additional information respecting lien rights and homeowners association's restrictions affecting the Property. Buyer understands and agrees this Section shall survive the termination of this Agreement.

7. **Inspection of the Home**. BUYER SHALL BE GIVEN AN OPPORTUNITY TO EXAMINE THE HOME WITH SELLER'S REPRESENTATIVE PRIOR TO CLOSING ON A DATE AND TIME SCHEDULED BY SELLER (A "NEW HOME ORIENTATION," COMMONLY REFERRED TO AS A "WALKTHROUGH"). AT THAT TIME, IF ANY DEFECTIVE OR INCOMPLETE ITEMS ARE NOTED, BUYER SHALL PRESENT TO SELLER AN INSPECTION STATEMENT LISTING SAID ITEMS AND SIGNED BY BUYER. IF ANY ITEMS NOTED ARE ACTUALLY DEFECTIVE IN WORKMANSHIP OR MATERIALS IN SELLER'S OPINION (IN ACCORDANCE WITH CONSTRUCTION STANDARDS PREVALENT FOR A SIMILAR HOME IN THE COUNTY), SELLER WILL BE OBLIGATED TO CORRECT THOSE ITEMS AT SELLER'S COST. A SECOND INSPECTION OF THE HOME WILL BE CONDUCTED PRIOR TO CLOSING AT WHICH TIME BUYER WILL BE GIVEN AN OPPORTUNITY TO EXAMINE THE HOME WITH SELLER'S REPRESENTATIVE TO ACKNOWLEDGE THAT ITEMS LISTED ON THE INSPECTION STATEMENT PREPARED AFTER THE FIRST INSPECTION HAVE BEEN CORRECTED. ANY REMAINING ITEMS THAT SELLER HAS AGREED TO CORRECT WILL BE CORRECTED BY SELLER AT SELLER'S SOLE COST AND EXPENSE PRIOR TO CLOSING (OR AT SELLER'S OPTION WITHIN A REASONABLE TIME AFTER CLOSING), PROVIDED HOWEVER THAT SELLER'S OBLIGATION TO CORRECT WILL NOT BE A GROUND FOR DEFERRING CLOSING, NOR FOR ANY SETOFF, NOR FOR IMPOSING ANY CONDITION ON CLOSING AS LONG AS THE HOME IS HABITABLE. THE ISSUANCE OF A CERTIFICATE OF COMPLETION, OR USE SHALL BE CONCLUSIVE EVIDENCE OF HABITABILITY. NO ESCROW OR HOLDBACK OF CLOSING FUNDS OR ANY CASH TO CLOSE SHALL BE PERMITTED. **EXCEPT FOR WORK THAT CANNOT BE COMPLETED AT THAT TIME OF YEAR.** IF A BUYER FAILS TO TAKE ADVANTAGE OF ANY PRE-CLOSING INSPECTION ON THE TIME AND DATE SCHEDULED BY SELLER, BUYER SHALL BE DEEMED TO HAVE WAIVED THE RIGHT TO INSPECT THE HOME PRIOR TO CLOSING.

8. **No Right to Enter**. Buyer acknowledges that all matters pertaining to the initial construction of the Property will be performed by Seller and Seller's representatives. Buyer acknowledges and agrees that for reasons of safety and to comply with liability and insurance requirements imposed upon Seller, neither Buyer nor any agent of Buyer shall, until after the Closing, be permitted to enter upon the Property without being accompanied by Seller's representative. Any permitted personal inspections shall be made at times designated by Seller, and shall not be allowed under any condition prior to the formal inspection described above and only with Seller's representative. Buyer agrees not to give instructions to, interfere with or interrupt any workmen at the Property. Buyer may not order any work on the Property until after the Closing. Buyer recognizes that Seller is under no obligation to agree to provide options, extras and/or upgrades. Without limiting the applicability of this Section to all obligations, representations and covenants of Buyer hereunder, Buyer specifically acknowledges that any breach by Buyer of the terms and conditions contained within this Section shall be deemed to be a material breach and shall entitle Seller to declare this Agreement to be in default in accordance with the provisions of the Buyer's Default in the Agreement. Seller's failure to promptly take any action with respect to Buyer's breach of the terms and conditions contained herein shall not be deemed a waiver of any of Seller's rights or remedies hereunder. Whenever this Agreement shall require Seller to complete or substantially complete an item of construction, unless provided specifically to the contrary herein, such item shall be deemed complete or substantially complete when so completed, in the sole and unfettered opinion of Seller. Should Seller fail to provide any item of construction required to be provided, Buyer's sole remedy therefore will be to collect an amount from Seller equal to Seller's cost for such item and for Seller's cost of installation of such item had such item been installed at the appropriate time during construction. Without limiting Seller's rights and Buyer's obligations contained within this Section and elsewhere in this Agreement, should any warranted defects in workmanship or materials be discovered before or after the Closing, Buyer agrees that Buyer's sole remedy therefore is for Seller to, at Seller's sole and absolute discretion, either repair or replace the defective item. To the extent permitted by applicable law, Seller disclaims any liability for incidental or consequential damages that may arise from a defective item.

9. **Counterparts**. This Rider B may be executed in counterparts, a complete set of which shall form a single document.

10. **Conflicts**. In the event of any conflict between this Rider B and the Agreement, this Rider B shall control. In all other respects, the Agreement shall remain in full force and effect.

Buyer PD Buyer _____

11. **Entire Agreement**. The Agreement, together with this Rider B and any other addenda and riders to the Agreement, contains the entire agreement between Buyer and Seller concerning the matters set forth herein. All prior discussions, negotiations and contracts relating to investors and occupancy requirements, if any, whether oral or written, are hereby superseded by these documents. No addition or modification of this Rider B or the Agreement shall be effective unless set forth in writing and signed by Buyer and an authorized agent of Seller.

Buyer
Date: 1-30-11

Buyer
Date:

Buyer
Date:

Buyer
Date:

SELLER:

Authorized Agent of Seller
Date: 1-31-11

Affiliated Business Arrangement Disclosure Statement

BUYER: Patricia Damico

PROPERTY: TBD TA-8

This is to give you notice that the following companies have business relationships with each other: Universal American Mortgage Company, LLC and Lennar Carolinas, LLC and each of these companies is, directly or indirectly, wholly owned by Lennar Corporation. Because of these relationships, referral of services by the undersigned may provide a financial or other benefit.

Set forth below are the types of settlement services offered by these affiliated companies and the estimated charge or range of charges generally required by these companies for such settlement services. You are NOT required to use any of the companies listed above as a condition for purchase of the subject property.

THERE ARE FREQUENTLY OTHER SETTLEMENT SERVICE PROVIDERS AVAILABLE WITH SIMILAR SERVICES. YOU ARE FREE TO SHOP AROUND TO DETERMINE THAT YOU ARE RECEIVING THE BEST SERVICES AND THE BEST RATE FOR THESE SERVICES.

Provider and Settlement Services/ Estimated Range of Charges

MORTGAGE

Universal American Mortgage Company, LLC arranges and makes mortgage loans and the following are estimated mortgage loan related charges or range of charges **(not all of the charges may apply):**

Description of Fee	Range of Cost	
Loan Origination Fee	0% - 1%	(of the loan amount)
Loan Discount Fee	0% - 3%	(of the loan amount)
Commitment Fee	$250 - $500	
Application Fee	$350 - $750	
Processing Fee	$325	
Appraisal Fee Paid to Appraiser	$200 - $400	
Credit Report Fee Paid to Outside Agency	$ 12 - $ 75	
Other	$ 50 - $100	

The actual fees charged may vary based on the size of your loan, loan program and interest rate you choose. There also will be other third party charges. You will receive a Good Faith Estimate when you apply for your mortgage loan that will give you an estimate of all anticipated charges.

REINSURANCE

Mortgage guaranty insurance ("MI") is made available on mortgage loans by companies that specialize in this type of insurance. Like other insurers, MI companies may enter into a reinsurance agreement with another insurance company. Edgewater Reinsurance, Ltd., an affiliate of Universal American Mortgage Company, LLC ("UAMC"), is engaged in the business of entering into reinsurance agreements with MI companies. Under this type of arrangement, Edgewater Reinsurance Ltd. receives a fee in return for assuming a portion of the risk. UAMC may obtain mortgage insurance on your loan under a program where there is a reinsurance agreement with Edgewater Reinsurance Ltd.; however, this reinsurance arrangement does not increase the premium you pay.

Affiliated Business Arrangement Disclosure Statement

Acknowledgement

I/we have read this notice and understand that Seller is referring me/us to purchase the above-described settlement services and may receive a financial or other benefit as a result of this referral.

Buyer's Signature	Date 1-30-11	Printed Name of Seller Lennar	
Buyer's Signature	Date	Sales Associate's Signature	Date 1-30-11
Buyer's Signature	Date		
Buyer's Signature	Date		

1629375v.6

SOUTH CAROLINA-LENNAR (7/15/09)
MODIFICATION 5

Homesite:

INSULATION ADDENDUM

THIS INSULATION ADDENDUM (this "**Addendum**") is executed in conjunction with and, by this reference, incorporated into the Purchase and Sale Agreement (the "**Agreement**") dated as of day of , , between ,, (collectively, "**Buyer**") and Seller, as defined in the Agreement, respecting Lot of Block of TA-8 , Subdivision/Plat in the community known as Spring Grove (the "**Community**").

1. **Defined Terms.** All initially capitalized terms not defined herein shall have the meanings set forth in the Agreement, and all references in this Addendum to the Agreement shall be deemed to include references to this Addendum and to any other addenda and riders attached to the Agreement, which are hereby incorporated by this reference.

2. **Insulation.** Pursuant to Title 16, Chapter I, Section 460.16 of the Code of Federal Regulations, the insulation that is or will be installed in the Home where conditioned space meets unconditioned space is as follows and will, according to the manufacturer, yield the R-values stated:

Location	Type	Thickness	R-Value
Exterior Walls	Friction Fit batts	3 1/2"	R-13
Vaulted Ceilings	Batt	10 1/4"	R-30
Flat Ceilings	Blown	12 1/4"	R-30
Living Space Over Garage	Batt	6 1/2"	R-19
Non-Slab floors (if applicable)	Fiberglass Batts		R-19

If so indicated above, fiberglass (also known as glass wool) is/will be used for insulation in the Home. The U.S. Department of Health and Human Services ("**HHS**") has listed fiberglass as a substance "which may reasonably be anticipated to be a carcinogen." This listing identifies substances selected for further study because of their potential carcinogenic risk but is not an assessment by HHS that there is a causal connection between fiberglass and human cancer. The listing does not establish that fiberglass presents a risk to persons in their daily lives.

3. **Counterparts.** This Addendum may be executed in counterparts, a complete set of which shall form a single Addendum.

4. **Conflicts.** In the event of any conflict between this Addendum and the Agreement, this Addendum shall control. In all other respects, the Agreement shall remain in full force and effect.

5. **Entire Agreement.** The Agreement, together with this Addendum and any other addenda and riders to the Agreement, contains the entire agreement between Buyer and Seller concerning the matters set forth herein. All prior discussions, negotiations and contracts relating to investors and occupancy requirements, if any, whether oral or written, are hereby superseded by these documents. No addition or modification of this Addendum or the Agreement shall be effective unless set forth in writing and signed by Buyer and an authorized agent of Seller.

Buyer -

Date : 1-30-11

Buyer -

Date :

Buyer -

Date :

Buyer -

Date :

SELLER: **Lennar Carolinas, LLC**

Authorized Agent of Seller - Ann Ivey

Date : 1-31-11

INDOOR ENVIRONMENTAL QUALITY DISCLOSURE

THIS INDOOR ENVIRONMENTAL QUALITY DISCLOSURE (this "Disclosure") is delivered in conjunction with and, by this reference, incorporated into the Purchase and Sale Agreement (the "Agreement") dated as of the 30 day of Jan, 20 11 between Damico (collectively, "Buyer") and Seller, as defined in the Agreement, respecting Lot TA-8 of Block ____, of The Abbey Subdivision/Plat in the community known as Spring Creek (the "Community").

1. **Defined Terms**. All initially capitalized terms not defined herein shall have the meanings set forth in the Agreement, and all references in this Disclosure to the Agreement shall be deemed to include references to this Disclosure and to any other disclosure and/or addenda and riders attached to the Agreement, which are hereby incorporated by this reference.

2. **Indoor Environmental Contaminates**. There are many different types of indoor environmental contaminants, such as pet dander, dust mites and mold. Molds and other potential contaminants have been a part of our environment for millions of years. Contaminants are everywhere, indoors and outdoors. Therefore, everyone is exposed to some contaminants on a daily basis without evident harm. Due to a number of factors, including the fact that sensitivities to various types of molds and other potential contaminants vary from person to person, there are no state or federal standards concerning acceptable levels of exposure to mold. According to the Consumer Product Safety Commission and the American Lung Association, some diseases or illness have been linked with biological pollutants in the indoor environment, including some forms of mold. However, many of these conditions also have causes unrelated to the indoor environment. Therefore, it is unknown how many potential health problems relate exclusively to poor indoor air. Buyer should determine for himself/herself whether Buyer, Buyer's family members or any other individuals who will occupy or use the Home have special needs or increased risk to these conditions. Buyer should carefully monitor the conditions in the Home for mold growth and other contaminants.

When excessive moisture or water accumulates indoors, mold growth can and will occur, particularly if the moisture problem remains unaddressed. There is no practical way to eliminate all molds or mold spores in an indoor environment. The key to controlling indoor mold growth is to control moisture.

There are many ways to help control moisture in and beneath the Home. The U.S. Environmental Protection Agency, the Consumer Product Safety Commission, the American Lung Association and others recommend taking measures such as those listed below to help control moisture in and beneath the Home. The following list is not meant to be all-inclusive.

- Fix leaking plumbing and any other source of unwanted water immediately.
- Maintain proper indoor humidity. Equipment that conditions the air, such as air conditioners, humidifiers and ventilation systems must be operated year round.
- Raise the temperature in areas where moisture condenses on surfaces and open doors between rooms to increase air circulation in the Home, including doors to closets.
- Have major appliances, such as furnaces, heat pumps, central air conditioners, window air conditioning units, ventilation systems and furnace attached humidifiers inspected, cleaned and serviced regularly by a qualified professional.
- Clean and dry refrigerator, air conditioner and dehumidifier drip pans and filters regularly and make sure that refrigerator and freezer doors seal properly.
- Keep water away from the foundation of the Home by maintaining required slopes, drainage and keeping plantings and sprinklers the proper distance from the Home.
- If there is a sump pump in the Home, inspect it regularly to ensure that it is properly operating.
- If there is a crawl space or structural sub-floor, inspect the ground beneath the floor on a regular basis to make sure there is no standing or excessive water. If there is standing or excessive water, seek professional assistance to remove the water. If Buyer is interested in finishing the basement, only do so after consulting an expert to determine the suitability of the basement for a finished area.

The following are suggestions that may assist Buyer in preventing and addressing mold growth in the Home.

- It is important that Buyer responds promptly when Buyer sees signs of moisture or mold.
- Do not allow moisture to stand or make contact with carpet, furniture and cellulose-based materials, such as wood, drywall or other non-tile, non-plastic or non-metal materials.
- Dry all water damaged areas and items immediately to prevent mold growth.

Buyer RD Buyer _____

- If mold develops, clean up the mold by washing off hard surfaces with detergent and water and completely dry the surface.
- Depending upon the nature and extent of the mold infestation, trained professionals may be needed to assist in the remediation effort.
- Mold that is not properly and adequately removed may reappear.

Proper maintenance and cleaning of the Home is the responsibility of each homeowner and will lessen the potential for water intrusion and help to control indoor environmental contaminants. Further, it is the responsibility of each homeowner to monitor their Home on a continual basis for excessive moisture, water and mold accumulation. If Buyer discovers accumulation of water or moisture in, around or under the Home, Buyer should immediately seek to control the source of the water or moisture. Failing to control the source could result in additional damage and the growth of mold. Plumbing leaks and water penetrations that are covered by the Limited Warranty, if any, during the term of the Limited Warranty must be reported to Seller immediately. If the Limited Warranty has expired or does not cover the specific problem, Buyer should not delay in having professionals address the problem. Seller will not be responsible for, and Buyer agrees to indemnify and hold harmless Indemnified Parties from and against all Claims in connection with, water-related damages, including personal injuries or property damage caused by mold, but only to extent that the damages are caused by (A) Buyer's negligence, (B) Buyer's failure to promptly take appropriate corrective measures and minimize any damages caused by the water or moisture, or (C) Buyer's failure to promptly provide Seller with notice of the water or moisture and give Seller an opportunity to dry the water or moisture and remediate, if necessary, any moisture conditions in the Home caused by improper construction. Buyer also agrees to waive all rights of subrogation for damages resulting from water-related damages, mold growth, any personal injuries, or any remediation resulting from (A) Buyer's negligence, (B) Buyer's failure to promptly take appropriate corrective measures and minimize any damages caused by the water or moisture, or (C) Buyer's failure to promptly provide Seller with notice of the water or moisture and give Seller an opportunity to dry the water or moisture and remediate, if necessary, any moisture conditions in the Home caused by improper construction.

3. **Counterparts**. This Disclosure may be executed in counterparts, a complete set of which shall form a single Disclosure.

4. **Conflicts**. In the event of any conflict between this Disclosure and the Agreement or any other addenda and/or riders, this Disclosure shall control. In all other respects, the Agreement shall remain in full force and effect.

5. **Entire Agreement**. The Agreement, together with this Disclosure and any other addenda and/or riders to the Agreement, contains the entire agreement between Buyer and Seller concerning the matters set forth herein. All prior discussions, negotiations and contracts relating to investors and occupancy requirements, if any, whether oral or written, are hereby superseded by these documents. No addition or modification of this Disclosure or the Agreement shall be effective unless set forth in writing and signed by Buyer and an authorized agent of Seller.

Patricia Dimas
Buyer
Date: 1-30-11

Buyer
Date:

Buyer
Date:

Buyer
Date:

SELLER:

Authorized Agent of Seller
Date: 1-31-11

PURCHASE PRICE AND PAYMENT ADDENDUM
Lennar Carolinas, LLC

Buyer Name: Patricia C Damico
Date of Agreement: 11/07/2011
Community: The Abbey at Spring Grove Lot/Block: 0008 /
Address: 216 Maywood Drive Moncks Corner SC 29461
Plan/Elevation: Hartford / B Garage Orientation: Left [X] Right [ ]
Phase/Section: 10 Job #: 18867600008
Started (Y?N): Y Stage: 10
Estimated Start Date: 06/27/2011 Estimated Closing Date: 11/22/2011
Agreement Type: [X] Standard [ ] Home to Sell [ ] Miscellaneous contingencies [ ] Owns current residence
Select One: [ ] New Agreement [X] Transfer [ ] Revised Agreement -- Revision #:

BUYER INFORMATION

Buyer(s): Patricia C Damico
Buyer Existing Address: 700 Hallmark Drv. Apt. 711 Goose Creek SC 29445
Home Phone: Office Phone:
Fax: Other Phone: +1 843 4551288
Email:
Employer: Years/Months: /
Co-Buyer:
Home Phone: Office Phone:
Fax: Other Phone:
Email:
Employer: Years/Months: /

PURCHASE PRICE AND PAYMENTS

PURCHASE PRICE:

Total Purchase Price:	
Base Purchase Price:	$ 175,990.00
Add Homesite Premium:	$ 1,000.00
Add Options, Upgrades and Extras per attached Options, Upgrades, and Extras/Change Order Summary	$ 1,808.00
Less Discretion:	$ .00
Total Due:	$ 178,798.00
Less Assistance toward closing cost. :	$ (6,000.00)

PAYMENTS:

Initial Deposit	Check#		$ 500.00
Additional Deposit			
DUE	Received	Check#	$ .00
DUE	Received	Check#	$ .00
Advanced Deposit			
DUE	Received	Check#	$ .00
DUE	Received	Check#	$ .00

Amount to be financed or paid by (i) wire transfer of immediately available funds or (ii) cashier's check (subject to collection) at closing (approximate)
(Total Purchase Price less Total Payments and exclude FHA, MIP, VA, funding fee, PMI, closing costs, pre-paids, homeowner insurance, prorated expenses and HOA fees.)

Initial PD Buyer Initial _____ Buyer $ 172,298.00

Buyer PD Buyer _____

Transfer from
TA-14 - to TA 8

Total Payments..... $ 500.00
Comments:

WARRANTY INFORMATION

LEN 100 5/1/07
*Or other comparable warranty

FINANCING AND BROKER INFORMATION

Select One: ☐ Cash ☐ Conventional ☐ FHA ☐ VA
Lender: UAMC Phone #: 843-852-0656
Broker Participation? ☐ Yes ☒ No
Agent/Company: /
Street Address:
City, State Zip:
Phone:
Broker Tax ID#: Broker Commission: 3%

TRANSFER OR CHANGES

From: Community: The Abbey Sec/Lot/Block: 14 Plan/Elv: Hartford A
To: Community: The Abbey Sec/Lot/Block: 8 Plan/Elv: Hartford B

Defined Terms. All initially capitalized terms not defined herein shall have the meanings set forth in the Purchase and Sale Agreement between Buyer and Seller dated as of the seventh day of November, 2011 (the "Agreement"), and all references in this Addendum to the Agreement shall be deemed to include references to this Addendum and to any other addenda and riders attached to the Agreement, which are hereby incorporated by this reference.

Counterparts. This Addendum may be executed in counterparts, a complete set of which shall form a single Addendum.

Conflicts. In the event of any conflict between this Addendum and the Agreement, this Addendum shall control. In all other respects, the Agreement shall remain in full force and effect.

Entire Agreement. The Agreement, together with this Addendum and any other addenda and riders to the Agreement, contains the entire agreement between Buyer and Seller concerning the matters set forth herein. All prior discussions, negotiations and contracts relating to investors and occupancy requirements, if any, whether oral or written, are hereby superseded by these documents. No addition or modification of this Addendum or the Agreement shall be effective unless set forth in writing and signed by Buyer and an authorized agent of Seller.

Buyer - Patricia C Damico
Date 11/7/11

Buyer -
Date

Buyer -
Date

Buyer -
Date

SELLER: Lennar Carolinas, LLC

Authorized Agent of Seller - Ann Ivey
Date 11/7/11

Buyer _____ Buyer _____
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Page: 2 of 2
11/07/2011 04:19 PM COASTAL CAROLINA, SOUTH CAROLINA (16-NOV-10)
MODIFICATION 4

RICEFIELD WAY and THE ABBEY AT SPRING GROVE PLANTATION
MASTER DISCLOSURE AND INFORMATION ADDENDUM TO
PURCHASE AND SALE AGREEMENT
SOUTH CAROLINA

THIS MASTER DISCLOSURE AND INFORMATION ADDENDUM (this "Addendum") is executed in conjunction with and, by this reference, incorporated into the Purchase and Sale Agreement (the "Agreement") entered into as of the Seventh day of November , 2011, between Patricia C Damico ("Buyer") and Seller, as defined in the Agreement, respecting Lot 0006 of Building/Block _____, of The Abbey at Spring Grove Subdivision/Plat in the community known as Spring Grove Plantation (the "Community").

1. Defined Terms. All capitalized terms not defined herein shall have the meanings set forth in the Agreement, and all references in this Addendum to the Agreement shall be deemed to include references to this Addendum and to any other addenda and riders attached to the Agreement, which are hereby incorporated by this reference.

2. Community. The Property lies within a neighborhood known as Ricefield Way or The Abbey at Spring Grove Plantation (the "Neighborhood"), which lies within a community known as Spring Grove Plantation (the "Community"). This Addendum explains certain terms which are applicable to the purchase of Homes within the Community and the Neighborhood. Current plans are for Ben McCormick Homes, Harbor Homes and First Coast Homes to build homes in the Community. Other builders besides Seller may be added or deleted from the list of builders in the future. Seller, and any other builder in the Community, shall have the right, without notice to Buyer, to make changes to, among other things, homesite sizes, number of homes being built, size and style of homes being built, features and materials in homes being built, prices of homes (whether more or less than currently published), price per square foot of homes (whether more or less than currently published), street layout, amenity layout, and usage, location, size and number of trees, bushes and other foliage (current and future), and any other items or uses which are currently planned for the Community or the Neighborhood. Seller makes no representation or warranties that Seller will be the exclusive builder or developer in the Community or the Neighborhood or that the Community or the Neighborhood will be built out exactly as currently planned, and Seller expressly reserves the right to make whatever changes it deems necessary relating to future development or build out of the Community and the Neighborhood. Any current maps or other materials showing any final or projected community development may be modified or updated in the future.

SELLER HAS MADE NO REPRESENTATIONS OR PROVIDED ANY ASSURANCES WITH REGARD TO THE DEVELOPMENT OF HOMESITES IN AND AROUND THE COMMUNITY. HOMESITES IN AND AROUND THE COMMUNITY MAY REMAIN UNDEVELOPED AT THE SOLE DISCRETION OF SELLER, OTHER BUILDERS IN THE COMMUNITY, AND/OR THE DEVELOPER OF THE COMMUNITY. BUYER ACKNOWLEDGES THAT SELLER HAS MADE NO REPRESENTATIONS OR PROVIDED ANY ASSURANCES, STATED, IMPLIED, OR OTHERWISE WITH REGARD TO SELLER BEING THE SOLE OR EXCLUSIVE BUILDER WITHIN THE COMMUNITY. SELLER HAS MADE NO REPRESENTATIONS OR PROVIDED ANY ASSURANCES, STATED, IMPLIED, OR OTHERWISE WITH REGARD TO CONTINUING TO BUILD IN THE COMMUNITY THROUGH FINAL BUILD OUT AND/OR BUILDING UPON ANY UNDEVELOPED HOMESITE(S). FURTHERMORE, IT IS UNDERSTOOD THAT NO REPRESENTATIONS, ESTIMATES OR PROJECTIONS HAVE BEEN CONVEYED REGARDING THE FINAL BUILD OUT TIME OF ANY UNDEVELOPED HOMESITE(S) OR THE OVERALL COMPLETION SCHEDULE OF THIS COMMUNITY. BUYER ACKNOWLEDGES THAT SELLER CONSTANTLY EVALUATES THE PRICING, DESIGNS, PRODUCT MIX AND AMENITIES OF ITS COMMUNITIES AND SELLER MAKES NO REPRESENTATIONS OR WARRANTIES REGARDING WHETHER TO CONTINUE TO BUILD HOMES WITHIN THE COMMUNITY AND BUYER IS NOT RELYING UPON ANY OF THE FOREGOING IN DECIDING TO PURCHASE THE PROPERTY.

3. Governing Documents. Buyer acknowledges receipt, either in hard-copy or via internet or electronic means, of all documents ("Governing Documents") for the Community and the Neighborhood.

3.1 Buyer acknowledges receipt of, and agrees to be bound by the Declaration for Spring Grove Plantation Community (the "Declaration"), the Articles of Incorporation, By-Laws and any Rules and Regulations of Spring Grove Plantation Community Service Association, Inc., all as amended and supplemented from time to time (collectively, the "Community Documents"). Buyer acknowledges and agrees that title to the Home will be subject to the Community Documents.

3.2 The Property will be subject to certain deed restrictions as reflected in the General Limited Warranty Deed executed by Seller and furnished to Buyer at Closing. The deed restrictions run with the Homesite and require, among other things, that (i) buyer give Seller notice of Seller's defaults or any Claim (as defined therein) after Closing and (ii) Seller have an opportunity to inspect and cure defects in the Home. The deed restrictions further require the arbitration of any Claim against Seller that cannot be resolved.

3.3 Buyer acknowledges the provisions of the Governing Documents are fair and reasonable.

4. Association Memberships.

4.1 Upon conveyance and recording of the Deed to the Home, Buyer understands and agrees that Buyer will then become a member of the Spring Grove Plantation Community Service Association, Inc., a South Carolina nonprofit corporation (the "Association"). Buyer agrees to accept the liability and obligations of

such memberships. Buyer understands that as a member of the Association, Buyer will be required to pay Assessments (as defined in the Governing Documents) for the maintenance of the Common Areas (as defined in the Governing Documents) and for such other uses and purposes as are provided for in the Governing Documents. Buyer also understands and agrees that a failure to pay Assessments when due could cause the Association to record a lien on the Home and to foreclose such lien. Assessments are subject to additional increases in the manner currently provided for in the Governing Documents. Neither Seller, the Association, nor any other builder can estimate the amount or frequency of any such increase.

4.2 Buyer acknowledges that nominees of Seller, and the developer of the Community and the developer of the Neighborhood may serve as the initial officers and directors of the Association. The officers and directors and the management company, which may be an affiliate of Seller, are authorized by Buyer to act for and on the behalf of the Association. Seller may, but is not required to, advance monies to the Association for operations. In the event such advances are made, they will be considered a loan from Seller, and the Association will be obligated to repay such advances as set forth in the Community Documents.

4.3 Buyer acknowledges that all new construction and modifications of existing construction and exterior improvements within the Community are subject to the prior written approval of the appropriate architectural review, design review or similar committee or authority, which is appointed by the Board of Directors of the Association. Buyer agrees to comply with all rules and regulations of the appropriate authority (or authorities) governing construction of improvements within the Community and the Neighborhood as the same may be amended and exist from time to time. These restrictions are subject to change without notice. Building and use restrictions include, but are not limited to, residential and nonresidential uses, building specifications, accessory structures, nuisance, home occupancy, signage, antennas, animals, driveways, vehicle parking, rubbish, utility and drainage easements, clothes lines, fences, special rights of Seller, the developer of the Community, the developer of the Neighborhood and homebuilder(s), leases and restoration of homesites. Buyer agrees not to commence any construction upon the Homesite until it has obtained all requisite written approvals therefore. Buyer further agrees not to make any modifications of any existing buildings and improvements, including, but not limited to, landscaping and landscape irrigation, without the prior written approvals of the appropriate authority (or authorities) pursuant to any city, county or state regulation and pursuant to recorded covenants, conditions or restrictions governing the land. In addition, every city, county or town has building codes and other ordinances that regulate what is permissible within its jurisdictional limits. Prior to making changes to the Home or Homesite, Buyer should contact the applicable governmental authorities for further information concerning local codes and ordinances. Decks, fences and exterior color are among the more common, although not the only, improvements for which architectural approval is required.

4.4 Approval of any work by the appropriate reviewing authority or authorities shall not constitute an express or implied warranty of representation that any work complies with applicable codes, ordinances or other governmental regulations, or that the work is well designated or will be constructed in a proper manner.

4.5 Failure to submit plans and specifications to the appropriate reviewing authority or authorities for approval is a violation of the provisions of the Declaration and/or applicable deed restrictions, which may result in sanctions and/or the imposition of fines, and the removal, at homeowner expense, any of non-approved improvements or modifications.

5. Community Charges. In addition to the Closing Costs set forth in Rider B, Buyer shall pay the following additional Closing Costs respecting the Community:

5.1 Association Assessments. Assessments payable to the Association ("Association Assessments"), prorated for the month in which the Closing occurs (based on the then current Assessments at the time of closing). Such Assessments are estimated to be $300.00 per year at this time. Buyer understands that the estimated operating budget for the Association is only an estimate of what it will cost to run the Association. The Association may make changes in the budget at any time to cover increases or decreases in expenses or estimates in the budget. Without limiting the generality of this Section, those changes will not give Buyer any right to cancel the Agreement.

5.2 Association Initial Capital Contribution. Buyer acknowledges that among other Assessments provided for in the Community Documents, the Association has established an initial capital contribution ("Initial Capital Contribution"). Buyer acknowledges that upon conveyance of the Property an Initial Capital Contribution in an amount equal to $300.00 (or such amount as determined from time to time) is due. The Initial Capital Contribution may be used for any reason whatsoever including, without limitation, reimbursement for costs in setting up the Association and costs of deficit funding. Buyer acknowledges and agrees that the Initial Capital Contribution is not to be considered as an advance payment of Assessments.

5.3 Resale Capital Contribution. Buyer acknowledges that the Association may establish a Resale Capital Contribution (as defined in the Governing Documents). For more information on the Resale Capital Contribution, please refer to the Governing Documents.

6. Security. The Community is not a gated community and the roads in the Community are public.

7. Building and Use Restrictions. Every homesite is subject to building and use restrictions as set forth in the Declaration. These restrictions are subject to change without notice. Building and use restrictions may affect,

among other things, residential and nonresidential uses, building specifications, accessory structures, nuisance, home occupancy, signage, antennas, satellite dishes, animals, driveways, vehicle parking, rubbish, utility and drainage easements, clothes lines, fences, special rights of Seller, any developer and homebuilder(s), leases and restoration of homesites. Seller encourages you to carefully review the Declaration and to ensure the long-term quality of life for both you and your neighbors.

8. Municipal Building Codes And Ordinances. Every city or town has building codes and other ordinances that regulate what is permissible within its jurisdictional limits. Prior to making changes to your Home or Homesite, you should contact the Building Inspector for Berkeley County at 843.719.4095 for further information concerning local codes and ordinances. Seller is not responsible for notifying Buyer or any other homeowners of the content or restrictions contained in any local codes or ordinances.

9. Architectural Review.

9.1 The Declaration currently provides that no improvements shall be commenced upon any homesite, nor shall the exterior color, style and materials of an approved structure on a homesite be altered without the prior written approval of the Architectural Control Committee ("ACC"), as applicable, which is appointed by the Board of Directors of the Association. Improvements constructed by Seller or the developer of the Community, or the Neighborhood, as applicable, are exempt from this requirement. Approval of any work by the ACC shall not constitute an express or implied warranty or representation by the ACC that any work complies with applicable codes, ordinances or other governmental regulations, or that the work is well designed or will be constructed in a proper manner. Decks, fences and exterior color are among the more common, although not the only, improvements for which architectural approval is required. For more information concerning architectural review, please review the Declaration.

9.2 Failure to submit plans and specifications to the ACC for approval is a violation of the Declaration, which may result in sanctions and/or the imposition of fines, and the removal, at homeowner expense, of any non-approved modifications.

10. Pet Restrictions. Buyer understands that the only pets allowed in the Neighborhood and the Community are those which are in accordance with the restrictions contained in the Community Documents or any amendments thereto.

11. Short-Term Rentals. Buyer acknowledges that homes in the Community may be rented for any length of time, subject to certain restrictions set forth in the Community Documents.

12. Flood Zone. Buyer acknowledges that the Property may be in a flood zone. Mortgage lenders will typically require the issuance of flood insurance as a requirement for financing, which insurance must be present at Closing. Seller recommends that each Buyer of a Home protect his/her Home by obtaining proper insurance coverage. It is possible, however, for Buyer to submit documentation to the Federal Emergency Management Agency (FEMA) to have the Home re-classified by FEMA, whereby the mortgage lender may have the option to waive the requirement of flood insurance. Buyer is solely responsible for the submission to FEMA for such re-classification and any and all expenses related to such submission. Further, Buyer acknowledges and understands that the waiver of flood insurance is at the sole discretion of the mortgage lender.

13. Utilities.

13.1 Buyer acknowledges that no septic tanks shall be permitted within the Community and the Neighborhood. No wells shall be installed without the express written consent of the ACC and all other applicable government agencies.

13.2 Some homesites contain or are adjacent to drainage and utility structures such as storm water overflow swales, storm water retention and/or detention basins, manholes, fire hydrants, electrical transformers, switch boxes, telephone pedestals and streetlights. None of these items shall be altered, obstructed, buried, modified, restricted or interfered with in any manner whatsoever. Overflow swales are generally utilized for overflow storm water capacity as a result of water drainage. Electrical transformers may only be landscaped to the extent permission is given by the utility provider. In some cases, water may flow from one homesite to another. State law may provide that the owner of the homesite receiving water is required to accept the water flow and may not impede the flow of this water. In addition, the Property will be graded to provide for reasonable drainage away from the Home's foundation. The vast majority of foundation problems are caused by insufficient drainage or lack of watering of soil around the foundation. Buyer should keep Buyer's lawn well watered to maintain consistent moisture content and avoid excess wetness, dryness or cracking of soil. The construction of curbs, decks, retaining walls, pools, spas, patios, landscape edging and similar items can also trap water within the yard area and cause structural damage to the Home's foundation. Seller strongly recommends that Buyer consult with a licensed landscape architect and civil engineer before performing any work or making any changes that may affect the existing drainage pattern.

13.3 Berkeley County provides water to the Community. Because Seller does not control the water supply, Seller cannot guarantee the quality of the water provided to the Community. In addition, this area is periodically subjected to extended periods of drought that may cause depletion of water supplies. Municipalities and other providers of water services (including the Town of Moncks Corner) may enact mandatory or voluntary cut backs or other restrictions in water usage. Seller has no control, influence, responsibility or liability for or over decisions concerning water rationing.

13.4 If Buyer has any questions about utility rates, services, safety, or anything else to do with overhead or underground transmission or utility lines, Buyer should contact the utility companies directly. Because Seller values Buyer's safety and that of Buyer's neighbors, no excavation or trenching should be done without first calling the utility companies for the location of buried utilities. There is currently no charge by the utilities for this service. This is especially important in utility easements where buried utility equipment is probable. Digging without advance notification and approval of the utility companies may be illegal, is dangerous and can result in severe personal injury or death to Buyer and Buyer's neighbors, and can also result in severe property damage to homes, property and utility equipment.

14. Waterbodies. BUYER ACKNOWLEDGES THAT THE WATER LEVELS OF LAKES, PONDS OR OTHER WATERBODIES WITHIN THE COMMUNITY AND/OR THE NEIGHBORHOOD MAY VARY. THERE IS NO GUARANTEE BY SELLER, THE ASSOCIATION THAT WATER LEVELS WILL BE CONSTANT OR AESTHETICALLY PLEASING AT ANY PARTICULAR TIME; AT TIMES, WATER LEVELS MAY BE NONEXISTENT.

15. Regulatory And Governmental Approvals. The zoning, plans, etc. have been approved by Berkeley County. The development of the project, lot, sidewalks, etc. is subject to approval by Berkeley County. For more information on the approvals required and pending in the Community, Buyer should contact the Berkeley County Planning & Zoning Department at 843.719.4095.

16. Prices/Market Values. Seller, and any other builder in the Community, shall have the unilateral right to establish prices for the homes it builds in the Community. Seller and any other builder in the Community may, at its sole discretion, increase or decrease the price or the price per square foot for any home, homesite or option at any time, or offer incentives for sales of homesites and homes, all without notice to Buyer. Once Buyer has signed the Agreement establishing a price for the Property, the prices for any subsequent changes or upgrades to the Home as requested by Buyer, including but not limited to design, floor plan, options, materials or otherwise, are subject to change by Seller until a written and signed agreement on the price is reached by Seller and Buyer for such change or upgrade. Seller makes no representations or warranties that the price for the Property or options in the Home will be increased or decreased for other buyers of identical or similar homes or options. Seller also makes no representations or warranties that changes or options made by Buyer will or will not increase or decrease the market value of the Property. The Property is being sold for residential purposes and not as an investment.

17. Construction And Sales Activities. BUYER ACKNOWLEDGES THAT SOME AREAS OF THE NEIGHBORHOOD AND THE COMMUNITY MAY BE UNDER CONSTRUCTION AND DEVELOPMENT FOR AN EXTENDED TIME. INCIDENT TO THE DEVELOPMENT PROCESS, THE QUIET ENJOYMENT OF THE NEIGHBORHOOD AND THE COMMUNITY MAY BE UNAVOIDABLY INTERFERED WITH TO SOME EXTENT BY THE CONSTRUCTION OPERATIONS. Construction, development and sales activities in the Community and/or the Neighborhood will likely occur after Buyer has taken occupancy of Buyer's Home. Depending upon Buyer's sensitivities, this may result in some inconvenience to Buyer and Buyer's family and guests due to increased noise, dust, road closures, operation of the model homes and sales offices, and other activities. Construction activities can occur at various hours throughout the day, and sales activities can result in additional traffic and visitors throughout the Community, particularly before the Community is completely built out. Neither Seller nor any other builder that may be active in the Community can guarantee that Buyer will not be affected or impacted as a result of the overall construction and development of the Community. Seller gives no guarantees or assurances on the active time of the Community model homes. Homesites across the street or next to the model homes may remain undeveloped until Seller determines that these homesites are no longer needed for marketing purposes.

18. Views. Future development and construction activities in the Community can and will modify the view from homesites (including but not limited to the Homesite). Trees and other foliage may be added or removed from lots or common areas of the Community. Additional housing and other improvements will be added within the community. Because future development and construction activities in the Community will modify views from homesites, Seller does not warrant or guarantee any existing views will be maintained in the future relative to the Property.

19. Streetlights. Numerous streetlights will be installed within the Community, many of which will be installed after homes have been completed, sold and occupied. Streetlights are sized and placed in accordance with Town ordinances and governmental requirements, and could in some instances generate light in or obstruct views from homes in the Community. Information about streetlight size, light output, design and location of streetlights within the Community can be obtained from the service provider.

20. Trees And Foliage. The Community contains numerous native trees of various sizes and varieties. While Seller has taken great care during the planning and construction of the Community to save trees, future development and construction will require the removal of additional trees, shrubs and other foliage and, therefore, Seller does not guarantee the preservation of any trees, shrubs, ground cover or other foliage in the Community or Buyer's Homesite, and cannot be responsible for short or long-term damages to foliage due to construction or development activities. Seller makes no representation or warranty that trees on the Homesite being purchased or any other homesite or common area in the Community will not be removed. All care and maintenance of foliage on an individual homesite is the responsibility of the homeowner, and Seller does not guarantee or warranty the survival of any foliage. Berkeley County has adopted a Tree Ordinance regulating the removal of any tree over a certain size. Before removing a tree, Buyer should contact Berkeley County to ensure that its regulations are adhered to. The Declaration also contains restrictions regarding the removal of any tree over a certain size. Buyer should contact the Association to ensure that its regulations are adhered to.

21. Facilities And Conditions Affecting Homesites.

21.1 The information set forth in this section contains an overview of facilities and conditions which may affect some or all homesites in the Community (including but not limited to the Homesite). Because Seller does not have control over development outside of the Community, Seller does not warrant or guarantee any future development, usage, or lack of development or usage for properties located outside of the Community, or their possible impact on the residents of the Community. For additional information about offsite features that may affect the purchase of the Property, please contact the local governmental authorities having jurisdiction over the Community.

21.2 Seller advises Buyer that some of the homesites (including but not limited to the Homesite) are or may be adjacent to or near some of the following:

DRAINAGE CHANNEL, AIRPORT, RAILROAD TRACKS, STORM WATER DETENTION FACILITY, COMMUNITY CENTER, ELEVATED WATER STORAGE TOWER, SCHOOL FACILITY, PARK SCHOOL SITE, SPORTS FACILITY OR BALL FIELD, COMMUNITY LAKES, PARK AND/OR RECREATION FACILITY, WATER PLANT/SEWER PLANT, LIFT STATION, CELLULAR PHONE, RADIO, TELEVISION OR OTHER TOWER ANTENNA SITE, HIGH VOLTAGE TRANSMISSION LINES OR PIPELINE EASEMENT.

Buyer acknowledges that such facilities may impact noise, vibration, lighting, traffic and other conditions caused by daily operations of the facility. Drainage channels, lakes and storm water detention facilities will have varying levels of water for varying periods of time depending upon rainfall.

21.3 Approximately 10 miles from the edge of the Community is the Charleston International Airport. Some flights landing at or taking off from the airport currently pass over the Community. Jets, helicopters or other aircraft may be seen or heard overhead from the Homesite or even from within the Home. The Charleston International Airport may, in the future, expand the Airport and its operations.

21.4 As a result of the open spaces and bodies of water in and around the Community, Buyer may periodically find wild animals within the confines of the Community including, but not limited to, skunks, nutria, opossums, deer, raccoons, spiders, snakes, bees, fire ants, and other insects common to the area. Contact with any wild animal can be dangerous. Should Buyer encounter any such animal, Buyer is encouraged to contact Buyer's local animal control office for further instructions.

21.5 Property West of the Community. The property west of the Community is currently comprised of agricultural and wooded land and land occupied by the Charleston Steel & Metal plant, Parker Gas Turbine Fuel Systems, and Mt. Holly Hill Park.

21.6 Property North of the Community. The property north of the Community is currently comprised of undeveloped woodlands and land used for residential purposes.

21.7 Property East of the Community. The property east of the Community is currently comprised of forested wetlands and undeveloped woodlands and land used for residential purposes. The property further east of the Community was occupied by the former Fastillo/Stone Mountain Industrial Park Site.

21.8 Property South of the Community. The property south of the Community is currently comprised of undeveloped woodlands and forested wetlands and land used for residential purposes.

21.9 Future Commercial/Retail Uses. The Community is located adjacent to properties which will be developed with major commercial and retail uses in the future. The development of such uses adjacent to the Community may increase traffic volumes, noise, outdoor lighting, pedestrian activity and other similar impacts resulting from commercial development.

21.10 Development of Adjacent Property. Buyer acknowledges that Seller's current construction plans for the Community where the Home and Homesite are located may change and that no representations or warranties are made concerning the development of the Community, or any property adjacent to, surrounding, or near such Community.

21.11 Public Ballfields. Public ballfields are located within the Community. The ballfields are or will be owned by the Association and the future use of the ballfields is in the discretion of Association.

21.12 Major Public Roads. The Community is located along portions of Old Hwy 52 and Cypress Garden Road. These roads may experience heavy traffic.

22. Floor and Roof Truss Support. The Home has been designed and constructed with the intent to support typical loads on the floor and roof trusses. Placing or storing excessive loads such as a waterbed or pool table, may result in the warping or failure of the supporting structural components of the Home.

23. Real Estate Taxes. When a new home is built, the full value of the home is typically not reflected in the real estate taxes until the second calendar year after construction has been completed. Seller is not responsible for communicating any information regarding real estate taxes (current or future) and cannot and will not predict what the taxes on the Home may be. Buyer should confirm any information provided concerning appraisals, tax valuation, tax rates or other tax-related questions, with Buyer's personal tax advisor and the local taxing authorities.

24. Public Financing of Capital Improvements. Berkeley County may finance certain capital improvements in the Community, may issue bonds in connection with such financing and may create one or more special tax districts

within the Community to provide for repayment of such bonds.

25. Town and County Taxes, Charges And Fees. Property within the Community is subject to Berkeley County taxes, utility charges, fees and may become part of a special taxing district. For additional information, contact the Tax Collector's office of Berkeley at 843.719.4030.

26. Addendum Not A Substitute. Buyer acknowledges and agrees that this Addendum is not a substitute for reading the entire Governing Documents. For a more detailed explanation of any section contained in this Addendum, refer to the Governing Documents.

27. Pre-Sale Contingency. Seller shall have the right to terminate this Agreement and cause Buyer's deposits to be refunded in the event that Seller does not enter into binding contracts to sell at least ten percent (10%) of the homes and homesites in the Community. Seller must, however, notify Buyer of such a termination at any time within one hundred eighty (180) days following the date of the first purchase agreement for the sale of a home in the Community, otherwise Seller will be required to construct the Community and the Home and otherwise proceed to perform its obligations under this Agreement. This shall not delay the effectiveness of this Agreement, which shall be immediate, but rather, shall be deemed a "condition subsequent" to this Agreement. In the event of Seller's termination of this Agreement pursuant to this Section, upon such termination and the return of Buyer's Deposit, Seller and Buyer will be fully relieved and released from all obligations and liabilities under and in connection with this Agreement. Seller agrees to use its good faith efforts to meet the foregoing pre-sale requirement.

28. Third Party Developer. Seller is not the developer/declarant of the Community ("Developer"). Buyer acknowledges that (i) Seller is neither related to nor a joint venture partner with Developer, (ii) Seller does not control the amenities (existing or planned), landscaping, or other improvements that Developer may provide within the Community in the sole and absolute discretion of Developer, (iii) Seller has neither prepared nor participated in the preparation of the Community budgets or any other financial information with regard to the Community, and (iv) any representations or warranties which relate to amenities or other matters contained within the Community shall not be construed as representations made by Seller nor shall such representations be relied upon by Buyer in Buyer's determination as to whether to purchase the Property located within the Community. Seller has no control or influence related to the construction timing, completion, changes in design, changes in location, or other major decisions, including the decision not to build future amenities. Buyer agrees to look solely to the Developer with respect to any matters regarding the Association, existing Community amenities, any proposed amenities, landscaping or other improvements.

29. Statements Made By Sales Staff And Brokers. Seller wants to ensure that Seller and Buyer are in full agreement on all terms and conditions relating to the Agreement. To best ensure that there are no misunderstandings, Buyer should ensure that all terms and conditions (including all statements, representations, or understandings upon which Buyer relies in purchasing the Home) are set forth in writing in the Agreement. If there are any statements, representations or understandings which are made by a sales staff person or any other representative of Seller which are material to Buyer's decision to purchase, Buyer should insist that any such statement, representation or understanding is put in writing and contained in the Agreement. Seller reserves the right to reject the Agreement notwithstanding the inclusion of any such item in the Agreement.

30. Public School Assignment. Seller does not control and cannot guarantee public school assignments for the Community. Because Seller does not control public school assignments, Seller cannot assure Buyer that public school assignments will not be changed in the future. For more information about public school assignments, Buyer should contact the Berkeley County School Board.

31. Counterparts. This Addendum may be executed in counterparts, a complete set of which shall form a single Addendum.

32. Conflicts. In the event of any conflict between this Addendum and the Agreement, this Addendum shall control. In all other respects, the Agreement shall remain in full force and effect.

33. Entire Agreement. The Agreement, together with this Addendum and any other addenda or riders to the Agreement, contains the entire agreement between Buyer and Seller concerning the matters set forth herein. All prior discussions, negotiations and contracts relating to investors and occupancy requirements, if any, whether oral or written, are hereby superseded by these documents. No addition or modification of this Addendum or the Agreement shall be effective unless set forth in writing and signed by Buyer and an authorized agent of Seller.

34. Survival. All of the terms of this Addendum shall survive Closing and the delivery of the Deed.

Patricia C Dalnico

Buyer – Patricia C Dalnico
Date 11/21/11

Buyer –
Date

Buyer –
Date

Buyer –
Date

SELLER: Jennar Carolinas, LLC

Authorized Agent of Seller – ~~Anthony~~ R. David Murphy
Date

Buyer _____ Buyer _____

EXHIBIT 5

TO EXHIBIT A – AFFIDAVIT OF ROBERT MAUCH

DocuSign Envelope ID: B9D60BFE-7DFB-4985-97E5-92BF27CF95F4

Lennar Carolinas, LLC
1941 Savage Road, Ste. 100-C
Charleston, South Carolina 29407
843-388-8989

PURCHASE AND SALE AGREEMENT

PURSUANT TO SECTION 15-48-10, SOUTH CAROLINA CODE OF LAWS, 1976, AS AMENDED, THIS SHALL CONSTITUTE WRITTEN NOTICE THAT THIS AGREEMENT IS SUBJECT TO MANDATORY BINDING ARBITRATION PURSUANT TO SECTION 16 OF THIS AGREEMENT.

THIS PURCHASE AND SALE AGREEMENT (together with the Riders and Addenda attached hereto and incorporated by reference herein, this "Agreement") is made and entered into as of the ninth day of MARCH , 2013 by and between Lennar Carolinas, LLC ("Seller"), and Buyer(s) named below ("Buyer"):

BUYER(S): 1. Edward F Dengg 2. Sylvia K Dengg 3. 4. No Buyer Changes Will Be Permitted	Check Applicable: Married ☐ Single☐ Male ☐ Female☐ Married ☐ Single☐ Male ☐ Female☐ Married ☐ Single☐ Male ☐ Female☐ Married ☐ Single☐ Male ☐ Female☐

Buyer Address: 9805 Gateway Dr.		
City: Jeffersontown	State / Country: KY	Zip: 40299

By providing your telephone and fax numbers and your email address, you hereby consent to receiving telephonic, fax and email communications, including advertisements, made or sent by or on behalf of Seller and/or its affiliates.

Home Telephone: +1 502 2679571	Facsimile Numer:
Business Telephone:	Email Address: eddydengg@insightbb.com
Cellular Telephone: +1 502 5587484	

1. Purchase and Sale. Buyer agrees to buy and Seller agrees to sell to Buyer (on the terms and conditions set forth below) Model ROSEWOOD constructed or to be constructed on the following described property:
Lot 0019 of Block _____ of The Abbey at Spring Grove Subdivision/Plat, in Berkeley County (the "County"), South Carolina

Address: 238 Maywood Drive Moncks Corner SC 29461

The residence and improvements (the "Home") constructed or to be constructed on the above described property (the "Homesite"), and all appurtenances thereto are collectively referred to in this Agreement as the "Property." The Property is located within the community known as The Abbey at Spring Grove (the "Community").

2. Purchase Price and Payments. The total purchase price ("Total Purchase Price") for the Home, exclusive of any Builder's Fee, as applicable, and Closing Costs as described in Rider B and the Purchase Price and Payment Addendum, is $ 164,290.00. Buyer (and not a third party) has made an earnest money deposit upon the signing of this Agreement (the "Initial Deposit") of $ 1,000.00. Buyer shall make further payments to Seller, including but not limited to any "Additional Deposit" or "Advanced Payment" (consisting of non-refundable deposit(s) for options, extras, and upgrades) as set forth in the Purchase Price and Payment Addendum attached hereto and made a part hereof. The term "Deposit" shall include the Initial Deposit, Additional Deposit and Advanced Payment.

3. Legally Binding Agreement. THIS AGREEMENT IS A LEGALLY BINDING CONTRACT. IF NOT FULLY UNDERSTOOD, PLEASE SEEK COMPETENT LEGAL ADVICE. NO WARRANTIES OR REPRESENTATIONS, OTHER THAN THOSE SPECIFIED IN THIS AGREEMENT, ARE EXPRESSED OR IMPLIED. ORAL REPRESENTATIONS CANNOT BE RELIED UPON AS CORRECTLY STATING THE REPRESENTATIONS OF SELLER. FOR CORRECT WARRANTIES AND REPRESENTATIONS, REFERENCE SHOULD BE MADE TO THIS AGREEMENT, INCLUDING THE RIDERS AND ADDENDA ATTACHED HERETO, AND THE "DOCUMENTS" (AS SUCH TERM IS DEFINED IN RIDER B) PROVIDED TO BUYER, IF ANY.

4. Financing.

☒ NO CONTINGENCY. If this box is checked, this is a cash transaction and not contingent on financing. Buyer agrees to provide within five (5) calendar days from the Buyer's execution of this Agreement financial statements or other written verification of Buyer's ability to purchase the Property with cash. If Buyer does not (in Seller's sole judgment, based on the documentation provided by Buyer to Seller) have the financial ability to purchase the Property with cash, then Seller may terminate this Agreement by refunding to Buyer any paid Deposit.

☐ MORTGAGE CONTINGENCY. If this box is checked, this Agreement is contingent on Buyer obtaining a loan commitment within the Mortgage Contingency Period (as such term is defined in Rider B attached hereto) for a first mortgage loan from Universal

American Mortgage Company, LLC (an affiliate of Seller), or another qualified institutional mortgage lender of Buyer's choice ("Lender"), with interest, term and service charges at current market rates at time of Closing (as defined below) for a borrower of Buyer's credit qualifications (the "Mortgage Contingency"). Buyer agrees to apply within five (5) calendar days from the execution of this Agreement for a loan at the then prevailing interest rate and terms (the "Mortgage Contingency Period"). In the event Buyer chooses to obtain financing through a Lender other than Universal American Mortgage Company, LLC, Buyer agrees to promptly provide Seller, upon Seller's request, with the name, address and phone number of such Lender, the loan officer and the loan processor. Buyer shall furnish promptly and accurately to Lender all information and documents requested by Lender in connection with such application. If Buyer properly makes and pursues the loan application as provided herein but is unable to provide Seller with a copy of a written loan commitment reasonably satisfactory to Seller within the Mortgage Contingency Period, or if Buyer is at any time disapproved for such loan (and Buyer does not cancel or withdraw his/her loan application), then Seller, at its sole discretion, may cancel this Agreement by written notice to Buyer, at Buyer's last known address, in which event Seller shall refund any paid Deposit made by Buyer. If Buyer properly makes and pursues the loan application as provided herein but is unable to obtain mortgage loan financing, despite Buyer's good faith efforts to do so, and Buyer is not otherwise in default under this Agreement, and further provided that Buyer provides Seller with documentation from Lender that the loan has been declined, Buyer may cancel this Agreement by giving written notice to Seller within the Mortgage Contingency Period, in which event Seller shall refund any paid Deposit. If this Agreement provides for a VA guaranteed or FHA-insured loan, Buyer's obligation to complete the purchase contemplated under this Agreement is subject to the VA/FHA Addendum attached hereto and incorporated herein.

The following shall apply only if this Agreement is subject to the Mortgage Contingency, as indicated above:

4.1 Mortgage Loan. Unless Buyer shall have otherwise notified Seller in writing within the Mortgage Contingency Period, Buyer shall be conclusively presumed to have obtained the loan commitment or agreed to purchase the Property without mortgage financing, and the Mortgage Contingency shall be deemed to have been satisfied.

4.2 Application. Buyer understands that any loan application required under this Agreement must be fully completed in order to obtain the mortgage loan, and Buyer will make a good faith attempt to qualify for the mortgage loan. If Buyer has a spouse who does not constitute a Buyer under this Agreement, Buyer agrees to have his/her spouse sign the mortgage documents as required by Lender. BUYER AGREES TO INCUR NO DEBT SUBSEQUENT TO THE DATE HEREOF WHICH MIGHT JEOPARDIZE APPROVAL OF BUYER'S MORTGAGE LOAN. IF THE PROPERTY IS BEING PURCHASED BY A CORPORATION, PARTNERSHIP, OR OTHER ENTITY, BUYER AGREES TO (1) OBTAIN ANY PERSONAL ENDORSEMENTS OR GUARANTEES REQUIRED BY LENDER AND (2) PROVIDE TO LENDER AND/OR THE TITLE INSURER PROMPTLY UPON REQUEST SUCH CERTIFICATES, RESOLUTIONS OR OTHER CORPORATE, PARTNERSHIP OR OTHER ORGANIZATIONAL DOCUMENTS AS MAY BE REQUIRED. Except as provided in this Agreement, Buyer agrees to pay all loan fees and closing costs charged by Lender in connection with the mortgage loan. Buyer will pay any prepaid interest due on the mortgage loan at the time of Closing and any amount Lender may require to be put into escrow toward the payment of property taxes and insurance on the Property. Buyer will also pay any mortgage insurance premiums (prepaid or otherwise), if required by Lender.

4.3 Commitment. Buyer understands that the rate of interest on the mortgage is established by Lender and not by Seller and that any predictions or representations of present or future interest rate that may have been contained in any advertising or promotion by Seller are not binding. If Buyer obtains a written mortgage loan commitment and the mortgage loan commitment is subsequently withdrawn through no fault of Seller including, but not limited to, any condition to such loan commitment not being satisfied for any reason (other than failure of the Property to appraise equal to or greater than the Total Purchase Price), this Agreement shall remain in full force and effect and Buyer shall be conclusively presumed to have agreed to purchase the Property without mortgage financing. If the Lender's appraiser does not appraise the Property for the Total Purchase Price then Seller shall have the option in, Seller's sole discretion, to (i) lower the Total Purchase Price to the appraised value and Buyer shall proceed to Closing, or (ii) terminate this Agreement and return the Deposits to Buyer. If Buyer obtains a loan commitment containing any special condition that is not ordinarily contained in typical loan commitments for the Community, Seller, in Seller's sole discretion, may treat Buyer's loan application as having been denied; whereupon, Seller shall have the rights set forth in this Section 4.

4.4 Sale of Other Residence. Unless the Home Sale Contingency Addendum is executed, Buyer represents and warrants that this Agreement and the mortgage loan referenced herein, are not and will not be subject to or contingent upon Buyer's selling and/or closing on the sale of Buyer's present residence or other property. Failure to close on the purchase of the Property will constitute a default by Buyer and the remedies available to Seller for Buyer's default under this Agreement shall apply.

5. Funds. Any funds paid by Buyer under the terms of this Agreement to Seller through a check or cashier's check are accepted by Seller subject to collection. Buyer acknowledges that Seller shall have the right to deposit such check for the Initial Deposit without such action being deemed acceptance of this Agreement. If any such check is not paid by the bank after acceptance of this Agreement, Seller shall have the option to cancel this Agreement and declare Buyer in default. If Buyer provides any check for a Deposit in the form of Canadian currency (a "C$ check"), Seller's depository bank will convert such C$ check into a U.S. dollar amount using its currency procedures and exchange rate then in effect two (2) business days following the date of processing (the "Conversion Date") and the amount of the Deposit to be applied toward the Total Purchase Price shall be equal to the amount received by Seller from the depository bank on the Conversion Date. Seller reserves the right to charge or pass through any currency conversion-related fees or costs to the Buyer at Closing (as hereafter defined). Notwithstanding the foregoing or anything contained in the Agreement to the contrary, the balance of the Total Purchase Price plus all applicable Closing Costs (the "Closing Proceeds") shall be paid to Seller at Closing by wire transfer in immediately available funds or by cashier's check (subject to collection) issued by a bank with a branch in the County where the Property is located. If Buyer delivers all or any portion of the Closing Proceeds in the form of a cashier's check exceeding $25,000.00, then Buyer will not be entitled to possession of the Home until the Closing Proceeds have cleared.

6. Credit Information Authorization. Buyer authorizes Lender to whom Buyer has applied or is in the process of applying for a mortgage loan in connection with this transaction to disclose to Seller the information contained in any loan application, verification of deposit, income and employment, and credit reports or credit related documentation on Buyer. Buyer authorizes Seller to order one or more credit reports from a consumer reporting agency to be used in connection with this transaction. The cost of said report(s) is

(are) to be paid by Buyer. Buyer authorizes Seller to forward all copies of all or any portion of such report(s) without interpretation to Lender who (at the request of Buyer) will evaluate a potential extension of credit to Buyer in connection with this transaction. Buyer authorizes Lender, and any credit bureau or other person or entity utilized or engaged by Lender, to obtain one or more consumer reports regarding Buyer and to investigate any information, reference, statement, or data, provided to Lender by Buyer or by any other person or entity, pertaining to Buyer's credit and financial status. Buyer shall indemnify, defend and hold harmless Seller, its officers, directors, shareholders, employees, agents, contractors, subcontractors and suppliers ("Indemnified Parties"), Lender, and any credit bureau or other person or entity utilized or engaged by Lender or Seller, from and against any deficiencies, losses, liabilities, claims, damages, expenses, obligations, penalties, actions, judgments, awards, suits, costs or disbursements of any kind or nature whatsoever, including attorneys' fees and expenses ("Claims") arising from an investigation of Buyer's credit and financial status.

7. Closing. Without limiting the terms of Section 8, Buyer acknowledges and agrees that Seller has the right in its sole discretion to schedule the date, time and place for the closing of the transaction contemplated by this Agreement ("Closing") and Buyer shall close on such Closing Date (the "Closing Date"). Buyer will be given notice of the Closing Date, time and place by the "Closing Date Notice Period" (as such term is defined in Rider B attached hereto). Seller is authorized to postpone or advance the date of Closing at its discretion. Seller must, however, give Buyer reasonable notice of the new Closing Date. Any notice of Closing may be given verbally, by telephone, telegraph, telex, facsimile, mail, e-mail, or other means of communication at Seller's option. All notices of Closing will be given to Buyer at the address or by use of the telephone number(s) or e-mail address(es) specified on page 1 of this Agreement unless Seller has received written notice from Buyer of any change therein prior to the date notice of Closing is given. Buyer's failure to receive the notice of Closing because Buyer has failed to advise Seller of any changes of address or phone number, or because Buyer has failed to pick up a letter when Buyer has been advised of an attempted delivery or for any other reason, shall not relieve Buyer of Buyer's obligation to close on the scheduled Closing Date, unless Seller otherwise agrees in writing to postpone the Closing Date. To the extent not prohibited by applicable law, if Seller, in its sole discretion, agrees in writing to reschedule the Closing Date at Buyer's request, or because Buyer (if a corporation) has failed to produce all corporate documents requested by Seller, or for any other reason (except for delay required by Seller), then (1) Seller may impose a late charge as liquidated damages for such delay equal to One Hundred Twenty-Five Dollars ($125.00) per day for every day from the original Closing Date through the date that the transaction closes, and (2) Seller may require that prorations be made as of the original Closing Date. Buyer agrees the late charge is appropriate in order to cover Seller's administrative and other expenses resulting from a delay in Closing and that the amount of liquidated damages is fixed and agreed to by the parties as a reasonable estimate of the damages that Seller shall suffer and is not in the nature of a penalty. Seller is not required to agree to reschedule Closing, but Seller may reschedule Closing in Seller's sole discretion.

8. Completion Date. It is expressly agreed by Buyer that notwithstanding anything to the contrary specified herein or verbally represented (including but not limited to Seller's sales representative), any scheduled completion date is a good faith estimate, and Seller makes no promises or representations concerning the date of completion. Buyer agrees that Buyer has not relied, and will not rely upon, any estimated completion date for any purpose whatsoever, including, without limitation, relocation of residence, storage of personal property, or lock-in financing, and Buyer agrees that Seller shall not be liable for any additional costs, expenses or damages whatsoever should the Home not be completed by an estimated completion date. Notwithstanding the foregoing, Seller is required to complete and does agree that the construction of the Home shall be completed not later than two (2) years from the date of Buyer's execution of this Agreement. If construction is delayed by any event recognized by the law of the state in which the Home is located as a defense to a contract action for non-performance or a delay in performance, then the date of completion shall be extended by the delay period. It is the express intent of the parties that the parties' rights and obligations under this Agreement be construed in the manner necessary to exempt this Agreement and the sale of the Property from registration under the Interstate Land Sales Full Disclosure Act, and both Buyer and Seller hereby expressly waive any right or provision of this Agreement that would otherwise preclude such exemption.

9. Casualty Before Closing. If the Property is damaged by fire, act of terrorism or other casualty before Closing and the cost of restoration does not exceed three percent (3%) of the Total Purchase Price and repairs will not substantially delay Closing, Seller shall repair the damage and Closing shall proceed pursuant to the terms of this Agreement. If the cost of restoration exceeds three percent (3%) of the Total Purchase Price or the repairs would substantially delay Closing, Buyer shall have the option to: (1) terminate this Agreement and receive a refund of the Deposit made by Buyer to Seller, in which event both parties shall be released from all obligations under this Agreement, or (2) have Seller repair the damage as soon as reasonably possible, and Closing shall be extended until such repair or rebuilding is complete.
Notwithstanding the foregoing, if all or a portion of the Property is damaged by fire, act of terrorism or other casualty and (1) the plans, specifications or construction materials for the Property must be materially modified in order to repair or reconstruct the Property, or (2) the repair or reconstruction of the Property substantially in accordance with the plans and specifications is rendered impossible by any cause recognized by the law of the state in which the Property is located as a defense to a contract action for non-performance, then Seller shall have the right to terminate this Agreement and Buyer shall receive a refund of the Deposit made by Buyer to Seller in which event both parties shall be released from all obligations under this Agreement.

10. Deed. Seller shall convey title to Buyer at Closing by delivery to Buyer of a General Limited Warranty Deed (the "Deed") describing the Property, which Deed shall convey title to Buyer subject to all matters described in this Agreement.

11. Closing and Title Matters. Title to the Property to be delivered to Buyer at Closing will be marketable and insurable, subject only to the following matters:

11.1 Title to the Property shall be subject to the following: (1) zoning, building codes, bulkhead laws, ordinances, regulations, rights or interests vested in the United States of America or the state in which the Community is located; (2) real estate taxes and other taxes for the year of conveyance and subsequent years including taxes or assessments of any special taxing or community development district (including assessments relating to capital improvements and bonds); (3) the general printed exceptions contained in an owner's title insurance policy; (4) utility easements, sewer agreements, telephone agreements, cable agreements, telecommunications agreements, monitoring agreements, restrictions and reservations common to any plat affecting title to the Property; (5) matters that would be disclosed by an accurate survey or inspection of the Property; (6) the Documents; (7) any laws and restrictions, covenants, conditions, limitations, reservations, agreements or easements recorded in the public records for the County (for example, use limitations and obligations, easements (right-of-way) and agreements relating to telephone, gas or electric lines, water and sewer lines and drainage, provided they do not prevent use of the Property for single family residential purposes); (8) minor encroachments on easements that do not

substantially interfere with an easement holder's interest in the Property; and (9) acts done or suffered by Buyer and any mortgage or deed of trust obtained by Buyer for the purchase of the Property. It is Buyer's responsibility to review and become familiar with each of the foregoing title matters, some of which are covenants running with the land. If any title defects are discovered by Buyer after Closing, Buyer's sole remedy shall be to make a claim to Buyer's title insurer.

11.2 Seller shall convey title to Buyer at Closing by delivery to Buyer of the Deed, which shall convey title to Buyer subject to all matters described in Section 11.1 of this Agreement. Any such matters omitted from the Deed shall nevertheless be deemed to be included in the Deed.

11.3 Seller shall provide an affidavit complying with the Foreign Investment in Real Property Tax Act of 1980, as amended, upon written request of Buyer.

11.4 Seller may not own title to the Property as of the date of this Agreement or at Closing. However, Seller shall obtain title to the Property on or before the Closing Date or effect the necessary transfer of title on or before the date when Seller causes title to be transferred to Buyer.

11.5 If Seller cannot provide marketable and insurable title as described above, such failure shall not be an event of default and Seller will have a reasonable period of time (at least one hundred and twenty (120) days from the date of the scheduled Closing Date) to attempt to correct any defects in title; provided, however, Seller shall not be obligated to incur any expense, nor institute any litigation, to clear title to the Property. If Seller cannot or elects not to correct the title defects, Seller shall so notify Buyer within such period, and Buyer may thereafter elect (by written notice from Buyer to Seller) one of the following two (2) options: (1) to accept title in the condition offered (with defects) and pay the balance of the Total Purchase Price for the Property (without set off or deduction therefor), thereby waiving any claim with respect to such title defects and Buyer will not make any claims against Seller because of the title defects; or (2) to terminate this Agreement and receive a full refund of the Deposit deposited hereunder. If all such amounts are refunded, Buyer agrees to accept it as full payment of Seller's liability hereunder, whereupon this Agreement shall be terminated and Seller shall thereafter be relieved and released of all further liability hereunder. Buyer shall not thereafter have any rights to make any additional claims against Seller. In the event Buyer does not notify Seller in writing within five (5) calendar days from the receipt of Seller's notice (time being strictly of the essence) as to which option Buyer elects, Buyer shall be conclusively presumed to have elected option (1) set forth above in this subsection.

11.6 The acceptance of the Deed by Buyer shall be deemed to be full performance and discharge of every agreement and obligation on the part of Seller to be performed pursuant to this Agreement, except those which are herein specifically deemed to survive Closing or which may survive by operation of law, if any.

11.7 Title to the Property will be deemed marketable if an owner's policy is issued with standard exceptions.

11.8 All of the terms of this Section 11 shall survive Closing and the delivery of the Deed.

12. Closing Costs. The respective responsibilities of Buyer and Seller for all costs, prorations and fees payable at Closing (the "Closing Costs") are shown in Rider B attached hereto.

13. Site and Substitutions. The materials, equipment and fixtures included in and to be used in constructing the Home will be substantially the same as or similar in quality to those described in the applicable plans and specifications (except as to extras, options and/or upgrades).

13.1 Changes to Plans and Specifications.

13.1.1 Industry Practice. It is widely observed construction industry practice for pre-construction plans and specifications for any home or building to be changed and adjusted from time to time in order to accommodate on-going site conditions and in the field construction factors. These changes and adjustments are essential in order to permit all components of the Home to be integrated into a well-functioning and aesthetically pleasing product in an expeditious manner. Based on the foregoing, Buyer acknowledges that such changes and adjustments may occur and agrees that it is reasonable and to Buyer's benefit to allow Seller the flexibility to make such changes and adjustments to the Home.

13.1.2 Seller's Absolute Right to Make Modifications to Plans and Specifications. Seller has the absolute right to make modifications to the plans and specifications for the Home. Without limiting the generality of the foregoing, Buyer specifically agrees that changes in the dimensions of rooms and patios, entrances and terraces, if applicable, and changes in room size, in the locations of windows, doors, walls, partitions, utility lead-ins and outlets (including, but not limited to, electrical, cable television, and telephone), air-conditioning components, lighting fixtures and electrical panel boxes may be made by Seller in its sole discretion, provided however that changes in the layout and dimensions of the Home shall not substantially affect the value of the Home. Such changes may also include, but are not limited to, changes in the building location, setbacks and facing, the building's external configuration, its structural components, its finishes and the landscaping associated therewith.

13.1.3 Buyer's Acceptance of Actual Floor Plan. Buyer further understands and acknowledges that many of the Homes to be constructed within the Community require floor plans which are opposite (i.e. flipped) mirror images of the model floor plan and Buyer fully understands and accepts the floor plan configuration for the Home and improvements to be constructed within the Home.

13.1.4 No Warranty for Plans and Specifications on File. Buyer further acknowledges and agrees that (1) the plans and specifications of the Home and the Community on file with the applicable governmental authorities may not be identical in detail to Seller's plans and specifications, and (2) because of the day-to-day nature of the changes described in this Section 13, the plans and specifications on file with the applicable governmental authorities may not include some or any of these changes (there being no legal requirement to file all changes with such authorities). As a result of the foregoing, Buyer and Seller both acknowledge and agree that the Home and the Community may

not be constructed in accordance with the plans and specifications on file with the applicable governmental authorities. Without limiting the generality of the provisions of Rider B attached hereto, Seller disclaims and Buyer waives any and all express or implied warranties that construction will be accomplished in compliance with such plans and specifications. Seller has not given and Buyer has not relied on or bargained for any such warranties. In furtherance of the foregoing, in the event of any conflict between the actual construction of the Home and/or the Community, and that which is set forth on the plans and specifications, Buyer agrees that the actual construction shall prevail and to accept the Home and Community as actually constructed (in lieu of what is set forth on the plans and specifications).

13.2 Lot Change. In the event that Seller, in its sole discretion, determines that the Model of the Home selected under this Agreement cannot reasonably be built on the Homesite, then Buyer and Seller hereby agree that they will negotiate in good faith to relocate the Home to another lot in the Community, provided however that there are lots available for sale. If no replacement lot is available, then Buyer may terminate this Agreement and will be entitled to a refund of any paid Deposit.

13.3 Decorative and Landscaping Items.

13.3.1 Buyer understands and agrees that certain of the finishing items, such as tile, marble, carpet, cabinets, stone, brickwork, wood, paint, stain and mica are subject to size and color variations, grain and quality variations, and may vary in accordance with price, availability and changes by manufacturers from those shown in the model, if any, or in illustrations or brochures or those included in the specifications. Furthermore, if circumstances arise that, in Seller's opinion, warrant changes of subcontractors, suppliers, manufacturers, brand names or items, Seller reserves the right to substitute equipment, materials, appliances, etc., which in Seller's opinion are considered to be of quality substantially similar or equal, or of better quality, subject to their availability. Buyer also understands that Seller has the right to substitute or change materials and/or stain colors utilized in wood decor, if any.

13.3.2 Lot grades, lot area, options, facades, shrubs, trees, trim, built-ins, wall treatments, window treatments, furniture, furnishings, fences, decks, locations of walks, driveways and other items in or about a model home area in the subdivision are for display purposes only and are not included in the Total Purchase Price unless otherwise expressly provided herein. Seller has the right to remove any existing trees on the Property or on the surrounding area for any reason. Buyer further understands and agrees that the following items (which may be seen in models or shown in illustrations) will also not be included with the sale of the Home: wall coverings, paint colors, accent light fixtures, wall ornaments, drapes, blinds, bedspreads, furniture, furnishings, wet bars, monitoring systems, certain built-in fixtures, special floor coverings, wood trim, upgraded items and/or any other items of this nature which may be added or deleted from time to time. This list of items (which is not all-inclusive) is provided as an illustration of the type of items built-in or placed upon models or shown in illustrations strictly for purposes of decoration and example only.

13.4 Deed. By acceptance of the Deed, Buyer accepts all variations of the Home.

13.5 Survival. All of the terms of this Section 13 shall survive Closing and the delivery of the Deed.

14. Buyer's Default. In the event of Buyer's default and to the extent allowed by law, Seller shall be entitled to keep, as liquidated damages and not as a penalty, Buyer's Deposit not to exceed fifteen percent (15%) of the Total Purchase Price, except that Seller may, in addition, keep, as liquidated damages and not as a penalty, any and all Advanced Payments made by Buyer to Seller for options, extras or upgrades for which Seller has made contractual commitments or incurred liability by placing orders or otherwise. Buyer agrees that actual damages in the event of breach by Buyer would be costly and difficult to calculate, and that such liquidated damages are a fair and reasonable remedy and shall not be considered a penalty. The provisions of this Section shall survive the termination of this Agreement.

15. Seller's Default. In the event of Seller's default and to the extent allowed by law, Buyer may recover actual damages but shall not be entitled to special, consequential or punitive damages. Notwithstanding the foregoing, Buyer retains all remedies at law and in equity with respect to Seller's obligation to complete the Home within two (2) years pursuant to Section 8 above. Notwithstanding anything to the contrary in this Agreement, Buyer releases and holds harmless Seller's past and present officers and employees from all claims, liabilities, and causes of action of any nature. Buyer now has or may have arising from any act or omission of Seller's officers or employees related to Lennar's performance of its obligations under this Agreement and Lennar's construction of a Home on the Homesite. The provisions of this Section shall survive the termination of this Agreement.

16. Mediation / Arbitration of Disputes.

16.1 The parties to this Agreement specifically agree that this transaction involves interstate commerce and that any Dispute (as hereinafter defined) shall first be submitted to mediation and, if not settled during mediation, shall thereafter be submitted to binding arbitration as provided by the Federal Arbitration Act (9 U.S.C. §§1 et seq.) and not by or in a court of law or equity. "Disputes" (whether contract, warranty, tort, statutory or otherwise), shall include, but are not limited to, any and all controversies, disputes or claims (1) arising under, or related to, this Agreement, the Property, the Community or any dealings between Buyer and Seller; (2) arising by virtue of any representations, promises or warranties alleged to have been made by Seller or Seller's representative; and (3) relating to personal injury or property damage alleged to have been sustained by Buyer, Buyer's children or other occupants of the Property, or in the Community. Buyer has executed this Agreement on behalf of his or her children and other occupants of the Property with the intent that all such parties be bound hereby. Any Dispute shall be submitted for binding arbitration within a reasonable time after such Dispute has arisen. Nothing herein shall extend the time period by which a claim or cause of action may be asserted under the applicable statute of limitations or statute of repose, and in no event shall the Dispute be submitted for arbitration after the date when institution of a legal or equitable proceeding based on the underlying claims in such Dispute would be barred by the applicable statute of limitations or statute of repose.

16.2 Any and all mediations commenced by any of the parties to this Agreement shall be filed with and administered by the

American Arbitration Association or any successor thereto ("AAA") in accordance with the AAA's Home Construction Mediation Procedures in effect on the date of the request. If there are no Home Construction Mediation Procedures currently in effect, then the AAA's Construction Industry Mediation Rules in effect on the date of such request shall be utilized. Any party who will be relying upon an expert report or repair estimate at the mediation shall provide the mediator and the other parties with a copy of the reports. If one or more issues directly or indirectly relate to alleged deficiencies in design, materials or construction, all parties and their experts shall be allowed to inspect, document (by photograph, videotape or otherwise) and test the alleged deficiencies prior to mediation. Unless mutually waived in writing by the parties, submission to mediation is a condition precedent to either party taking further action with regard to any matter covered hereunder.

16.3 If the Dispute is not fully resolved by mediation, the Dispute shall be submitted to binding arbitration and administered by the AAA in accordance with the AAA's Home Construction Arbitration Rules in effect on the date of the request. If there are no Home Construction Arbitration Rules currently in effect, then the AAA's Construction Industry Arbitration Rules in effect on the date of such request shall be utilized. Any judgment upon the award rendered by the arbitrator may be entered in and enforced by any court having jurisdiction over such Dispute. If the claimed amount exceeds $250,000.00 or includes a demand for punitive damages, the Dispute shall be heard and determined by three arbitrators; however, if mutually agreed to by the parties, then the Dispute shall be heard and determined by one arbitrator. Arbitrators shall have expertise in the area(s) of Dispute, which may include legal expertise if legal issues are involved. All decisions respecting the arbitrability of any Dispute shall be decided by the arbitrator(s). At the request of any party, the award of the arbitrator(s) shall be accompanied by detailed written findings of fact and conclusions of law. Except as may be required by law or for confirmation of an award, neither a party nor an arbitrator may disclose the existence, content, or results of any arbitration hereunder without the prior written consent of both parties.

16.4 The waiver or invalidity of any portion of this Section shall not affect the validity or enforceability of the remaining portions of this Section. Buyer and Seller further agree (1) that any Dispute involving Seller's affiliates, directors, officers, employees and agents shall also be subject to mediation and arbitration as set forth herein, and shall not be pursued in a court of law or equity; (2) that Seller may, at its sole election, include Seller's contractors, subcontractors and suppliers, as well as any warranty company and insurer as parties in the mediation and arbitration; and (3) that the mediation and arbitration will be limited to the parties specified herein.

16.5 To the fullest extent permitted by applicable law, Buyer and Seller agree that no finding or stipulation of fact, no conclusion of law, and no arbitration award in any other arbitration, judicial, or similar proceeding shall be given preclusive or collateral estoppel effect in any arbitration hereunder unless there is mutuality of parties. In addition, Buyer and Seller further agree that no finding or stipulation of fact, no conclusion of law, and no arbitration award in any arbitration hereunder shall be given preclusive or collateral estoppel effect in any other arbitration, judicial, or similar proceeding unless there is mutuality of parties.

16.6 Unless otherwise recoverable by law or statute, each party shall bear its own costs and expenses, including attorneys' fees and paraprofessional fees, for any mediation and arbitration. Notwithstanding the foregoing, if a party unsuccessfully contests the validity or scope of arbitration in a court of law or equity, the noncontesting party shall be awarded reasonable attorneys' fees, paraprofessional fees and expenses incurred in defending such contest, including such fees and costs associated with any appellate proceedings. In addition, if a party fails to abide by the terms of a mediation settlement or arbitration award, the other party shall be awarded reasonable attorneys' fees, paraprofessional fees and expenses incurred in enforcing such settlement or award.

16.7 Buyer may obtain additional information concerning the rules of the AAA by visiting its website at www.adr.org or by writing the AAA at 335 Madison Avenue, New York, New York 10017.

16.8 Seller supports the principles set forth in the Consumer Due Process Protocol developed by the National Consumer Dispute Advisory Committee and agrees to the following:

16.8.1 Notwithstanding the requirements of arbitration stated in Section 16.3 of this Agreement, Buyer shall have the option, after pursuing mediation as provided herein, to seek relief in a small claims court for disputes or claims within the scope of the court's jurisdiction in lieu of proceeding to arbitration. This option does not apply to any appeal from a decision by a small claims court.

16.8.2 Seller agrees to pay for one (1) day of mediation (mediator fees plus any administrative fees relating to the mediation). Any mediator and associated administrative fees incurred thereafter shall be shared equally by the parties.

16.8.3 The fees for any claim pursued via arbitration in an amount of $10,000.00 or less shall be apportioned as provided in the Home Construction Arbitration Rules of the AAA or other applicable rules.

16.9 Notwithstanding the foregoing, if either Seller or Buyer seeks injunctive relief, and not monetary damages, from a court because irreparable damage or harm would otherwise be suffered by either party before mediation or arbitration could be conducted, such actions shall not be interpreted to indicate that either party has waived the right to mediate or arbitrate. The right to mediate and arbitrate should also not be considered waived by the filing of a counterclaim by either party once a claim for injunctive relief had been filed with a court.

16.10 Buyer and Seller specifically agree that notwithstanding anything to the contrary, the rights and obligations set forth in this Section 16 shall survive (1) Closing and the delivery of the Deed; (2) the termination of this Agreement by either party; or (3) the default of this Agreement by either party.

17. **Other Dispute Resolutions**. Notwithstanding the parties' obligation to submit any Dispute to mediation and arbitration, in the event that a particular dispute is not subject to the mediation or the arbitration provisions of Section 16, then the parties agree to the following provisions: **BUYER ACKNOWLEDGES THAT JUSTICE WILL BEST BE SERVED IF ISSUES REGARDING THIS AGREEMENT ARE HEARD BY A JUDGE IN A COURT PROCEEDING, AND NOT A JURY. BUYER AND**

SELLER AGREE THAT ANY DISPUTE, CLAIM, DEMAND, ACTION, OR CAUSE OF ACTION SHALL BE HEARD BY A JUDGE IN A COURT PROCEEDING AND NOT A JURY. BUYER AND SELLER HEREBY WAIVE THEIR RESPECTIVE RIGHT TO A JURY TRIAL. SELLER HEREBY SUGGESTS THAT BUYER CONTACT AN ATTORNEY OF BUYER'S CHOICE IF BUYER DOES NOT UNDERSTAND THE LEGAL CONSEQUENCES OF EXECUTING THIS AGREEMENT. All of the terms of this Section 17 shall survive Closing and the delivery of the Deed.

18. Selling Agent, Cooperating Broker, and Seller's New Home Consultant. Unless a Purchase Price and Payment Addendum indicating otherwise is attached hereto, Buyer represents to Seller that Buyer has not consulted, dealt or negotiated with a real estate broker, salesperson or agent other than Seller's sales personnel located at Seller's sales office. Buyer agrees that Seller is not responsible for the payment of a commission to a real estate broker, salesperson or agent other than Seller's sales personnel. Buyer shall indemnify, defend and hold harmless Indemnified Parties from and against any and all Claims resulting from or arising out of any representation or breach of a representation or warranty set forth in this Section. In addition, Buyer acknowledges and understands that Seller's New Home Consultant ("NHC") and Internet New Home Consultant ("INHC") are agents of Seller, are acting solely for the Seller's interests, and are not acting in any representative capacity for Buyer. Buyer should not disclose any information to Seller's NHC and/or INHC that Buyer considers to be confidential or otherwise does not want disclosed to Seller.

Buyer's Initials EPD SHD

19. Construction Activities. ALL OWNERS, OCCUPANTS AND USERS OF THE COMMUNITY ARE HEREBY PLACED ON NOTICE THAT (1) SELLER AND/OR ITS AGENTS, CONTRACTORS, SUBCONTRACTORS, LICENSEES AND OTHER DESIGNEES, AND/OR (2) ANY OTHER PARTIES, WILL BE, FROM TIME TO TIME, CONDUCTING BLASTING, EXCAVATION, CONSTRUCTION AND OTHER ACTIVITIES WITHIN OR IN PROXIMITY TO THE COMMUNITY. BY THE ACCEPTANCE OF THEIR DEED OR OTHER CONVEYANCE OR MORTGAGE, LEASEHOLD, LICENSE OR OTHER INTEREST, AND BY USING ANY PORTION OF THE COMMUNITY, EACH SUCH OWNER, OCCUPANT AND USER AUTOMATICALLY ACKNOWLEDGES, STIPULATES AND AGREES (1) THAT NONE OF THE AFORESAID ACTIVITIES SHALL BE DEEMED NUISANCES OR NOXIOUS OR OFFENSIVE ACTIVITIES, HEREUNDER OR AT LAW GENERALLY, (2) NOT TO ENTER UPON, OR ALLOW THEIR CHILDREN OR OTHER PERSONS UNDER THEIR CONTROL OR DIRECTION TO ENTER UPON (REGARDLESS OF WHETHER SUCH ENTRY IS A TRESPASS OR OTHERWISE) ANY PROPERTY WITHIN OR IN PROXIMITY TO THE AREA OF THE COMMUNITY WHERE SUCH ACTIVITY IS BEING CONDUCTED (EVEN IF NOT BEING ACTIVELY CONDUCTED AT THE TIME OF ENTRY, SUCH AS AT NIGHT OR OTHERWISE DURING NON-WORKING HOURS), (3) TO THE EXTENT PERMITTED OR NOT PROHIBITED UNDER APPLICABLE LAW, SELLER AND THE OTHER AFORESAID RELATED PARTIES SHALL NOT BE LIABLE FOR ANY AND ALL LOSSES, DAMAGES (COMPENSATORY, CONSEQUENTIAL, PUNITIVE OR OTHERWISE), INJURIES OR DEATHS ARISING FROM OR RELATING TO THE AFORESAID ACTIVITIES, EXCEPT RESULTING DIRECTLY FROM SELLER'S GROSS NEGLIGENCE OR WILLFUL MISCONDUCT, (4) ANY PURCHASE OR USE OF ANY PORTION OF THE COMMUNITY HAS BEEN AND WILL BE MADE WITH FULL KNOWLEDGE OF THE FOREGOING AND (5) THIS ACKNOWLEDGMENT AND AGREEMENT IS A MATERIAL INDUCEMENT TO SELL, CONVEY, AND/OR ALLOW THE USE OF THE PROPERTY.

20. Dangerous Condition; Construction Work.

20.1 Buyer understands and agrees that the Property is a construction site and that the Property and the improvements, equipment and supplies thereon constitute a danger to those who may enter on the Property. Buyer shall not enter onto the Property prior to Closing unless authorized and accompanied by Seller's representative. Any unauthorized, unaccompanied entry by Buyer shall constitute a breach of this Agreement by Buyer, at Seller's election. Moreover, any entry by Buyer onto the Property prior to Closing shall be done at Buyer's own risk and in compliance with all federal, state and local safety laws and regulations. To the extent permitted or not prohibited by applicable law, Buyer waives, releases and shall indemnify, defend and hold harmless Indemnified Parties from and against any Claims made by Buyer, Buyer's family members or guests, as a direct or indirect result of any such unauthorized, unaccompanied entry onto the Property.

20.2 Buyer agrees that supervision and direction of the working forces, including, without limitation, all contractors and subcontractors, is to be done exclusively by Seller, and Buyer agrees not to issue any instructions to the working forces or otherwise hinder construction or installation of improvements on the Property. Buyer shall not do or have any work done on the Property, nor may Buyer store any possessions thereon, prior to Closing and transfer of title to the Property to Buyer.

20.3 Buyer agrees that any and all controversies, disputes and claims arising under this Section shall be resolved through binding arbitration in accordance with the terms of this Agreement.

20.4 All of the terms of this Section 20 shall survive Closing and the delivery of the Deed.

21. OFAC. Executive Order 13224 requires all United States entities and persons to block assets and not transact business with entities, countries and persons (specifically designated nationals) set forth by the Office of Foreign Asset Control ("OFAC"). This requirement applies to all homebuilding entities in The Lennar Family of Builders (including but not limited to Seller), Universal American Mortgage Company, LLC and all of its affiliates, and North American Title Company and all of its affiliates (collectively, the "Lennar Affiliates"). Accordingly, each of Seller and the Lennar Affiliates will check current OFAC lists and other publications in connection with each potential transaction, loan, or home sale. In order to check the OFAC list, Buyer must provide to Seller a Government-issued identification card (this might include a driver's license, birth certificate, passport or resident alien card). To the extent Buyer (or any single person or entity constituting a part of Buyer) matches a name or entity on any such OFAC list or publication, the transactions with Buyer contemplated under or in connection with this Agreement will be immediately suspended, and Buyer shall be reported as instructed by the OFAC.

22. Agreement not to be Recorded. Buyer covenants that Buyer shall not record this Agreement (or any memorandum thereof) in the Public Records of the County. Buyer agrees, if Buyer records this Agreement, to pay all of Seller's attorneys' fees, paraprofessional fees and expenses incurred in removing the cloud on title caused by such recordation. Seller's rights under this

Section shall be in addition to Seller's remedies for Buyer's default provided elsewhere in this Agreement.

23. Transfer, Assignment and Persons Bound. Buyer agrees that Buyer will not, and does not have the right to, assign, sell or transfer Buyer's interest in this Agreement (whether voluntarily or by operation of law or otherwise) without Seller's prior written consent. If Buyer is a corporation, other business entity, trustee or nominee, a transfer of any material equity or beneficial or principal interest shall constitute an assignment of this Agreement. If Buyer attempts to assign this Agreement in violation of this Section, Seller can declare Buyer in default and Seller shall be entitled to all remedies available under this Agreement. Buyer agrees that Seller may withhold its consent with or without any reason or condition in any manner it chooses (if it gives it at all) and may charge Buyer a reasonable amount to cover administrative costs incurred in considering whether or not to grant consent. If Buyer dies or in any way loses legal control of his/her affairs, this Agreement will bind his/her heirs and legal representatives. If Buyer has received Seller's permission to assign or transfer this Agreement, then Buyer's approved assignees shall be bound by the terms of this Agreement. If more than one person signs this Agreement as Buyer, each such person shall be jointly and severally liable for full performance of all of Buyer's duties and obligations hereunder.

24. TIME OF THE ESSENCE. BUYER ACKNOWLEDGES THAT TIME IS OF THE ESSENCE IN CONNECTION WITH THE TRANSACTIONS CONTEMPLATED UNDER THIS AGREEMENT.

25. Interpretation and Computation of Time. The use of the masculine gender in this Agreement shall be deemed to refer to the feminine or neuter gender, and the singular shall include the plural, and vice versa, whenever the context so requires. This Agreement reflects the negotiated agreement of the parties. Each party acknowledges that they have been afforded the opportunity to seek competent legal counsel, and each have made an informed choice as to whether or not to be represented by legal counsel. Accordingly, this Agreement shall be construed as if both parties jointly prepared it, and no presumption against one party or the other shall govern the interpretation or construction of any of the provisions of this Agreement. Any reference in this Agreement to the time periods of less than five (5) days shall, in the computation thereof, exclude Saturdays, Sundays and legal holidays. Any reference in this Agreement to time periods of five (5) days or more shall, in computation thereof, include Saturdays, Sundays and legal holidays. If the last day of any such period is a Saturday, Sunday or legal holiday, the period shall be extended to 5:00 p.m. on the next full business day. The section headings in this Agreement are for convenience only and shall not affect the meaning, interpretation or scope of the provisions which follow them.

26. Notice. Except as provided in the Closing Section of this Agreement with respect to notices of the scheduled Closing Date, any notice required or permitted to be given in connection with this Agreement shall be in writing and sent by United States certified mail with return receipt requested, professional overnight courier or electronic transmission (with confirmation and copy by (1) certified mail, if Buyer's address is within the United States or (2) overnight professional courier, if to a Buyer whose address is outside of the United States) to Buyer or Seller at the addresses on Page 1 of this Agreement (unless Seller has received written notice from Buyer of any change therein prior to the date such notice is given), and additionally to Seller by hand delivery at Seller's sales office. All notices shall only be effective upon receipt or refusal to accept receipt (by failure to accept delivery or otherwise).

27. Waiver. Seller's waiver of any of its rights or remedies shall not operate to waive any other of Seller's rights or remedies or to prevent Seller from enforcing the waived right or remedy in another instance.

28. Incorporation and Severability. The explanations and disclaimers set forth in the Documents are incorporated into this Agreement. In the event that any clause or provision of this Agreement shall be void or unenforceable, such clause or provision shall be deemed deleted so that the balance of this Agreement is enforceable.

29. Governing Law. Any disputes that develop under this Agreement or questions regarding the interpretation of this Agreement will be settled according to the law of the state where the Property is located to the extent federal law is not applicable.

30. Entire Agreement. BUYER CERTIFIES THAT BUYER HAS READ EVERY PROVISION OF THIS AGREEMENT, WHICH INCLUDES EACH RIDER AND ADDENDUM ATTACHED HERETO AND THAT THIS AGREEMENT, TOGETHER WITH EACH SUCH RIDER AND ADDENDUM, CONSTITUTES THE ENTIRE AGREEMENT BETWEEN BUYER AND SELLER. PRIOR AGREEMENTS, REPRESENTATIONS, UNDERSTANDINGS, AND ORAL STATEMENTS NOT REFLECTED IN THIS AGREEMENT HAVE NO EFFECT AND ARE NOT BINDING ON SELLER. BUYER ACKNOWLEDGES THAT BUYER HAS NOT RELIED ON ANY REPRESENTATIONS, NEWSPAPERS, RADIO OR TELEVISION ADVERTISEMENTS, WARRANTIES, STATEMENTS, OR ESTIMATES OF ANY NATURE WHATSOEVER, WHETHER WRITTEN OR ORAL, MADE BY SELLER, SALES PERSONS, AGENTS, OFFICERS, EMPLOYEES, CO-OPERATING BROKERS (IF ANY) OR OTHERWISE EXCEPT AS HEREIN SPECIFICALLY REPRESENTED. BUYER HAS BASED HIS/HER/THEIR DECISION TO PURCHASE THE PROPERTY ON PERSONAL INVESTIGATION, OBSERVATION AND THE DOCUMENTS.

31. Modification. This Agreement is the entire agreement for the sale and purchase of the Property and once it is signed by both Buyer and a Division Agent or Officer of Seller, it can only be amended by a written agreement signed by both Buyer and Seller.

32. Additional Changes. Notwithstanding Section 32 of this Agreement, Buyer agrees that it may be necessary (at any time and from time to time) after Buyer executes this Agreement for Seller, and/or the developer or declarant under the Documents, to change the terms and provisions of this Agreement and/or the Documents to comply with and conform to the rules and regulations (as same may exist and as same may be promulgated from time to time) of any governmental agency, subdivision or authority or court of competent jurisdiction and Buyer consents to all such changes. Notwithstanding Section 32 of this Agreement, Seller, and/or the developer or declarant under the Documents, shall have the right to amend all Documents for development or other purposes, and Buyer consents to all such amendments.

33. Inducement. Buyer acknowledges that the sole inducement to close on the purchase of the Property is the Property itself and not (1) the common facilities comprising part of the Community, if any, or (2) any expectation that the Property will increase in value.

34. Reservation of Easement. For the purpose of completing the construction and servicing of the Property and Community, Seller hereby reserves an easement of ingress and egress for itself and its successors and assigns, and each of their respective agents, employees, materialmen and subcontractors, over, under and upon the Property for a period of one (1) year after Closing. Seller shall

provide reasonable notice to Buyer before exercising easement rights granted herein. All of the terms of this Section 35 shall survive Closing and the delivery of the Deed.

[THE REST OF THIS PAGE INTENTIONALLY LEFT BLANK]

35. Riders and Addenda. This Agreement consists of nine (9) pages and the following Riders and Addenda, which are attached hereto and by this reference made a part of this Agreement:

Check all that apply:

☒ Rider B	☐ Home Sale Contingency Addendum
☒ Rider A	☒ Purchase Price and Payment Addendum
☒ Affiliated Business Arrangements Disclosure Statement	☒ Cooperating Broker Addendum
☒ Master Disclosure and Information Addendum	☒ Indoor Environmental Quality Disclosure Addendum
☒ Cooperating Broker Agreement	☒ Insulation Addendum
☒ Election Form Addendum	☐
☒ FHA/VA Addendum	☐
☐	

36. Survival.

36.1 Buyer and Seller agree that it is their express intent that the Sections and documents listed below, together with any other terms in this Agreement that expressly so state, as well as any terms that may survive by operation of law, notwithstanding if the Section, document or term has a survival provision thereto, shall not be merged into the Deed and that these Sections and documents shall survive Closing and the delivery of the Deed: Section 11, Closing and Title Matters; Section 13, Site and Substitutions; Section 16, Mediation / Arbitration of Disputes; Section 17, Other Dispute Resolutions; Section 18, Selling Agent and Cooperating Broker; Section 19, Construction Activities; Section 20, Dangerous Conditions; Construction Work; Section 35, Reservation of Easement; Section 5 of Rider B, Warranties; Section 2 of the Indoor Environmental Quality Disclosure; Cooperating Broker Addendum, in its entirety; and, Master Disclosure and Information Addendum to Purchase and Sale Agreement, in its entirety.

36.2 Buyer and Seller agree that it is their express intent that the Sections and documents listed below, together with any other terms in this Agreement that expressly so state, as well as any terms that may survive by operation of law, notwithstanding if the Section, document or term has a survival provision thereto, shall survive termination of this Agreement: Section 14, Buyer's Default; Section 15, Seller's Default; Section 16, Mediation / Arbitration of Disputes, Section 17, Other Dispute Resolutions; Section 23, Transfer, Assignment and Persons Bound; and Section 6 of Rider B, Documents.

37. Offer to Purchase/Effective Date. This Agreement, when executed by Buyer and delivered to Seller, together with the Initial Deposit specified hereunder, shall constitute an offer by Buyer to purchase the Property in accordance with the terms and conditions provided herein, and shall not be binding upon Seller until such time as a Division Agent or Officer of Seller has executed this Agreement. The date of such acceptance is the "Effective Date" of this Agreement. In the event Buyer's offer is not accepted by Seller, all paid Deposits made by Buyer to Seller to date shall be returned to Buyer, and Buyer's offer shall be deemed withdrawn.

38. Counterparts and Signatures. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which together shall comprise but a single instrument. Signatures may be given via electronic transmission and shall be deemed given as of the date and time of the transmission of this Agreement to the other party.

THE INITIAL DEPOSIT HAS BEEN RECEIVED BY SELLER SUBJECT TO CLEARANCE.

SELLER: Lennar Carolinas, LLC

DocuSigned by:
Randy Floyd
3FEE60A168DF404...
New Home Consultant - Randy Floyd
Date: 3/28/2013

THIS AGREEMENT IS NOT BINDING ON SELLER UNTIL ACCEPTED BELOW BY AN AUTHORIZED AGENT OF SELLER.

SELLER: Lennar Carolinas, LLC

DocuSigned by:
Thomas J Filippello
23F4DD8554ID4F7...
Authorized Agent of Seller - Thomas J Filippello
Date 3/31/2013

DocuSigned by:
Edward F Dengg
A02DBE5E215E4D2...
Buyer - Edward F Dengg
Date 3/28/2013

DocuSigned by:
Sylvia K Dengg
DEB3A46291EB415...
Buyer - Sylvia K Dengg
Date 3/28/2013

Buyer -
Date

Buyer -
Date

DocuSign Envelope ID: C28384C5-3479-4AF2-BBEE-6F07B7AA0C6E

PURCHASE PRICE AND PAYMENT ADDENDUM
Lennar Carolinas, LLC

Buyer Name: Edward F Dengg, Sylvia K Dengg
Date of Agreement: 03/09/2013
Community: The Abbey at Spring Grove Lot/Block: 0019 /
Address: 238 Maywood Drive Moncks Corner SC 29461
Plan/Elevation: ROSEWOOD / A Garage Orientation: Left [X] Right [ ]
Phase/Section: 10 Job #: 18867600019
Started (Y?N): Y Stage: ST
Estimated Start Date: 01/25/2013 Estimated Closing Date: 05/22/2013
Agreement Type: [X] Standard [ ] Home to Sell [ ] Miscellaneous contingencies [ ] Owns current residence
Select One: [X] New Agreement [ ] Transfer [ ] Revised Agreement -- Revision #:

BUYER INFORMATION

Buyer(s): Edward F Dengg, Sylvia K Dengg
Buyer Existing Address: 9805 Gateway Dr. Jeffersontown KY 40299
Home Phone: +1 502 2679571 Office Phone:
Fax: Other Phone: +1 502 5587484
Email: eddydengg@insightbb.com
Employer: Years/Months: /
Co-Buyer: Sylvia K Dengg
Home Phone: +1 502 2679571 Office Phone:
Fax: Other Phone:
Email: skdengg@hotmail.com
Employer: Years/Months: /

PURCHASE PRICE AND PAYMENTS

PURCHASE PRICE:

Total Purchase Price:	
Base Purchase Price:	$ 161,990.00
Add Homesite Premium:	$ 1,500.00
Add Options, Upgrades and Extras per attached Options, Upgrades, and Extras/Change Order Summary	$ 8,650.00
Less Discretion:	$ 7,850.00
Total Due:	$ 164,290.00
Less Assistance toward closing cost. :	$ (3,000.00)

PAYMENTS:

Initial Deposit ..... Check#	$ 1,000.00
Additional Deposit	
DUE ____ Received ____ Check# ____	$ .00
DUE ____ Received ____ Check# ____	$ .00
Advanced Deposit	
DUE ____ Received ____ Check# ____	$ .00
DUE ____ Received ____ Check# ____	$ .00

Amount to be financed or paid by (i) wire transfer of immediately available funds or (ii) cashier's check (subject to collection) at closing (approximate)
(Total Purchase Price less Total Payments and exclude FHA, MIP, VA, funding fee, PMI, closing costs, pre-paids, homeowner insurance, prorated expenses and HOA fees.)
$ 160,290.00

$ 1,000.00

Initial EFD Initial SLD
Buyer Buyer

Total Payments.....

Comments:

WARRANTY INFORMATION

LEN 100 5/1/07
*Or other comparable warranty

FINANCING AND BROKER INFORMATION

Select One: ☐ Cash ☐ Conventional ☐ FHA ☒ VA

Lender: UAMC Phone #: 843-852-0656

Broker Participation? ☒ Yes ☐ No

Agent/Company: Shirley Phillips / Carolina One

Street Address: 900 North Main Street

City, State Zip: Summerville, SC 29483

Phone: +1 843 9746268

Broker Tax ID#: Broker Commission: 3%

Defined Terms. All initially capitalized terms not defined herein shall have the meanings set forth in the Purchase and Sale Agreement between Buyer and Seller dated as of the ninth day of March , 2013 (the "Agreement"), and all references in this Addendum to the Agreement shall be deemed to include references to this Addendum and to any other addenda and riders attached to the Agreement, which are hereby incorporated by this reference.

Counterparts. This Addendum may be executed in counterparts, a complete set of which shall form a single Addendum.

Conflicts. In the event of any conflict between this Addendum and the Agreement, this Addendum shall control. In all other respects, the Agreement shall remain in full force and effect.

Entire Agreement. The Agreement, together with this Addendum and any other addenda and riders to the Agreement, contains the entire agreement between Buyer and Seller concerning the matters set forth herein. All prior discussions, negotiations and contracts relating to investors and occupancy requirements, if any, whether oral or written, are hereby superseded by these documents. No addition or modification of this Addendum or the Agreement shall be effective unless set forth in writing and signed by Buyer and an authorized agent of Seller.

DocuSigned by:
Edward F Dengg
802DBE5E215E4D2...
Buyer - Edward F Dengg
Date 3/9/2013

DocuSigned by:
Sylvia K Dengg
DEB3A45291EB415...
Buyer - Sylvia K Dengg
Date 3/9/2013

Buyer -
Date

Buyer -
Date

SELLER: Lennar Carolinas, LLC

DocuSigned by:
Thomas J Filippello
23F4B2B6541D4F7...
Authorized Agent of Seller - Thomas J Filippello
Date 3/19/2013

ELECTION FORM ADDENDUM

THIS ELECTION FORM ADDENDUM (this "Addendum") is executed in conjunction with and, by this reference, incorporated into the Purchase and Sale Agreement (the "Agreement") dated as of the Ninth day of March , 2013, between Edward F Dengg, Sylvia K Dengg(collectively, "Buyer") and Seller, as defined in the Agreement, respecting Lot 0019 of Building/Block _____ of The Abbey at Spring Grove Subdivision/Plat in the community known as The Abbey at Spring Grove (the "Community").

1. Defined Terms. All initially capitalized terms not defined herein shall have the meanings set forth in the Agreement, and all references in this Addendum to the Agreement shall be deemed to include references to this Addendum and to every other addendum attached to the Agreement, which are hereby incorporated by this reference.

2. Affiliated Business. Seller has given Buyer notice in the Affiliated Business Arrangement Disclosure Statement that Seller has business relationships with Universal American Mortgage Company, LLC ("UAMC") and North American Title Company, and its affiliate, North American Title Insurance Corporation (collectively, "North American"). Buyer is hereby informed that Buyer is not obligated to use an affiliated business of Seller as a condition to the sale of the Home.

3. Deposits. Seller's standard practice within the Community is to require the following earnest money deposits:

3.1 Minimum of $1,000 for owner-occupants on homes priced up to $165,000.

3.2 Minimum of $2,000 for owner-occupants on homes priced above $165,000.

3.3 Minimum of $5,000 for non owner-occupants.

3.4 Buyer represents, covenants and warrants to Seller that Buyer is purchasing the Home (check one):

☒ as an owner-occupant.
☐ not as an owner-occupant.
☐ as a cash buyer.

Buyer's Initials EFD SLD

3.5 In the event of Buyer's default and to the extent allowed by law, Seller shall be entitled to keep, as liquidated damages and not as a penalty, Buyer's Deposit. Buyer agrees that actual damages in the event of breach by Buyer would be costly and difficult to calculate, and that such liquidated damages are a fair and reasonable remedy and shall not be considered a penalty.

4. Mortgage Loan and Title Insurance.

4.1 Buyer agrees to pay all loan and closing costs in connection with this transaction.

4.2 By checking one of the boxes below and initialing below the selected text, Buyer hereby selects the lender and/or title insurance company that Buyer will use in connection with the purchase of the Home.

4.2.1 ☒ Buyer elects to use UAMC (or such other lender named on the Approved Lender Addendum).

Buyer's Initials EFD SLD

4.2.2 ☐ Buyer intends to purchase the Home without financing.

Buyer's Initials _____ _____

4.2.3 ☐ Buyer elects to use a lender other than UAMC (or such other lender named on the Approved Lender Addendum) as its Lender.

Buyer's Initials _____ _____

4.3 Seller will pay up to $ 3,000.00 toward Buyer's Closing Costs.

4.4 Seller will not accept a Purchase Agreement, without a pre-approval Letter (not a pre-qualification letter), for the loan amount from a lender. Buyer must provide written loan approval within 30 days from approval of the Agreement.

5. Closing Attorney.

5.1 By checking the box below and initialing below the selected text, Buyer hereby selects the closing attorney that Buyer will use in connection with the purchase of the Home.

5.1.1 [X] Buyer elects to use Seller's closing attorney, Richard E. Leister (Myrtle Beach), or Buist, Byars & Taylor (Charleston).

Buyer's Initials EFD SLD

Buyer is hereby notified and acknowledges that Buyer is not required to use Seller's closing attorney as a condition to purchasing the Home. There are other closing attorneys available who can represent Buyer in this transaction. If Buyer desires to engage an attorney to represent Buyer, then Buyer may do so at Buyer's sole expense and will not receive the incentives set forth below. If Buyer elects to use Seller's closing attorney, Seller's closing attorney will represent Seller and Buyer in this transaction, and Seller's closing attorney cannot offer substantive legal advice to either party in connection with the sale and purchase of the Home. BUYER HAS CERTAIN RIGHTS IN CONNECTION WITH THIS TRANSACTION, AND SELLER ENCOURAGES BUYER TO CONSULT WITH ITS OWN ATTORNEY ABOUT SUCH RIGHTS, INCLUDING BUYER'S USE OF SELLER'S CLOSING ATTORNEY TO PURCHASE THE HOME. Seller's closing attorney may make additional disclosures with respect to his or her joint representation of Seller and Buyer. Seller's closing attorney may also elect not to represent Buyer in this transaction, in which case Buyer will need to hire an attorney to represent Buyer.

Buyer's Initials EFD SLD

5.1.2 [ ] Buyer elects to use an attorney other than Seller's closing attorney.

Buyer's Initials _____ _____

[**SHOULD THERE BE ANY ADDITIONAL SALES PROMOTIONS, MARKETING ALLOWANCES, DISCOUNTS, OR UPGRADES THAT NEED TO BE ADDED TO THIS ADDENDUM, PLEASE CONTACT STATE COUNSEL**]

6. Governing Law. This Agreement is governed by the law of the state where the Property is located, without regard to its conflicts of law rules.

7. Counterparts. This Addendum may be executed in counterparts, a complete set of which shall form a single Addendum.

8. Conflicts. In the event of any conflict between this Addendum and the Agreement, this Addendum shall control. In all other respects, the Agreement shall remain in full force and effect.

9. Entire Agreement. The Agreement, together with this Addendum and any other addenda or riders to the Agreement, contains the entire agreement between Buyer and Seller concerning the matters set forth herein. All prior discussions, negotiations and contracts relating to investors and occupancy requirements, if any, whether oral or written, are hereby superseded by these documents. No addition or modification of this Addendum or the Agreement shall be effective unless set forth in writing and signed by Buyer and an authorized agent of Seller.

DocuSigned by:
Edward F Dengg
802D8E5E215E4D2...
Buyer - Edward F Dengg
Date 3/9/2013

DocuSigned by:
Sylvia K Dengg
DE83A482B1EB415...
Buyer - Sylvia K Dengg
Date 3/9/2013

Buyer -
Date

Buyer -
Date

SELLER: Lennar Carolinas, LLC

DocuSigned by:
Thomas J Filippello
23F4DD68641D4F7...
Authorized Agent of Seller - Thomas J Filippello
Date 3/19/2013

FHA/VA ADDENDUM

THIS FHA/VA ADDENDUM (this "Addendum") s executed in conjunction with and, by this reference, incorporated into the Purchase and Sale Agreement (the "Agreement") dated as of the ninth day of MARCH , 2013, between Edward F Dengg, Sylvia K Dengg ("Buyer") and Seller, as defined in the Agreement, respecting Lot 0019 of Block _____, of The Abbey at Spring Grove Subdivision/Plat in the community known as The Abbey at Spring Grove (the "Community").

1. Defined Terms. All initially capitalized terms not defined herein shall have the meanings set forth in the Agreement, and all references in this Addendum to the Agreement shall be deemed to include references to this Addendum and to any other addenda and riders attached to the Agreement, which are hereby incorporated by this reference.

2. FHA/VA. BUYER AGREES TO PROCEED WITH THE PURCHASE OF THE HOME AFTER HAVING READ BUYER'S RIGHTS AND PRIVILEGES, AS SET FORTH BELOW:

2.1 FHA Loans.

2.1.1 It is expressly agreed that, notwithstanding any provisions of the Agreement (contract) to the contrary, Buyer (purchaser) shall not incur any penalty by forfeiture of earnest money deposits or otherwise be obligated to complete the purchase of the Home (property described herein) unless Buyer (purchaser) has been given in accordance with the Department of Housing and Urban Development ("HUD"), Federal Housing Administration ("FHA") or United States Department of Veterans Affairs (the "VA") requirements, a written statement by the Federal Housing Commissioner, the VA, or a Direct Endorsement lender setting forth the appraised value of the Home (property) (for mortgage purposes) of not less than $ 164,290.00 (which statement Seller agrees to deliver to Buyer (purchaser) promptly after such Appraised Value Statement is made available to Seller). Buyer (purchaser) shall have the privilege and option of proceeding with the consummation of the Agreement (the contract) without regard to the maximum mortgage the Department of Housing and Urban Development will insure. HUD DOES NOT WARRANT THE VALUE OR THE CONDITION OF THE HOME (PROPERTY). BUYER (PURCHASER) SHOULD SATISFY HIMSELF/HERSELF THAT THE PRICE AND CONDITION OF THE HOME (PROPERTY) ARE ACCEPTABLE.

2.1.2 In the event the value of the Property set forth in the Appraised Value Statement is less than the Total Purchase Price, Buyer shall have the right to exercise the above-mentioned privilege and option to proceed at the Total Purchase Price, which is over and above the FHA Appraised Value Statement, by giving Seller written notice of Buyer's intention to do so in accordance with the Agreement notice requirements. Said notice shall be given within five (5) days of Buyer's receipt of the FHA appraisal by returning to Seller a copy of this Addendum executed by Buyer in the "AGREE TO PROCEED" signature block below. In the event Buyer fails to give proper notice hereunder of Buyer's intention to proceed at the Total Purchase Price, the Agreement shall automatically become null and void and the parties shall promptly execute a written release of Buyer's Deposit, pursuant to which the Deposit shall immediately be returned in full to Buyer.

2.1.3 Buyer agrees to pay a mortgage insurance premium as required by FHA. Buyer has the right to pay the entire premium at the time of Closing or the premium may be added to the loan amount and financed over the term of the loan. If Buyer elects to add the premium to the loan amount, the total loan amount shall consist of the Cash to Close amount specified in the Purchase Price and Payment Addendum, plus the mortgage insurance premium. Pursuant to FHA regulations, Buyer shall pay an annual premium, if required, in addition to the up-front (or financed) premium. Said additional premium shall be paid monthly on a declining balance (excluding the portion of the balance, if any, attributable to the up-front premium).

2.1.4 All parties acknowledge that the processing of a government loan is not subject to specific time limitations. Nevertheless, Buyer agrees to diligently pursue such loan commitment.

2.1.5 Seller and Buyer certify that the terms of the Agreement are true and complete to the best of their respective knowledge and belief. Seller and Buyer further certify that all agreements relating to this real estate transaction have been fully disclosed and are covered in the Agreement, including any addenda attached thereto. Seller and Buyer understand that the failure to provide a complete and accurate copy of the Agreement could jeopardize this transaction. If there are any subsequent changes to the Agreement, the undersigned will submit them promptly to the Lender.

2.1.6 Buyer acknowledges that Buyer has read and completed the attached U.S. Department of Housing and Urban Development form HUD-92564-CN entitled "For Your Protection: Get a Home Inspection".

2.2 VA Loans.

2.2.1 It is expressly agreed that, notwithstanding any provisions of the Agreement to the contrary, Buyer shall not incur any penalty by forfeiture of earnest monies or otherwise be obligated to complete the purchase of the Home if Buyer cannot obtain a loan guaranteed by the VA, including without limitation, if the Total Purchase Price exceeds the reasonable value of the Home established by the VA or a VA lender pursuant to the Lender Appraisal Proceeding Program ("LAPP"). Buyer shall, however, have the privilege and option of proceeding with the consummation of the Agreement without regard to the amount of reasonable value established by the VA or a VA lender with LAPP authority. Buyer agrees that should Buyer elect to complete the purchase at an amount in excess of the reasonable value established by the VA or a VA LAPP

lender, Buyer shall pay such excess amount in cash from a source that Buyer agrees to disclose to the lender and the VA, which source Buyer represents and covenants will not be from borrowed funds except as approved by the VA.

2.2.2 To exercise the above-mentioned privilege and option to proceed at the Total Purchase Price, which is over and above the amount of reasonable value established by the VA or a VA LAPP lender, Buyer shall give Seller written notice of Buyer's intention to do so in accordance with the Agreement notice requirements. Said notice shall be given within five (5) days of Buyer's receipt of the amount of reasonable value established by the VA or a VA LAPP lender by returning to Seller a copy of this Addendum executed by Buyer in the "AGREE TO PROCEED" signature block below. In the event Buyer fails to give proper notice hereunder of Buyer's intention to proceed at the Total Purchase Price, the Agreement shall automatically become null and void and the parties shall promptly execute a written release of Buyer's Deposit, pursuant to which the Deposit shall immediately be returned in full to Buyer.

2.2.3 VA DOES NOT WARRANT THE VALUE OR THE CONDITION OF THE HOME (PROPERTY). BUYER (PURCHASER) SHOULD SATISFY HIMSELF/HERSELF THAT THE PRICE AND CONDITION OF THE HOME (PROPERTY) ARE ACCEPTABLE.

2.3 Special Trust Account. If Buyer is financing the purchase of the Home with a VA guaranteed loan, the Deposit received from Buyer prior to Closing shall be placed in a special trust account with Wilmington Savings Fund Society FSB, a Federal Savings Bank ("Trustee") in accordance with the provisions of a Lennar Deposits Trust Agreement ("Trust Agreement") between Lennar Corporation on behalf of Seller and the Trustee, and as required under 38 U.S.C. §3706 or other applicable law. In the event that the Agreement is cancelled for any reason other than Seller's default and pursuant to the provisions of the Trust Agreement, if Buyer seeks a refund of the Deposit from Seller and Seller refunds the Deposit directly to Buyer, Buyer hereby authorizes the Trustee to reimburse Seller for such refund. In consideration for either Seller's or Trustee's refund of the Deposit to Buyer, Seller and Lennar Corporation shall be unconditionally released from any claim arising out of or related to the Deposit and purchase of the Home and Trustee shall be unconditionally released from any claim arising out of or related to the escrow of the Deposit in connection with the purchase of the Home.

Buyer's Initials EFD SHD

3. Counterparts. This Addendum may be executed in counterparts, a complete set of which shall form a single Addendum.

4. Conflicts. In the event of any conflict between this Addendum and the Agreement, this Addendum shall control. In all other respects, the Agreement shall remain in full force and effect.

5. Entire Agreement. The Agreement, together with this Addendum and any other addenda and riders to the Agreement, contains the entire agreement between Buyer and Seller concerning the matters set forth herein. All prior discussions, negotiations and contracts relating to investors and occupancy requirements, if any, whether oral or written, are hereby superseded by these documents. No addition or modification of this Addendum or the Agreement shall be effective unless set forth in writing and signed by Buyer and an authorized agent of Seller.

DocuSigned by:
Edward F Dengg
802DBE5E215E4D2...
Buyer - Edward F Dengg
Date 3/9/2013

DocuSigned by:
Sylvia K Dengg
DE93A46291FB415...
Buyer - Sylvia K Dengg
Date 3/9/2013

Buyer -
Date

Buyer -
Date

SELLER: Lennar Carolinas, LLC
DocuSigned by:
Thomas J Filippello
23F4DD86541D4F7...
Authorized Agent of Seller - Thomas J Filippello
Date 3/19/2013

AGREE TO PROCEED

☐ **If this box is checked, Buyer is financing the purchase of the home with an FHA insured loan.** BY THE SIGNATURES BELOW, BUYER ACKNOWLEDGES THAT BUYER IS PURCHASING THE HOME WITH FULL KNOWLEDGE, UNDERSTANDING AND AGREEMENT THAT THE VALUE OF THE PROPERTY SET FORTH IN THE APPRAISED VALUE STATEMENT IS LESS THAN THE TOTAL PURCHASE PRICE. BUYER AGREES TO PROCEED WITH THE CLOSING OF THE PURCHASE OF THE HOME AT THE TOTAL PURCHASE PRICE, AND BUYER FURTHER AGREES TO PAY THE DIFFERENCE AT CLOSING. BUYER HEREBY EXECUTES THIS NOTICE WITHIN FIVE (5) DAYS OF BUYER'S RECEIPT OF THE FHA APPRAISED VALUE STATEMENT.

Buyer - Edward F Dengg	Buyer - Sylvia K Dengg
Date	Date
Buyer -	Buyer -
Date	Date

☒ **If this box is checked, Buyer is financing the purchase of the home with an VA guaranteed loan.** BY THE SIGNATURES BELOW, BUYER ACKNOWLEDGES THAT BUYER IS PURCHASING THE HOME WITH FULL KNOWLEDGE, UNDERSTANDING AND AGREEMENT THAT THE VALUE OF THE PROPERTY SET FORTH IN THE AMOUNT OF REASONABLE VALUE ESTABLISHED BY THE VA OR A VA LAPP LENDER IS LESS THAN THE TOTAL PURCHASE PRICE. BUYER AGREES TO PROCEED WITH THE CLOSING OF THE PURCHASE OF THE HOME AT THE TOTAL PURCHASE PRICE, AND BUYER FURTHER AGREES TO PAY THE DIFFERENCE AT CLOSING. BUYER HEREBY EXECUTES THIS NOTICE WITHIN FIVE (5) DAYS OF BUYER'S RECEIPT OF THE AMOUNT OF REASONABLE VALUE ESTABLISHED BY THE VA OR VA LAPP LENDER.

DocuSigned by: Edward F Dengg 802DBE5E215E402...	DocuSigned by: Sylvia K Dengg DE83A48201FB415...
Buyer - Edward F Dengg	Buyer - Sylvia K Dengg
Date 3/9/2013	Date 3/9/2013
Buyer -	Buyer -
Date	Date

CAUTION

U.S. Department of Housing and Urban Development
Federal Housing Administration (FHA)

OMB Approval No: 2502-0538
(exp 07/31/2009)

For Your Protection Get a Home Inspection

Why a Buyer Needs a Home Inspection
A home inspection gives the buyer more detailed information about the overall condition of the home prior to purchase. In a home inspection, a qualified inspector takes an in-depth, unbiased look at your potential new home to:
-Evaluate the physical condition: structure, construction, and mechanical systems;
-Identify items that need to be repaired or replaced; and
-Estimate the remaining useful life of the major systems, equipment, structure, and finishes.

Appraisals are Different from Home Inspections
An appraisal is different from a home inspection. Appraisals are for lenders; home inspections are for buyers. An appraisal is required to:
-Estimate the market value of a house;
-Make sure that the house meets FHA minimum property standards/requirements; and
-Make sure that the property is marketable.

FHA Does Not Guarantee the Value or Condition of your Potential New Home
If you find problems with your new home after closing, FHA can not give or lend you money for repairs, and FHA can not buy the home back from you. That is why it is so important for you, the buyer, to get an independent home inspection. Ask a qualified home inspector to inspect your potential new home and give you the information you need to make a wise decision.

Radon Gas Testing
The United States Environment Protection Agency and the Surgeon General of the United States have recommended that all houses should be tested for radon. For more information on radon testing, call the toll-free National Radon Information Line at 1-800-767-7236. As with a home inspection, if you decide to test for radon, you may do so before signing your contract, or you may do so after signing the contract as long as your contract states the sale of the home depends on your satisfaction with the results of the radon test.

Be an Informed Buyer
It is your responsibility to be an informed buyer. Be sure that what you buy is satisfactory in every respect. You have the right to carefully examine your potential new home with a qualified home inspector. You may arrange to do so before signing your contract, or may do so after signing the contract as long as your contract states that the sale of the home depends on the inspection.

HUD-92564CN (6/06)

CAUTION

I/we understand the importance of getting an independent home inspection. I/we have considered this before signing a contract with the seller for a home. Furthermore, I/we have carefully read this notice and fully understand that FHA will not perform a home inspection nor guarantee the price or condition of the propert

[X] **I/We choose to have a home inspection performed.**

[ ] **I/We choose not to have a home inspection performed.**

DocuSigned by: Edward F Dengg 802DBE5E215E4D2... 3/9/2013
Signature & Date - Edward F Dengg

DocuSigned by: Sylvia K Dengg DEB3A46291FB415... 3/9/2013
Signature & Date - Sylvia K Dengg

Signature & Date -

Signature & Date -

DocuSign Envelope ID: C28384C5-3479-4AF2-BBEE-6F07B7AA0C6E

Lennar Carolinas, LLC
1941 Savage Road, Ste. 100-C
Charleston, South Carolina 29407
843-388-8989

PURCHASE AND SALE AGREEMENT

PURSUANT TO SECTION 15-48-10, SOUTH CAROLINA CODE OF LAWS, 1976, AS AMENDED, THIS SHALL CONSTITUTE WRITTEN NOTICE THAT THIS AGREEMENT IS SUBJECT TO MANDATORY BINDING ARBITRATION PURSUANT TO SECTION 16 OF THIS AGREEMENT.

THIS PURCHASE AND SALE AGREEMENT (together with the Riders and Addenda attached hereto and incorporated by reference herein, this "Agreement") is made and entered into as of the ninth day of MARCH , 2013 by and between Lennar Carolinas, LLC ("Seller"), and Buyer(s) named below ("Buyer"):

BUYER(S): 1. Edward F Dengg 2. Sylvia K Dengg 3. 4. No Buyer Changes Will Be Permitted	Check Applicable: Married ☐ Single☐ Male ☐ Female☐ Married ☐ Single☐ Male ☐ Female☐ Married ☐ Single☐ Male ☐ Female☐ Married ☐ Single☐ Male ☐ Female☐

Buyer Address: 9805 Gateway Dr.		
City: Jeffersontown	State / Country: KY	Zip: 40299

By providing your telephone and fax numbers and your email address, you hereby consent to receiving telephonic, fax and email communications, including advertisements, made or sent by or on behalf of Seller and/or its affiliates.

Home Telephone: +1 502 2679571	**Facsimile Numer:**
Business Telephone:	**Email Address:** eddydengg@insightbb.com
Cellular Telephone: +1 502 5587484	

1. Purchase and Sale. Buyer agrees to buy and Seller agrees to sell to Buyer (on the terms and conditions set forth below) Model ROSEWOOD constructed or to be constructed on the following described property:
Lot 0019 of Block_____ of The Abbey at Spring Grove Subdivision/Plat, in Berkeley County (the "County"), South Carolina

Address: 238 Maywood Drive Moncks Corner SC 29461

The residence and improvements (the "Home") constructed or to be constructed on the above described property (the "Homesite"), and all appurtenances thereto are collectively referred to in this Agreement as the "Property." The Property is located within the community known as The Abbey at Spring Grove (the "Community").

2. Purchase Price and Payments. The total purchase price ("Total Purchase Price") for the Home, exclusive of any Builder's Fee, as applicable, and Closing Costs as described in Rider B and the Purchase Price and Payment Addendum, is $ 164,290.00. Buyer (and not a third party) has made an earnest money deposit upon the signing of this Agreement (the "Initial Deposit") of $ 1,000.00. Buyer shall make further payments to Seller, including but not limited to any "Additional Deposit" or "Advanced Payment" (consisting of non-refundable deposit(s) for options, extras, and upgrades) as set forth in the Purchase Price and Payment Addendum attached hereto and made a part hereof. The term "Deposit" shall include the Initial Deposit, Additional Deposit and Advanced Payment.

3. Legally Binding Agreement. THIS AGREEMENT IS A LEGALLY BINDING CONTRACT. IF NOT FULLY UNDERSTOOD, PLEASE SEEK COMPETENT LEGAL ADVICE. NO WARRANTIES OR REPRESENTATIONS, OTHER THAN THOSE SPECIFIED IN THIS AGREEMENT, ARE EXPRESSED OR IMPLIED. ORAL REPRESENTATIONS CANNOT BE RELIED UPON AS CORRECTLY STATING THE REPRESENTATIONS OF SELLER. FOR CORRECT WARRANTIES AND REPRESENTATIONS, REFERENCE SHOULD BE MADE TO THIS AGREEMENT, INCLUDING THE RIDERS AND ADDENDA ATTACHED HERETO, AND THE "DOCUMENTS" (AS SUCH TERM IS DEFINED IN RIDER B) PROVIDED TO BUYER, IF ANY.

4. Financing.

☐ NO CONTINGENCY. If this box is checked, this is a cash transaction and not contingent on financing. Buyer agrees to provide within five (5) calendar days from the Buyer's execution of this Agreement financial statements or other written verification of Buyer's ability to purchase the Property with cash. If Buyer does not (in Seller's sole judgment, based on the documentation provided by Buyer to Seller) have the financial ability to purchase the Property with cash, then Seller may terminate this Agreement by refunding to Buyer any paid Deposit.

☒ MORTGAGE CONTINGENCY. If this box is checked, this Agreement is contingent on Buyer obtaining a loan commitment within the Mortgage Contingency Period (as such term is defined in Rider B attached hereto) for a first mortgage loan from Universal

American Mortgage Company, LLC (an affiliate of Seller), or another qualified institutional mortgage lender of Buyer's choice ("Lender"), with interest, term and service charges at current market rates at time of Closing (as defined below) for a borrower of Buyer's credit qualifications (the "Mortgage Contingency"). Buyer agrees to apply within five (5) calendar days from the execution of this Agreement for a loan at the then prevailing interest rate and terms (the "Mortgage Contingency Period"). In the event Buyer chooses to obtain financing through a Lender other than Universal American Mortgage Company, LLC, Buyer agrees to promptly provide Seller, upon Seller's request, with the name, address and phone number of such Lender, the loan officer and the loan processor. Buyer shall furnish promptly and accurately to Lender all information and documents requested by Lender in connection with such application. If Buyer properly makes and pursues the loan application as provided herein but is unable to provide Seller with a copy of a written loan commitment reasonably satisfactory to Seller within the Mortgage Contingency Period, or if Buyer is at any time disapproved for such loan (and Buyer does not cancel or withdraw his/her loan application), then Seller, at its sole discretion, may cancel this Agreement by written notice to Buyer, at Buyer's last known address, in which event Seller shall refund any paid Deposit made by Buyer. If Buyer properly makes and pursues the loan application as provided herein but is unable to obtain mortgage loan financing, despite Buyer's good faith efforts to do so, and Buyer is not otherwise in default under this Agreement, and further provided that Buyer provides Seller with documentation from Lender that the loan has been declined, Buyer may cancel this Agreement by giving written notice to Seller within the Mortgage Contingency Period, in which event Seller shall refund any paid Deposit. If this Agreement provides for a VA guaranteed or FHA-insured loan, Buyer's obligation to complete the purchase contemplated under this Agreement is subject to the VA/FHA Addendum attached hereto and incorporated herein.

The following shall apply only if this Agreement is subject to the Mortgage Contingency, as indicated above:

4.1 Mortgage Loan. Unless Buyer shall have otherwise notified Seller in writing within the Mortgage Contingency Period, Buyer shall be conclusively presumed to have obtained the loan commitment or agreed to purchase the Property without mortgage financing, and the Mortgage Contingency shall be deemed to have been satisfied.

4.2 Application. Buyer understands that any loan application required under this Agreement must be fully completed in order to obtain the mortgage loan, and Buyer will make a good faith attempt to qualify for the mortgage loan. If Buyer has a spouse who does not constitute a Buyer under this Agreement, Buyer agrees to have his/her spouse sign the mortgage documents as required by Lender. BUYER AGREES TO INCUR NO DEBT SUBSEQUENT TO THE DATE HEREOF WHICH MIGHT JEOPARDIZE APPROVAL OF BUYER'S MORTGAGE LOAN. IF THE PROPERTY IS BEING PURCHASED BY A CORPORATION, PARTNERSHIP, OR OTHER ENTITY, BUYER AGREES TO (1) OBTAIN ANY PERSONAL ENDORSEMENTS OR GUARANTEES REQUIRED BY LENDER AND (2) PROVIDE TO LENDER AND/OR THE TITLE INSURER PROMPTLY UPON REQUEST SUCH CERTIFICATES, RESOLUTIONS OR OTHER CORPORATE, PARTNERSHIP OR OTHER ORGANIZATIONAL DOCUMENTS AS MAY BE REQUIRED. Except as provided in this Agreement, Buyer agrees to pay all loan fees and closing costs charged by Lender in connection with the mortgage loan. Buyer will pay any prepaid interest due on the mortgage loan at the time of Closing and any amount Lender may require to be put into escrow toward the payment of property taxes and insurance on the Property. Buyer will also pay any mortgage insurance premiums (prepaid or otherwise), if required by Lender.

4.3 Commitment. Buyer understands that the rate of interest on the mortgage is established by Lender and not by Seller and that any predictions or representations of present or future interest rate that may have been contained in any advertising or promotion by Seller are not binding. If Buyer obtains a written mortgage loan commitment and the mortgage loan commitment is subsequently withdrawn through no fault of Seller including, but not limited to, any condition to such loan commitment not being satisfied for any reason (other than failure of the Property to appraise equal to or greater than the Total Purchase Price), this Agreement shall remain in full force and effect and Buyer shall be conclusively presumed to have agreed to purchase the Property without mortgage financing. If the Lender's appraiser does not appraise the Property for the Total Purchase Price then Seller shall have the option in, Seller's sole discretion, to (i) lower the Total Purchase Price to the appraised value and Buyer shall proceed to Closing, or (ii) terminate this Agreement and return the Deposits to Buyer. If Buyer obtains a loan commitment containing any special condition that is not ordinarily contained in typical loan commitments for the Community, Seller, in Seller's sole discretion, may treat Buyer's loan application as having been denied; whereupon, Seller shall have the rights set forth in this Section 4.

4.4 Sale of Other Residence. Unless the Home Sale Contingency Addendum is executed, Buyer represents and warrants that this Agreement and the mortgage loan referenced herein, are not and will not be subject to or contingent upon Buyer's selling and/or closing on the sale of Buyer's present residence or other property. Failure to close on the purchase of the Property will constitute a default by Buyer and the remedies available to Seller for Buyer's default under this Agreement shall apply.

5. **Funds**. Any funds paid by Buyer under the terms of this Agreement to Seller through a check or cashier's check are accepted by Seller subject to collection. Buyer acknowledges that Seller shall have the right to deposit such check for the Initial Deposit without such action being deemed acceptance of this Agreement. If any such check is not paid by the bank after acceptance of this Agreement, Seller shall have the option to cancel this Agreement and declare Buyer in default. If Buyer provides any check for a Deposit in the form of Canadian currency (a "**C$ check**"), Seller's depository bank will convert such C$ check into a U.S. dollar amount using its currency procedures and exchange rate then in effect two (2) business days following the date of processing (the "**Conversion Date**") and the amount of the Deposit to be applied toward the Total Purchase Price shall be equal to the amount received by Seller from the depository bank on the Conversion Date. Seller reserves the right to charge or pass through any currency conversion-related fees or costs to the Buyer at Closing (as hereafter defined). Notwithstanding the foregoing or anything contained in the Agreement to the contrary, the balance of the Total Purchase Price plus all applicable Closing Costs (the "**Closing Proceeds**") shall be paid to Seller at Closing by wire transfer in immediately available funds or by cashier's check (subject to collection) issued by a bank with a branch in the County where the Property is located. If Buyer delivers all or any portion of the Closing Proceeds in the form of a cashier's check exceeding $25,000.00, then Buyer will not be entitled to possession of the Home until the Closing Proceeds have cleared.

6. **Credit Information Authorization**. Buyer authorizes Lender to whom Buyer has applied or is in the process of applying for a mortgage loan in connection with this transaction to disclose to Seller the information contained in any loan application, verification of deposit, income and employment, and credit reports or credit related documentation on Buyer. Buyer authorizes Seller to order one or more credit reports from a consumer reporting agency to be used in connection with this transaction. The cost of said report(s) is

(are) to be paid by Buyer. Buyer authorizes Seller to forward all copies of all or any portion of such report(s) without interpretation to Lender who (at the request of Buyer) will evaluate a potential extension of credit to Buyer in connection with this transaction. Buyer authorizes Lender, and any credit bureau or other person or entity utilized or engaged by Lender, to obtain one or more consumer reports regarding Buyer and to investigate any information, reference, statement, or data, provided to Lender by Buyer or by any other person or entity, pertaining to Buyer's credit and financial status. Buyer shall indemnify, defend and hold harmless Seller, its officers, directors, shareholders, employees, agents, contractors, subcontractors and suppliers ("Indemnified Parties"), Lender, and any credit bureau or other person or entity utilized or engaged by Lender or Seller, from and against any deficiencies, losses, liabilities, claims, damages, expenses, obligations, penalties, actions, judgments, awards, suits, costs or disbursements of any kind or nature whatsoever, including attorneys' fees and expenses ("Claims") arising from an investigation of Buyer's credit and financial status.

7. Closing. Without limiting the terms of Section 8, Buyer acknowledges and agrees that Seller has the right in its sole discretion to schedule the date, time and place for the closing of the transaction contemplated by this Agreement ("Closing") and Buyer shall close on such Closing Date (the "Closing Date"). Buyer will be given notice of the Closing Date, time and place by the "Closing Date Notice Period" (as such term is defined in Rider B attached hereto). Seller is authorized to postpone or advance the date of Closing at its discretion. Seller must, however, give Buyer reasonable notice of the new Closing Date. Any notice of Closing may be given verbally, by telephone, telegraph, telex, facsimile, mail, e-mail, or other means of communication at Seller's option. All notices of Closing will be given to Buyer at the address or by use of the telephone number(s) or e-mail address(es) specified on page 1 of this Agreement unless Seller has received written notice from Buyer of any change therein prior to the date notice of Closing is given. Buyer's failure to receive the notice of Closing because Buyer has failed to advise Seller of any changes of address or phone number, or because Buyer has failed to pick up a letter when Buyer has been advised of an attempted delivery or for any other reason, shall not relieve Buyer of Buyer's obligation to close on the scheduled Closing Date, unless Seller otherwise agrees in writing to postpone the Closing Date. To the extent not prohibited by applicable law, if Seller, in its sole discretion, agrees in writing to reschedule the Closing Date at Buyer's request, or because Buyer (if a corporation) has failed to produce all corporate documents requested by Seller, or for any other reason (except for delay required by Seller), then (1) Seller may impose a late charge as liquidated damages for such delay equal to One Hundred Twenty-Five Dollars ($125.00) per day for every day from the original Closing Date through the date that the transaction closes, and (2) Seller may require that prorations be made as of the original Closing Date. Buyer agrees the late charge is appropriate in order to cover Seller's administrative and other expenses resulting from a delay in Closing and that the amount of liquidated damages is fixed and agreed to by the parties as a reasonable estimate of the damages that Seller shall suffer and is not in the nature of a penalty. Seller is not required to agree to reschedule Closing, but Seller may reschedule Closing in Seller's sole discretion.

8. Completion Date. It is expressly agreed by Buyer that notwithstanding anything to the contrary specified herein or verbally represented (including but not limited to Seller's sales representative), any scheduled completion date is a good faith estimate, and Seller makes no promises or representations concerning the date of completion. Buyer agrees that Buyer has not relied, and will not rely upon, any estimated completion date for any purpose whatsoever, including, without limitation, relocation of residence, storage of personal property, or lock-in financing, and Buyer agrees that Seller shall not be liable for any additional costs, expenses or damages whatsoever should the Home not be completed by an estimated completion date. Notwithstanding the foregoing, Seller is required to complete and does agree that the construction of the Home shall be completed not later than two (2) years from the date of Buyer's execution of this Agreement. If construction is delayed by any event recognized by the law of the state in which the Home is located as a defense to a contract action for non-performance or a delay in performance, then the date of completion shall be extended by the delay period. It is the express intent of the parties that the parties' rights and obligations under this Agreement be construed in the manner necessary to exempt this Agreement and the sale of the Property from registration under the Interstate Land Sales Full Disclosure Act, and both Buyer and Seller hereby expressly waive any right or provision of this Agreement that would otherwise preclude such exemption.

9. Casualty Before Closing. If the Property is damaged by fire, act of terrorism or other casualty before Closing and the cost of restoration does not exceed three percent (3%) of the Total Purchase Price and repairs will not substantially delay Closing, Seller shall repair the damage and Closing shall proceed pursuant to the terms of this Agreement. If the cost of restoration exceeds three percent (3%) of the Total Purchase Price or the repairs would substantially delay Closing, Buyer shall have the option to: (1) terminate this Agreement and receive a refund of the Deposit made by Buyer to Seller, in which event both parties shall be released from all obligations under this Agreement, or (2) have Seller repair the damage as soon as reasonably possible, and Closing shall be extended until such repair or rebuilding is complete.
Notwithstanding the foregoing, if all or a portion of the Property is damaged by fire, act of terrorism or other casualty and (1) the plans, specifications or construction materials for the Property must be materially modified in order to repair or reconstruct the Property, or (2) the repair or reconstruction of the Property substantially in accordance with the plans and specifications is rendered impossible by any cause recognized by the law of the state in which the Property is located as a defense to a contract action for non-performance, then Seller shall have the right to terminate this Agreement and Buyer shall receive a refund of the Deposit made by Buyer to Seller in which event both parties shall be released from all obligations under this Agreement.

10. Deed. Seller shall convey title to Buyer at Closing by delivery to Buyer of a General Limited Warranty Deed (the "Deed") describing the Property, which Deed shall convey title to Buyer subject to all matters described in this Agreement.

11. Closing and Title Matters. Title to the Property to be delivered to Buyer at Closing will be marketable and insurable, subject only to the following matters:

11.1 Title to the Property shall be subject to the following: (1) zoning, building codes, bulkhead laws, ordinances, regulations, rights or interests vested in the United States of America or the state in which the Community is located; (2) real estate taxes and other taxes for the year of conveyance and subsequent years including taxes or assessments of any special taxing or community development district (including assessments relating to capital improvements and bonds); (3) the general printed exceptions contained in an owner's title insurance policy; (4) utility easements, sewer agreements, telephone agreements, cable agreements, telecommunications agreements, monitoring agreements, restrictions and reservations common to any plat affecting title to the Property; (5) matters that would be disclosed by an accurate survey or inspection of the Property; (6) the Documents; (7) any laws and restrictions, covenants, conditions, limitations, reservations, agreements or easements recorded in the public records for the County (for example, use limitations and obligations, easements (right-of-way) and agreements relating to telephone, gas or electric lines, water and sewer lines and drainage, provided they do not prevent use of the Property for single family residential purposes); (8) minor encroachments on easements that do not

substantially interfere with an easement holder's interest in the Property; and (9) acts done or suffered by Buyer and any mortgage or deed of trust obtained by Buyer for the purchase of the Property. It is Buyer's responsibility to review and become familiar with each of the foregoing title matters, some of which are covenants running with the land. If any title defects are discovered by Buyer after Closing, Buyer's sole remedy shall be to make a claim to Buyer's title insurer.

11.2 Seller shall convey title to Buyer at Closing by delivery to Buyer of the Deed, which shall convey title to Buyer subject to all matters described in Section 11.1 of this Agreement. Any such matters omitted from the Deed shall nevertheless be deemed to be included in the Deed.

11.3 Seller shall provide an affidavit complying with the Foreign Investment in Real Property Tax Act of 1980, as amended, upon written request of Buyer.

11.4 Seller may not own title to the Property as of the date of this Agreement or at Closing. However, Seller shall obtain title to the Property on or before the Closing Date or effect the necessary transfer of title on or before the date when Seller causes title to be transferred to Buyer.

11.5 If Seller cannot provide marketable and insurable title as described above, such failure shall not be an event of default and Seller will have a reasonable period of time (at least one hundred and twenty (120) days from the date of the scheduled Closing Date) to attempt to correct any defects in title; provided, however, Seller shall not be obligated to incur any expense, nor institute any litigation, to clear title to the Property. If Seller cannot or elects not to correct the title defects, Seller shall so notify Buyer within such period, and Buyer may thereafter elect (by written notice from Buyer to Seller) one of the following two (2) options: (1) to accept title in the condition offered (with defects) and pay the balance of the Total Purchase Price for the Property (without set off or deduction therefor), thereby waiving any claim with respect to such title defects and Buyer will not make any claims against Seller because of the title defects; or (2) to terminate this Agreement and receive a full refund of the Deposit deposited hereunder. If all such amounts are refunded, Buyer agrees to accept it as full payment of Seller's liability hereunder, whereupon this Agreement shall be terminated and Seller shall thereafter be relieved and released of all further liability hereunder. Buyer shall not thereafter have any rights to make any additional claims against Seller. In the event Buyer does not notify Seller in writing within five (5) calendar days from the receipt of Seller's notice (time being strictly of the essence) as to which option Buyer elects, Buyer shall be conclusively presumed to have elected option (1) set forth above in this subsection.

11.6 The acceptance of the Deed by Buyer shall be deemed to be full performance and discharge of every agreement and obligation on the part of Seller to be performed pursuant to this Agreement, except those which are herein specifically deemed to survive Closing or which may survive by operation of law, if any.

11.7 Title to the Property will be deemed marketable if an owner's policy is issued with standard exceptions.

11.8 All of the terms of this Section 11 shall survive Closing and the delivery of the Deed.

12. Closing Costs. The respective responsibilities of Buyer and Seller for all costs, prorations and fees payable at Closing (the "Closing Costs") are shown in Rider B attached hereto.

13. Site and Substitutions. The materials, equipment and fixtures included in and to be used in constructing the Home will be substantially the same as or similar in quality to those described in the applicable plans and specifications (except as to extras, options and/or upgrades).

13.1 Changes to Plans and Specifications.

13.1.1 Industry Practice. It is widely observed construction industry practice for pre-construction plans and specifications for any home or building to be changed and adjusted from time to time in order to accommodate on-going site conditions and in the field construction factors. These changes and adjustments are essential in order to permit all components of the Home to be integrated into a well-functioning and aesthetically pleasing product in an expeditious manner. Based on the foregoing, Buyer acknowledges that such changes and adjustments may occur and agrees that it is reasonable and to Buyer's benefit to allow Seller the flexibility to make such changes and adjustments to the Home.

13.1.2 Seller's Absolute Right to Make Modifications to Plans and Specifications. Seller has the absolute right to make modifications to the plans and specifications for the Home. Without limiting the generality of the foregoing, Buyer specifically agrees that changes in the dimensions of rooms and patios, entrances and terraces, if applicable, and changes in room size, in the locations of windows, doors, walls, partitions, utility lead-ins and outlets (including, but not limited to, electrical, cable television, and telephone), air-conditioning components, lighting fixtures and electrical panel boxes may be made by Seller in its sole discretion, provided however that changes in the layout and dimensions of the Home shall not substantially affect the value of the Home. Such changes may also include, but are not limited to, changes in the building location, setbacks and facing, the building's external configuration, its structural components, its finishes and the landscaping associated therewith.

13.1.3 Buyer's Acceptance of Actual Floor Plan. Buyer further understands and acknowledges that many of the Homes to be constructed within the Community require floor plans which are opposite (i.e. flipped) mirror images of the model floor plan and Buyer fully understands and accepts the floor plan configuration for the Home and improvements to be constructed within the Home.

13.1.4 No Warranty for Plans and Specifications on File. Buyer further acknowledges and agrees that (1) the plans and specifications of the Home and the Community on file with the applicable governmental authorities may not be identical in detail to Seller's plans and specifications, and (2) because of the day-to-day nature of the changes described in this Section 13, the plans and specifications on file with the applicable governmental authorities may not include some or any of these changes (there being no legal requirement to file all changes with such authorities). As a result of the foregoing, Buyer and Seller both acknowledge and agree that the Home and the Community may

not be constructed in accordance with the plans and specifications on file with the applicable governmental authorities. Without limiting the generality of the provisions of Rider B attached hereto, Seller disclaims and Buyer waives any and all express or implied warranties that construction will be accomplished in compliance with such plans and specifications. Seller has not given and Buyer has not relied on or bargained for any such warranties. In furtherance of the foregoing, in the event of any conflict between the actual construction of the Home and/or the Community, and that which is set forth on the plans and specifications, Buyer agrees that the actual construction shall prevail and to accept the Home and Community as actually constructed (in lieu of what is set forth on the plans and specifications).

13.2 Lot Change. In the event that Seller, in its sole discretion, determines that the Model of the Home selected under this Agreement cannot reasonably be built on the Homesite, then Buyer and Seller hereby agree that they will negotiate in good faith to relocate the Home to another lot in the Community, provided however that there are lots available for sale. If no replacement lot is available, then Buyer may terminate this Agreement and will be entitled to a refund of any paid Deposit.

13.3 Decorative and Landscaping Items.

13.3.1 Buyer understands and agrees that certain of the finishing items, such as tile, marble, carpet, cabinets, stone, brickwork, wood, paint, stain and mica are subject to size and color variations, grain and quality variations, and may vary in accordance with price, availability and changes by manufacturers from those shown in the model, if any, or in illustrations or brochures or those included in the specifications. Furthermore, if circumstances arise that, in Seller's opinion, warrant changes of subcontractors, suppliers, manufacturers, brand names or items, Seller reserves the right to substitute equipment, materials, appliances, etc., which in Seller's opinion are considered to be of quality substantially similar or equal, or of better quality, subject to their availability. Buyer also understands that Seller has the right to substitute or change materials and/or stain colors utilized in wood decor, if any.

13.3.2 Lot grades, lot area, options, facades, shrubs, trees, trim, built-ins, wall treatments, window treatments, furniture, furnishings, fences, decks, locations of walks, driveways and other items in or about a model home area in the subdivision are for display purposes only and are not included in the Total Purchase Price unless otherwise expressly provided herein. Seller has the right to remove any existing trees on the Property or on the surrounding area for any reason. Buyer further understands and agrees that the following items (which may be seen in models or shown in illustrations) will also not be included with the sale of the Home: wall coverings, paint colors, accent light fixtures, wall ornaments, drapes, blinds, bedspreads, furniture, furnishings, wet bars, monitoring systems, certain built-in fixtures, special floor coverings, wood trim, upgraded items and/or any other items of this nature which may be added or deleted from time to time. This list of items (which is not all-inclusive) is provided as an illustration of the type of items built-in or placed upon models or shown in illustrations strictly for purposes of decoration and example only.

13.4 Deed. By acceptance of the Deed, Buyer accepts all variations of the Home.

13.5 Survival. All of the terms of this Section 13 shall survive Closing and the delivery of the Deed.

14. **Buyer's Default.** In the event of Buyer's default and to the extent allowed by law, Seller shall be entitled to keep, as liquidated damages and not as a penalty, Buyer's Deposit not to exceed fifteen percent (15%) of the Total Purchase Price, except that Seller may, in addition, keep, as liquidated damages and not as a penalty, any and all Advanced Payments made by Buyer to Seller for options, extras or upgrades for which Seller has made contractual commitments or incurred liability by placing orders or otherwise. Buyer agrees that actual damages in the event of breach by Buyer would be costly and difficult to calculate, and that such liquidated damages are a fair and reasonable remedy and shall not be considered a penalty. The provisions of this Section shall survive the termination of this Agreement.

15. **Seller's Default.** In the event of Seller's default and to the extent allowed by law, Buyer may recover actual damages but shall not be entitled to special, consequential or punitive damages. Notwithstanding the foregoing, Buyer retains all remedies at law and in equity with respect to Seller's obligation to complete the Home within two (2) years pursuant to Section 8 above. Notwithstanding anything to the contrary in this Agreement, Buyer releases and holds harmless Seller's past and present officers and employees from all claims, liabilities, and causes of action of any nature. Buyer now has or may have arising from any act or omission of Seller's officers or employees related to Lennar's performance of its obligations under this Agreement and Lennar's construction of a Home on the Homesite. The provisions of this Section shall survive the termination of this Agreement.

16. **Mediation / Arbitration of Disputes.**

16.1 The parties to this Agreement specifically agree that this transaction involves interstate commerce and that any Dispute (as hereinafter defined) shall first be submitted to mediation and, if not settled during mediation, shall thereafter be submitted to binding arbitration as provided by the Federal Arbitration Act (9 U.S.C. §§1 et seq.) and not by or in a court of law or equity. "Disputes" (whether contract, warranty, tort, statutory or otherwise), shall include, but are not limited to, any and all controversies, disputes or claims (1) arising under, or related to, this Agreement, the Property, the Community or any dealings between Buyer and Seller; (2) arising by virtue of any representations, promises or warranties alleged to have been made by Seller or Seller's representative; and (3) relating to personal injury or property damage alleged to have been sustained by Buyer, Buyer's children or other occupants of the Property, or in the Community. Buyer has executed this Agreement on behalf of his or her children and other occupants of the Property with the intent that all such parties be bound hereby. Any Dispute shall be submitted for binding arbitration within a reasonable time after such Dispute has arisen. Nothing herein shall extend the time period by which a claim or cause of action may be asserted under the applicable statute of limitations or statute of repose, and in no event shall the Dispute be submitted for arbitration after the date when institution of a legal or equitable proceeding based on the underlying claims in such Dispute would be barred by the applicable statute of limitations or statute of repose.

16.2 Any and all mediations commenced by any of the parties to this Agreement shall be filed with and administered by the

American Arbitration Association or any successor thereto ("AAA") in accordance with the AAA's Home Construction Mediation Procedures in effect on the date of the request. If there are no Home Construction Mediation Procedures currently in effect, then the AAA's Construction Industry Mediation Rules in effect on the date of such request shall be utilized. Any party who will be relying upon an expert report or repair estimate at the mediation shall provide the mediator and the other parties with a copy of the reports. If one or more issues directly or indirectly relate to alleged deficiencies in design, materials or construction, all parties and their experts shall be allowed to inspect, document (by photograph, videotape or otherwise) and test the alleged deficiencies prior to mediation. Unless mutually waived in writing by the parties, submission to mediation is a condition precedent to either party taking further action with regard to any matter covered hereunder.

16.3 If the Dispute is not fully resolved by mediation, the Dispute shall be submitted to binding arbitration and administered by the AAA in accordance with the AAA's Home Construction Arbitration Rules in effect on the date of the request. If there are no Home Construction Arbitration Rules currently in effect, then the AAA's Construction Industry Arbitration Rules in effect on the date of such request shall be utilized. Any judgment upon the award rendered by the arbitrator may be entered in and enforced by any court having jurisdiction over such Dispute. If the claimed amount exceeds $250,000.00 or includes a demand for punitive damages, the Dispute shall be heard and determined by three arbitrators; however, if mutually agreed to by the parties, then the Dispute shall be heard and determined by one arbitrator. Arbitrators shall have expertise in the area(s) of Dispute, which may include legal expertise if legal issues are involved. All decisions respecting the arbitrability of any Dispute shall be decided by the arbitrator(s). At the request of any party, the award of the arbitrator(s) shall be accompanied by detailed written findings of fact and conclusions of law. Except as may be required by law or for confirmation of an award, neither a party nor an arbitrator may disclose the existence, content, or results of any arbitration hereunder without the prior written consent of both parties.

16.4 The waiver or invalidity of any portion of this Section shall not affect the validity or enforceability of the remaining portions of this Section. Buyer and Seller further agree (1) that any Dispute involving Seller's affiliates, directors, officers, employees and agents shall also be subject to mediation and arbitration as set forth herein, and shall not be pursued in a court of law or equity; (2) that Seller may, at its sole election, include Seller's contractors, subcontractors and suppliers, as well as any warranty company and insurer as parties in the mediation and arbitration; and (3) that the mediation and arbitration will be limited to the parties specified herein.

16.5 To the fullest extent permitted by applicable law, Buyer and Seller agree that no finding or stipulation of fact, no conclusion of law, and no arbitration award in any other arbitration, judicial, or similar proceeding shall be given preclusive or collateral estoppel effect in any arbitration hereunder unless there is mutuality of parties. In addition, Buyer and Seller further agree that no finding or stipulation of fact, no conclusion of law, and no arbitration award in any arbitration hereunder shall be given preclusive or collateral estoppel effect in any other arbitration, judicial, or similar proceeding unless there is mutuality of parties.

16.6 Unless otherwise recoverable by law or statute, each party shall bear its own costs and expenses, including attorneys' fees and paraprofessional fees, for any mediation and arbitration. Notwithstanding the foregoing, if a party unsuccessfully contests the validity or scope of arbitration in a court of law or equity, the noncontesting party shall be awarded reasonable attorneys' fees, paraprofessional fees and expenses incurred in defending such contest, including such fees and costs associated with any appellate proceedings. In addition, if a party fails to abide by the terms of a mediation settlement or arbitration award, the other party shall be awarded reasonable attorneys' fees, paraprofessional fees and expenses incurred in enforcing such settlement or award.

16.7 Buyer may obtain additional information concerning the rules of the AAA by visiting its website at www.adr.org or by writing the AAA at 335 Madison Avenue, New York, New York 10017.

16.8 Seller supports the principles set forth in the Consumer Due Process Protocol developed by the National Consumer Dispute Advisory Committee and agrees to the following:

16.8.1 Notwithstanding the requirements of arbitration stated in Section 16.3 of this Agreement, Buyer shall have the option, after pursuing mediation as provided herein, to seek relief in a small claims court for disputes or claims within the scope of the court's jurisdiction in lieu of proceeding to arbitration. This option does not apply to any appeal from a decision by a small claims court.

16.8.2 Seller agrees to pay for one (1) day of mediation (mediator fees plus any administrative fees relating to the mediation). Any mediator and associated administrative fees incurred thereafter shall be shared equally by the parties.

16.8.3 The fees for any claim pursued via arbitration in an amount of $10,000.00 or less shall be apportioned as provided in the Home Construction Arbitration Rules of the AAA or other applicable rules.

16.9 Notwithstanding the foregoing, if either Seller or Buyer seeks injunctive relief, and not monetary damages, from a court because irreparable damage or harm would otherwise be suffered by either party before mediation or arbitration could be conducted, such actions shall not be interpreted to indicate that either party has waived the right to mediate or arbitrate. The right to mediate and arbitrate should also not be considered waived by the filing of a counterclaim by either party once a claim for injunctive relief had been filed with a court.

16.10 Buyer and Seller specifically agree that notwithstanding anything to the contrary, the rights and obligations set forth in this Section 16 shall survive (1) Closing and the delivery of the Deed; (2) the termination of this Agreement by either party; or (3) the default of this Agreement by either party.

17. Other Dispute Resolutions. Notwithstanding the parties' obligation to submit any Dispute to mediation and arbitration, in the event that a particular dispute is not subject to the mediation or the arbitration provisions of Section 16, then the parties agree to the following provisions: **BUYER ACKNOWLEDGES THAT JUSTICE WILL BEST BE SERVED IF ISSUES REGARDING THIS AGREEMENT ARE HEARD BY A JUDGE IN A COURT PROCEEDING, AND NOT A JURY. BUYER AND**

SELLER AGREE THAT ANY DISPUTE, CLAIM, DEMAND, ACTION, OR CAUSE OF ACTION SHALL BE HEARD BY A JUDGE IN A COURT PROCEEDING AND NOT A JURY. BUYER AND SELLER HEREBY WAIVE THEIR RESPECTIVE RIGHT TO A JURY TRIAL. SELLER HEREBY SUGGESTS THAT BUYER CONTACT AN ATTORNEY OF BUYER'S CHOICE IF BUYER DOES NOT UNDERSTAND THE LEGAL CONSEQUENCES OF EXECUTING THIS AGREEMENT. All of the terms of this Section 17 shall survive Closing and the delivery of the Deed.

18. Selling Agent, Cooperating Broker, and Seller's New Home Consultant. Unless a Purchase Price and Payment Addendum indicating otherwise is attached hereto, Buyer represents to Seller that Buyer has not consulted, dealt or negotiated with a real estate broker, salesperson or agent other than Seller's sales personnel located at Seller's sales office. Buyer agrees that Seller is not responsible for the payment of a commission to a real estate broker, salesperson or agent other than Seller's sales personnel. Buyer shall indemnify, defend and hold harmless Indemnified Parties from and against any and all Claims resulting from or arising out of any representation or breach of a representation or warranty set forth in this Section. In addition, Buyer acknowledges and understands that Seller's New Home Consultant ("NHC") and Internet New Home Consultant ("INHC") are agents of Seller, are acting solely for the Seller's interests, and are not acting in any representative capacity for Buyer. Buyer should not disclose any information to Seller's NHC and/or INHC that Buyer considers to be confidential or otherwise does not want disclosed to Seller.

Buyer's Initials EFD SHD

19. Construction Activities. ALL OWNERS, OCCUPANTS AND USERS OF THE COMMUNITY ARE HEREBY PLACED ON NOTICE THAT (1) SELLER AND/OR ITS AGENTS, CONTRACTORS, SUBCONTRACTORS, LICENSEES AND OTHER DESIGNEES, AND/OR (2) ANY OTHER PARTIES, WILL BE, FROM TIME TO TIME, CONDUCTING BLASTING, EXCAVATION, CONSTRUCTION AND OTHER ACTIVITIES WITHIN OR IN PROXIMITY TO THE COMMUNITY. BY THE ACCEPTANCE OF THEIR DEED OR OTHER CONVEYANCE OR MORTGAGE, LEASEHOLD, LICENSE OR OTHER INTEREST, AND BY USING ANY PORTION OF THE COMMUNITY, EACH SUCH OWNER, OCCUPANT AND USER AUTOMATICALLY ACKNOWLEDGES, STIPULATES AND AGREES (1) THAT NONE OF THE AFORESAID ACTIVITIES SHALL BE DEEMED NUISANCES OR NOXIOUS OR OFFENSIVE ACTIVITIES, HEREUNDER OR AT LAW GENERALLY, (2) NOT TO ENTER UPON, OR ALLOW THEIR CHILDREN OR OTHER PERSONS UNDER THEIR CONTROL OR DIRECTION TO ENTER UPON (REGARDLESS OF WHETHER SUCH ENTRY IS A TRESPASS OR OTHERWISE) ANY PROPERTY WITHIN OR IN PROXIMITY TO THE AREA OF THE COMMUNITY WHERE SUCH ACTIVITY IS BEING CONDUCTED (EVEN IF NOT BEING ACTIVELY CONDUCTED AT THE TIME OF ENTRY, SUCH AS AT NIGHT OR OTHERWISE DURING NON-WORKING HOURS), (3) TO THE EXTENT PERMITTED OR NOT PROHIBITED UNDER APPLICABLE LAW, SELLER AND THE OTHER AFORESAID RELATED PARTIES SHALL NOT BE LIABLE FOR ANY AND ALL LOSSES, DAMAGES (COMPENSATORY, CONSEQUENTIAL, PUNITIVE OR OTHERWISE), INJURIES OR DEATHS ARISING FROM OR RELATING TO THE AFORESAID ACTIVITIES, EXCEPT RESULTING DIRECTLY FROM SELLER'S GROSS NEGLIGENCE OR WILLFUL MISCONDUCT, (4) ANY PURCHASE OR USE OF ANY PORTION OF THE COMMUNITY HAS BEEN AND WILL BE MADE WITH FULL KNOWLEDGE OF THE FOREGOING AND (5) THIS ACKNOWLEDGMENT AND AGREEMENT IS A MATERIAL INDUCEMENT TO SELL, CONVEY, AND/OR ALLOW THE USE OF THE PROPERTY.

20. Dangerous Condition; Construction Work.

20.1 Buyer understands and agrees that the Property is a construction site and that the Property and the improvements, equipment and supplies thereon constitute a danger to those who may enter on the Property. Buyer shall not enter onto the Property prior to Closing unless authorized and accompanied by Seller's representative. Any unauthorized, unaccompanied entry by Buyer shall constitute a breach of this Agreement by Buyer, at Seller's election. Moreover, any entry by Buyer onto the Property prior to Closing shall be done at Buyer's own risk and in compliance with all federal, state and local safety laws and regulations. To the extent permitted or not prohibited by applicable law, Buyer waives, releases and shall indemnify, defend and hold harmless Indemnified Parties from and against any Claims made by Buyer, Buyer's family members or guests, as a direct or indirect result of any such unauthorized, unaccompanied entry onto the Property.

20.2 Buyer agrees that supervision and direction of the working forces, including, without limitation, all contractors and subcontractors, is to be done exclusively by Seller, and Buyer agrees not to issue any instructions to the working forces or otherwise hinder construction or installation of improvements on the Property. Buyer shall not do or have any work done on the Property, nor may Buyer store any possessions thereon, prior to Closing and transfer of title to the Property to Buyer.

20.3 Buyer agrees that any and all controversies, disputes and claims arising under this Section shall be resolved through binding arbitration in accordance with the terms of this Agreement.

20.4 All of the terms of this Section 20 shall survive Closing and the delivery of the Deed.

21. OFAC. Executive Order 13224 requires all United States entities and persons to block assets and not transact business with entities, countries and persons (specifically designated nationals) set forth by the Office of Foreign Asset Control ("OFAC"). This requirement applies to all homebuilding entities in The Lennar Family of Builders (including but not limited to Seller), Universal American Mortgage Company, LLC and all of its affiliates, and North American Title Company and all of its affiliates (collectively, the "Lennar Affiliates"). Accordingly, each of Seller and the Lennar Affiliates will check current OFAC lists and other publications in connection with each potential transaction, loan, or home sale. In order to check the OFAC list, Buyer must provide to Seller a Government-issued identification card (this might include a driver's license, birth certificate, passport or resident alien card). To the extent Buyer (or any single person or entity constituting a part of Buyer) matches a name or entity on any such OFAC list or publication, the transactions with Buyer contemplated under or in connection with this Agreement will be immediately suspended, and Buyer shall be reported as instructed by the OFAC.

22. Agreement not to be Recorded. Buyer covenants that Buyer shall not record this Agreement (or any memorandum thereof) in the Public Records of the County. Buyer agrees, if Buyer records this Agreement, to pay all of Seller's attorneys' fees, paraprofessional fees and expenses incurred in removing the cloud on title caused by such recordation. Seller's rights under this

Section shall be in addition to Seller's remedies for Buyer's default provided elsewhere in this Agreement.

23. Transfer, Assignment and Persons Bound. Buyer agrees that Buyer will not, and does not have the right to, assign, sell or transfer Buyer's interest in this Agreement (whether voluntarily or by operation of law or otherwise) without Seller's prior written consent. If Buyer is a corporation, other business entity, trustee or nominee, a transfer of any material equity or beneficial or principal interest shall constitute an assignment of this Agreement. If Buyer attempts to assign this Agreement in violation of this Section, Seller can declare Buyer in default and Seller shall be entitled to all remedies available under this Agreement. Buyer agrees that Seller may withhold its consent with or without any reason or condition in any manner it chooses (if it gives it at all) and may charge Buyer a reasonable amount to cover administrative costs incurred in considering whether or not to grant consent. If Buyer dies or in any way loses legal control of his/her affairs, this Agreement will bind his/her heirs and legal representatives. If Buyer has received Seller's permission to assign or transfer this Agreement, then Buyer's approved assignees shall be bound by the terms of this Agreement. If more than one person signs this Agreement as Buyer, each such person shall be jointly and severally liable for full performance of all of Buyer's duties and obligations hereunder.

24. TIME OF THE ESSENCE. BUYER ACKNOWLEDGES THAT TIME IS OF THE ESSENCE IN CONNECTION WITH THE TRANSACTIONS CONTEMPLATED UNDER THIS AGREEMENT.

25. Interpretation and Computation of Time. The use of the masculine gender in this Agreement shall be deemed to refer to the feminine or neuter gender, and the singular shall include the plural, and vice versa, whenever the context so requires. This Agreement reflects the negotiated agreement of the parties. Each party acknowledges that they have been afforded the opportunity to seek competent legal counsel, and each have made an informed choice as to whether or not to be represented by legal counsel. Accordingly, this Agreement shall be construed as if both parties jointly prepared it, and no presumption against one party or the other shall govern the interpretation or construction of any of the provisions of this Agreement. Any reference in this Agreement to the time periods of less than five (5) days shall, in the computation thereof, exclude Saturdays, Sundays and legal holidays. Any reference in this Agreement to time periods of five (5) days or more shall, in computation thereof, include Saturdays, Sundays and legal holidays. If the last day of any such period is a Saturday, Sunday or legal holiday, the period shall be extended to 5:00 p.m. on the next full business day. The section headings in this Agreement are for convenience only and shall not affect the meaning, interpretation or scope of the provisions which follow them.

26. Notice. Except as provided in the Closing Section of this Agreement with respect to notices of the scheduled Closing Date, any notice required or permitted to be given in connection with this Agreement shall be in writing and sent by United States certified mail with return receipt requested, professional overnight courier or electronic transmission (with confirmation and copy by (1) certified mail, if Buyer's address is within the United States or (2) overnight professional courier, if to a Buyer whose address is outside of the United States) to Buyer or Seller at the addresses on Page 1 of this Agreement (unless Seller has received written notice from Buyer of any change therein prior to the date such notice is given), and additionally to Seller by hand delivery at Seller's sales office. All notices shall only be effective upon receipt or refusal to accept receipt (by failure to accept delivery or otherwise).

27. Waiver. Seller's waiver of any of its rights or remedies shall not operate to waive any other of Seller's rights or remedies or to prevent Seller from enforcing the waived right or remedy in another instance.

28. Incorporation and Severability. The explanations and disclaimers set forth in the Documents are incorporated into this Agreement. In the event that any clause or provision of this Agreement shall be void or unenforceable, such clause or provision shall be deemed deleted so that the balance of this Agreement is enforceable.

29. Governing Law. Any disputes that develop under this Agreement or questions regarding the interpretation of this Agreement will be settled according to the law of the state where the Property is located to the extent federal law is not applicable.

30. Entire Agreement. BUYER CERTIFIES THAT BUYER HAS READ EVERY PROVISION OF THIS AGREEMENT, WHICH INCLUDES EACH RIDER AND ADDENDUM ATTACHED HERETO AND THAT THIS AGREEMENT, TOGETHER WITH EACH SUCH RIDER AND ADDENDUM, CONSTITUTES THE ENTIRE AGREEMENT BETWEEN BUYER AND SELLER. PRIOR AGREEMENTS, REPRESENTATIONS, UNDERSTANDINGS, AND ORAL STATEMENTS NOT REFLECTED IN THIS AGREEMENT HAVE NO EFFECT AND ARE NOT BINDING ON SELLER. BUYER ACKNOWLEDGES THAT BUYER HAS NOT RELIED ON ANY REPRESENTATIONS, NEWSPAPERS, RADIO OR TELEVISION ADVERTISEMENTS, WARRANTIES, STATEMENTS, OR ESTIMATES OF ANY NATURE WHATSOEVER, WHETHER WRITTEN OR ORAL, MADE BY SELLER, SALES PERSONS, AGENTS, OFFICERS, EMPLOYEES, CO-OPERATING BROKERS (IF ANY) OR OTHERWISE EXCEPT AS HEREIN SPECIFICALLY REPRESENTED. BUYER HAS BASED HIS/HER/THEIR DECISION TO PURCHASE THE PROPERTY ON PERSONAL INVESTIGATION, OBSERVATION AND THE DOCUMENTS.

31. Modification. This Agreement is the entire agreement for the sale and purchase of the Property and once it is signed by both Buyer and a Division Agent or Officer of Seller, it can only be amended by a written agreement signed by both Buyer and Seller.

32. Additional Changes. Notwithstanding Section 32 of this Agreement, Buyer agrees that it may be necessary (at any time and from time to time) after Buyer executes this Agreement for Seller, and/or the developer or declarant under the Documents, to change the terms and provisions of this Agreement and/or the Documents to comply with and conform to the rules and regulations (as same may exist and as same may be promulgated from time to time) of any governmental agency, subdivision or authority or court of competent jurisdiction and Buyer consents to all such changes. Notwithstanding Section 32 of this Agreement, Seller, and/or the developer or declarant under the Documents, shall have the right to amend all Documents for development or other purposes, and Buyer consents to all such amendments.

33. Inducement. Buyer acknowledges that the sole inducement to close on the purchase of the Property is the Property itself and not (1) the common facilities comprising part of the Community, if any, or (2) any expectation that the Property will increase in value.

34. Reservation of Easement. For the purpose of completing the construction and servicing of the Property and Community, Seller hereby reserves an easement of ingress and egress for itself and its successors and assigns, and each of their respective agents, employees, materialmen and subcontractors, over, under and upon the Property for a period of one (1) year after Closing. Seller shall

provide reasonable notice to Buyer before exercising easement rights granted herein. All of the terms of this Section 35 shall survive Closing and the delivery of the Deed.

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35. **Riders and Addenda**. This Agreement consists of nine (9) pages and the following Riders and Addenda, which are attached hereto and by this reference made a part of this Agreement:

Check all that apply:

☒ Rider B	☐ Home Sale Contingency Addendum
☒ Rider A	☒ Purchase Price and Payment Addendum
☒ Affiliated Business Arrangements Disclosure Statement	☒ Cooperating Broker Addendum
☒ Master Disclosure and Information Addendum	☒ Indoor Environmental Quality Disclosure Addendum
☒ Cooperating Broker Agreement	☒ Insulation Addendum
☒ Election Form Addendum	☐
☒ FHA/VA Addendum	☐
☐	

36. **Survival**.

36.1 Buyer and Seller agree that it is their express intent that the Sections and documents listed below, together with any other terms in this Agreement that expressly so state, as well as any terms that may survive by operation of law, notwithstanding if the Section, document or term has a survival provision thereto, shall not be merged into the Deed and that these Sections and documents shall survive Closing and the delivery of the Deed: Section 11, Closing and Title Matters; Section 13, Site and Substitutions; Section 16, Mediation / Arbitration of Disputes; Section 17, Other Dispute Resolutions; Section 18, Selling Agent and Cooperating Broker; Section 19, Construction Activities; Section 20, Dangerous Conditions; Construction Work; Section 35, Reservation of Easement; Section 5 of Rider B, Warranties; Section 2 of the Indoor Environmental Quality Disclosure; Cooperating Broker Addendum, in its entirety; and, Master Disclosure and Information Addendum to Purchase and Sale Agreement, in its entirety.

36.2 Buyer and Seller agree that it is their express intent that the Sections and documents listed below, together with any other terms in this Agreement that expressly so state, as well as any terms that may survive by operation of law, notwithstanding if the Section, document or term has a survival provision thereto, shall survive termination of this Agreement: Section 14, Buyer's Default; Section 15, Seller's Default; Section 16, Mediation / Arbitration of Disputes, Section 17, Other Dispute Resolutions; Section 23, Transfer, Assignment and Persons Bound; and Section 6 of Rider B, Documents.

37. **Offer to Purchase/Effective Date**. This Agreement, when executed by Buyer and delivered to Seller, together with the Initial Deposit specified hereunder, shall constitute an offer by Buyer to purchase the Property in accordance with the terms and conditions provided herein, and shall not be binding upon Seller until such time as a Division Agent or Officer of Seller has executed this Agreement. The date of such acceptance is the "**Effective Date**" of this Agreement. In the event Buyer's offer is not accepted by Seller, all paid Deposits made by Buyer to Seller to date shall be returned to Buyer, and Buyer's offer shall be deemed withdrawn.

38. Counterparts and Signatures. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which together shall comprise but a single instrument. Signatures may be given via electronic transmission and shall be deemed given as of the date and time of the transmission of this Agreement to the other party.

THE INITIAL DEPOSIT HAS BEEN RECEIVED BY SELLER SUBJECT TO CLEARANCE.

SELLER: Lennar Carolinas, LLC

DocuSigned by:
Randy Floyd
9FEE60A468DF404...
New Home Consultant - Randy Floyd
Date: 3/9/2013

THIS AGREEMENT IS NOT BINDING ON SELLER UNTIL ACCEPTED BELOW BY AN AUTHORIZED AGENT OF SELLER.

SELLER: Lennar Carolinas, LLC

DocuSigned by:
Thomas J Filippello
23F4DD885441D4F7...
Authorized Agent of Seller - Thomas J Filippello
Date 3/19/2013

DocuSigned by:
Edward F Dengg
802DBE5E215E4D2...
Buyer - Edward F Dengg
Date 3/9/2013

DocuSigned by:
Sylvia K Dengg
DEB3A462D1FB415...
Buyer - Sylvia K Dengg
Date 3/9/2013

Buyer -
Date

Buyer -
Date

DocuSign Envelope ID: C28384C5-3479-4AF2-BBEE-6F07B7AA0C6E

RIDER A
(SOUTH CAROLINA)

THIS RIDER A (SOUTH CAROLINA) (this "Rider A") is executed in conjunction with and, by this reference, incorporated into the Purchase and Sale Agreement (the "Agreement") entered into as of the ninth day of MARCH , 2013, between Edward F Dengg, Sylvia K Dengg ("Buyer") and Seller, as defined in the Agreement, respecting Lot 0019 of Block _____ of The Abbey at Spring Grove Subdivision/Plat in the community known as The Abbey at Spring Grove (the "Community").

1. Defined Terms. All initially capitalized terms not defined herein shall have the meanings set forth in the Agreement, and all references in this Rider A to the Agreement shall be deemed to include references to this Rider A and to any other addenda and riders attached to the Agreement, which are hereby incorporated by this reference.

2. Deposit. The Deposit received from Buyer shall be placed in a special escrow account maintained by Seller for earnest money deposits in South Carolina. Buyer shall have no right to interest upon the payments. If and to the extent such payments are deposited in any interest bearing account, then any interest on such payments shall inure to the benefit of Seller. At the time of Closing, the amount of the payments shall be credited to Buyer against the Total Purchase Price.

Buyer's Initials EFD SLD

3. Return of Deposit. In the event this Agreement is cancelled for any reason other than Seller's default, the Buyer shall be required to execute and return a release form provided by the Seller prior to return of the Deposit in accordance with this Agreement, as set forth herein.

4. Real Estate Tax Disclosure. When a new home is built, the assessed value of the home is calculated as of January 1st. Therefore, if the Home has a certificate of occupancy issued as of January 1st of the calendar year, Buyer will be assessed based on the value of the completed construction for that tax year. Seller is not responsible for communicating any information regarding real estate taxes (current or future) and cannot and will not predict what the taxes on the Home may be. Buyer should confirm any information provided concerning appraisals, tax valuation, tax rates or other tax-related questions, with Buyer's personal tax advisor and the local taxing authorities.

5. Radon Gas and Environmental Pollutants. The United States Environmental Protection Agency and various state agencies have detected elevated levels of naturally occurring radon gas in some residential structures. These agencies have expressed concern that prolonged exposure to high levels of radon gas may result in adverse effects on human health. The Seller is not having any testing done on the Property, or in the Home, with respect to radon gas or environmental pollutants. The Buyer acknowledges that Seller has made no representations or warranties, express or implied, concerning the presence or absence of radon gas or environmental pollutants in the Home or on the Property, and the Buyer acknowledges that the Seller is not qualified to analyze or evaluate these very complex issues with respect to the Home or Property. The Buyer releases the Seller from any and all liability and claims with respect to radon gas and environmental pollutants.

6. FORM I-295. At Closing, Seller shall provide Buyer with an affidavit on Form I-295 (Seller's Affidavit - Nonresident Seller Withholding), complying with Section 12-8-580, South Carolina Code of Laws 1976, as amended.

7. Counterparts. This Rider A may be executed in counterparts, a complete set of which shall form a single document.

8. Conflicts. In the event of any conflict between this Rider A and the Agreement, this Rider A shall control. In all other respects, the Agreement shall remain in full force and effect.

9. Entire Agreement. The Agreement, together with this Rider A and any other addenda and riders to the Agreement, contains the entire agreement between Buyer and Seller concerning the matters set forth herein. All prior discussions, negotiations and contracts relating to investors and occupancy requirements, if any, whether oral or written, are hereby superseded by these documents. No addition or modification of this Rider A or the Agreement shall be effective unless set forth in writing and signed by Buyer and an authorized agent of Seller.

DocuSigned by:
Edward F Dengg
802DBE5E215E4D2...
Buyer - Edward F Dengg
Date 3/9/2013

DocuSigned by:
Sylvia K Dengg
DEB3A45291FB415...
Buyer - Sylvia K Dengg
Date 3/9/2013

Buyer -
Date

Buyer -
Date

SELLER: Lennar Carolinas, LLC

DocuSigned by:
Thomas J Filippello
23F4DB6554484F7...
Authorized Agent of Seller - Thomas J Filippello
Date 3/19/2013

RIDER B
Coastal Carolina Division

THIS RIDER B (Coastal Carolina) (this "Rider B") is executed in conjunction with and, by this reference, incorporated into the Purchase and Sale Agreement (the "Agreement") entered into as of the ninth day of MARCH , 2013, between Edward F Dengg, Sylvia K Dengg ("Buyer") and Seller, as defined in the Agreement, respecting Lot 0019 of Block _____ of The Abbey at Spring Grove Subdivision/Plat in the community known as The Abbey at Spring Grove (the "Community").

1. Defined Terms. All initially capitalized terms not defined herein shall have the meanings set forth in the Agreement, and all references in this Rider B to the Agreement shall be deemed to include references to this Rider B and to any other rider and addenda attached to the Agreement, which are hereby incorporated by this reference. In addition to those terms, the following terms shall have the meanings set forth below:

"Closing Date Notice Period" shall mean at least seven (7) days prior to the Closing Date.

"Mortgage Contingency Period" shall mean five (5) days if this Agreement is contingent on Buyer obtaining financing as indicated in the Purchase and Sale Agreement.

2. Additional Mortgage Contingency. Unless Buyer shall have notified Seller otherwise writing within the Mortgage Contingency Period, Buyer shall be conclusively presumed to have obtained the loan commitment or agreed to purchase the Property without mortgage financing. If Buyer does timely notify Seller within the Mortgage Contingency Period that he/she failed to obtain a loan commitment, Seller may require Buyer to immediately reapply for a mortgage loan with another lending institution designated by Seller. If Buyer then fails to obtain a loan commitment within seven (7) days from Seller's notice to reapply, either Buyer or Seller shall have the right to terminate this Agreement whereupon the Deposit shall be returned to Buyer, and thereupon the parties hereto shall be released from all liability hereunder without any further acts by either party

3. Closing Costs. BUYER UNDERSTANDS AND AGREES THAT IN ADDITION TO THE TOTAL CASH TO CLOSE (WHICH AMOUNT IS SPECIFIED IN SECTION 2 OF THE AGREEMENT AND THE PURCHASE PRICE AND PAYMENT ADDENDUM), BUYER SHALL PAY CERTAIN OTHER FEES AND CLOSING COSTS, IF ANY, AT CLOSING (LISTED BELOW). IN CONNECTION THEREWITH, WITHOUT LIMITATION, THE ITEMS LISTED BELOW WILL COLLECTIVELY BE REFERRED TO AS "CLOSING COSTS." NOTWITHSTANDING ANYTHING IN THIS AGREEMENT TO THE CONTRARY, IN THE CASE OF AN FHA/VA OR FANNIE MAE LOAN, BUYER SHALL NOT PAY FOR ANY COSTS PROHIBITED BY HUD (FHA), VA OR FANNIE MAE REGULATIONS. ALL REFERENCES TO "PRO RATA SHARES" WILL BE DEEMED A TIME PRO RATION, BASED ON THE CLOSING DATE, WITH BUYER PAYING AMOUNTS ACCRUED ON AND AFTER THE CLOSING DATE. The Closing Costs include, without limitation:

3.1 The premium for a policy of mortgagee's title insurance and the cost to record the Deed. If the settlement charges that VA does not allow Buyer to pay exceed the amount of settlement charges, if any, to be paid by Seller, Seller at its sole discretion may terminate the Agreement and refund Buyer's earnest money. If the settlement charges that FHA does not allow Buyer to pay exceed the amount of settlement charges, if any, to be paid by Seller, Buyer may either pay the additional settlement charges at Closing or the additional settlement charges shall be added to the principal on Buyer's loan, regardless of whether or not the interest rate on Buyer's loan will increase as result of the addition of the settlement charges to the principal.

3.2 Customary closing costs of a Buyer of a single family residence, including but not limited to items such as loan fees, loan closing costs and all other related sums, attorneys' fees, escrows for taxes and insurance, recording fees, documentary stamp taxes on the note, intangible taxes, credit reports and PMI insurance, if applicable, charged by the Lender or otherwise customary for a Buyer at Closing.

3.3 Title search updates, title examination fees, delivery charges, and any other Closing expenses of Buyer.

3.4 All additional costs respecting the Property imposed by any governmental authority.

3.5 The cost of any obligations Buyer incurs not provided for in this Agreement.

3.6 The cost of a survey of the Property.

3.7 Certified governmental liens (liens which can be paid pursuant to written notice), if any, shall be assumed and paid by Seller, pending governmental improvement liens shall be paid and assumed by Buyer.

3.8 A pro rata share of County interim service fees, if any.

3.9 A pro rata share of waste fees.

3.10 A pro rata share of utility deposits and capacity fees (water and/or sewer) for the Property prepaid by Seller.

3.11 Any other expenses of an owner of the Property provided for or referenced in the Documents.

3.12 Amounts reflected in the Master Disclosure and Information Addendum to the Purchase and Sale Agreement, if any, attached hereto and incorporated herein.

3.13 Current expenses of the Property (for example: taxes, special assessments and current monthly assessments to one or more homeowner's associations) will be adjusted between Seller and Buyer as of the Closing Date. Buyer shall reimburse Seller for any prepaid expenses of the Property and capital contributions made to one or more homeowners' associations, paid by Seller in advance and/or for the month in which the Closing Date occurs.

3.14 If real estate taxes for the year in which the Closing Date occurs are assessed in the aggregate on the real estate comprising the portion of the Community (including the Property) rather than on a homesite-by-homesite basis, Seller will pay such taxes in full when due, but Buyer will reimburse Seller at the Closing for Buyer's pro rata share of such taxes from the Closing Date (if such taxes are then known) or the Property's allocable share (so prorated) of Seller's estimate of those taxes (if such taxes are not then known), subject to readjustment at either the request of Seller or Buyer within six (6) months from when the actual tax bill is known. If taxes for the year in which the Closing Date occurs are assessed on a homesite-by-homesite basis but such taxes are not due on the Closing Date, Buyer will be responsible for paying such tax bill in full when due but Seller will reimburse Buyer at the Closing for Seller's pro rata share of such taxes (if the taxes are then known) or Seller's estimate of those taxes (if such taxes are not then known) through the Closing Date, subject to readjustment at either the request of Seller or Buyer within six (6) months from when the actual bill is known. If the Closing takes place after Seller has paid the taxes for the year in which the Closing Date occurs, Buyer will reimburse Seller at Closing for Buyer's pro rata share of those taxes from and after the Closing Date.

3.15 The cost of any modifications or changes which are incurred by Seller as a result of changes in building codes, governmental rules, regulations or requirements, or the enforcement of any of the same, after the Effective Date of this Agreement, shall be paid by Buyer at the time of Closing.

4. Additional Financing and Closing Costs Disclosures.

4.1 Although Seller may make available to Buyer the name of one or more lenders or information about one or more available financing alternatives, Buyer agrees that the choice of a lender and loan is Buyer's sole decision, and Seller has not made any promises or representations concerning the likelihood of Buyer obtaining the loan, the terms and conditions of such loan or the interest rate or fees associated with such loan

4.2 4.2 BUYER IS HEREBY ADVISED BY SELLER THAT INTEREST RATES, LOANS FEES, AND OTHER LOAN CONDITIONS ARE NOT GUARANTEED, FIXED OR ESTABLISHED (AND SELLER MAKES NO REPRESENTATIONS OR WARRANTIES WITH RESPECT TO SUCH ITEMS) AND ARE SUBJECT TO CHANGE BY ANY LENDER. SUBJECT TO SECTION 8 OF THE AGREEMENT, SELLER DOES NOT WARRANT OR GUARANTEE THAT COMPLETION OF THE IMPROVEMENTS OR LOAN FUNDING CAN BE ACHIEVED WITHIN LOAN LOCK PERIODS, IF ANY, REGARDLESS OF WHETHER SUCH LOCKS ARE PAID FOR BY SELLER OR BUYER. IF BUYER LOCKS IN AN INTEREST RATE AND POINTS FOR LOAN FUNDING PRIOR TO CLOSING, BUYER AGREES TO PAY THE DIFFERENCE BETWEEN THE LOCK-IN RATE AND THE MARKET INTEREST RATE AT CLOSING IF THE LOCK-IN RATE EXPIRES PRIOR TO CLOSING.

4.3 Responsibility for obtaining the loan and for satisfying all conditions made by the Lender with regard to the loan shall rest solely with the Buyer.

5. Warranties. Buyer understands and agrees that Seller is making only those express limited warranties set forth in the homeowner's warranty (the "Limited Warranty"). The Limited Warranty, incorporated herein, shall be delivered to Buyer at Closing and a copy of which is attached hereto OR a copy of which is available for examination at Seller's office and will, at Buyer's request, be attached as an exhibit to this Agreement. THE EXPRESS LIMITED WARRANTY AND REMEDIES PROVIDED BY SELLER CONSTITUTE THE EXCLUSIVE WARRANTY AND REMEDIES TO BE MADE AVAILABLE BY SELLER AND, EXCEPT WHERE ADDITIONAL WARRANTIES ARE REQUIRED BY APPLICABLE LAW OR REGULATION, ARE IN PLACE OF ALL OTHER GUARANTIES OR WARRANTIES, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO WARRANTIES OF WORKMANSHIP, MERCHANTABILITY, HABITABILITY, SUITABILITY AND FITNESS, WHICH ARE HEREBY EXPRESSLY DISCLAIMED BY SELLER AND WAIVED BY BUYER. TO THE EXTENT OF ANY CONFLICT BETWEEN ANY PROVISION OF THIS AGREEMENT RELATED TO WARRANTIES AND THE LIMITED WARRANTY, THE PROVISIONS OF THE LIMITED WARRANTY SHALL CONTROL. All of the terms of this Section 6 shall survive Closing and the delivery of the Deed. BUYER AND SELLER ACKNOWLEDGE THAT THEY HAVE EXPRESSLY NEGOTIATED AND BARGAINED FOR THE WAIVER OF THE IMPLIED WARRANTY OF HABITABILITY, AND BUYER ACKNOWLEDGES THE SUFFICIENCY AND RECEIPT OF VALUABLE CONSIDERATION FOR SUCH WAIVER IN THE AMOUNT OF $0, WHICH AMOUNT SHALL BE CREDITED TOWARD THE PURCHASE PRICE AT CLOSING. THE CONSIDERATION AGREED UPON ABOVE HAS BEEN SPECIFICALLY NEGOTIATED BETWEEN BUYER AND SELLER.

Buyer EFD Buyer SKD

6. Documents. Buyer acknowledges receipt of the Document Book for the Community containing many important documents regarding the Community, including but not limited to some of the documents of record affecting the Property and the Community (collectively, the "Documents"). The Document Book is hereby incorporated into this Agreement by this reference. The Document Book may be amended as deemed necessary by

Seller in its sole and absolute discretion. Buyer agrees to take title to the Property subject to the Documents, to abide by and be bound by all of the terms and conditions of the Documents, and any amendments thereto. The Master Disclosure and Information Addendum to Purchase and Sale Agreement attached hereto sets forth additional information respecting lien rights and homeowners association's restrictions affecting the Property. Buyer understands and agrees this Section shall survive the termination of this Agreement.

7. Inspection of the Home. BUYER SHALL BE GIVEN AN OPPORTUNITY TO EXAMINE THE HOME WITH SELLER'S REPRESENTATIVE PRIOR TO CLOSING ON A DATE AND TIME SCHEDULED BY SELLER (A "NEW HOME ORIENTATION," COMMONLY REFERRED TO AS A "WALKTHROUGH"). AT THAT TIME, IF ANY DEFECTIVE OR INCOMPLETE ITEMS ARE NOTED, BUYER SHALL PRESENT TO SELLER AN INSPECTION STATEMENT LISTING SAID ITEMS AND SIGNED BY BUYER. IF ANY ITEMS NOTED ARE ACTUALLY DEFECTIVE IN WORKMANSHIP OR MATERIALS IN SELLER'S OPINION (IN ACCORDANCE WITH CONSTRUCTION STANDARDS PREVALENT FOR A SIMILAR HOME IN THE COUNTY), SELLER WILL BE OBLIGATED TO CORRECT THOSE ITEMS AT SELLER'S COST. A SECOND INSPECTION OF THE HOME WILL BE CONDUCTED PRIOR TO CLOSING AT WHICH TIME BUYER WILL BE GIVEN AN OPPORTUNITY TO EXAMINE THE HOME WITH SELLER'S REPRESENTATIVE TO ACKNOWLEDGE THAT ITEMS LISTED ON THE INSPECTION STATEMENT PREPARED AFTER THE FIRST INSPECTION HAVE BEEN CORRECTED. ANY REMAINING ITEMS THAT SELLER HAS AGREED TO CORRECT WILL BE CORRECTED BY SELLER AT SELLER'S SOLE COST AND EXPENSE PRIOR TO CLOSING (OR AT SELLER'S OPTION WITHIN A REASONABLE TIME AFTER CLOSING), PROVIDED HOWEVER THAT SELLER'S OBLIGATION TO CORRECT WILL NOT BE A GROUND FOR DEFERRING CLOSING, NOR FOR ANY SETOFF, NOR FOR IMPOSING ANY CONDITION ON CLOSING AS LONG AS THE HOME IS HABITABLE. THE ISSUANCE OF A CERTIFICATE OF COMPLETION, OR USE SHALL BE CONCLUSIVE EVIDENCE OF HABITABILITY. NO ESCROW OR HOLDBACK OF CLOSING FUNDS OR ANY CASH TO CLOSE SHALL BE PERMITTED. **EXCEPT FOR WORK THAT CANNOT BE COMPLETED AT THAT TIME OF YEAR.** IF A BUYER FAILS TO TAKE ADVANTAGE OF ANY PRE-CLOSING INSPECTION ON THE TIME AND DATE SCHEDULED BY SELLER, BUYER SHALL BE DEEMED TO HAVE WAIVED THE RIGHT TO INSPECT THE HOME PRIOR TO CLOSING.

8. No Right to Enter. Buyer acknowledges that all matters pertaining to the initial construction of the Property will be performed by Seller and Seller's representatives. Buyer acknowledges and agrees that for reasons of safety and to comply with liability and insurance requirements imposed upon Seller, neither Buyer nor any agent of Buyer shall, until after the Closing, be permitted to enter upon the Property without being accompanied by Seller's representative. Any permitted personal inspections shall be made at times designated by Seller, and shall not be allowed under any condition prior to the formal inspection described above and only with Seller's representative. Buyer agrees not to give instructions to, interfere with or interrupt any workmen at the Property. Buyer may not order any work on the Property until after the Closing. Buyer recognizes that Seller is under no obligation to agree to provide options, extras and/or upgrades. Without limiting the applicability of this Section to all obligations, representations and covenants of Buyer hereunder, Buyer specifically acknowledges that any breach by Buyer of the terms and conditions contained within this Section shall be deemed to be a material breach and shall entitle Seller to declare this Agreement to be in default in accordance with the provisions of the Buyer's Default in the Agreement. Seller's failure to promptly take any action with respect to Buyer's breach of the terms and conditions contained herein shall not be deemed a waiver of any of Seller's rights or remedies hereunder. Whenever this Agreement shall require Seller to complete or substantially complete an item of construction, unless provided specifically to the contrary herein, such item shall be deemed complete or substantially complete when so completed, in the sole and unfettered opinion of Seller. Should Seller fail to provide any item of construction required to be provided, Buyer's sole remedy therefore will be to collect an amount from Seller equal to Seller's cost for such item and for Seller's cost of installation of such item had such item been installed at the appropriate time during construction. Without limiting Seller's rights and Buyer's obligations contained within this Section and elsewhere in this Agreement, should any warranted defects in workmanship or materials be discovered before or after the Closing, Buyer agrees that Buyer's sole remedy therefore is for Seller to, at Seller's sole and absolute discretion, either repair or replace the defective item. To the extent permitted by applicable law, Seller disclaims any liability for incidental or consequential damages that may arise from a defective item.

9. Counterparts. This Rider B may be executed in counterparts, a complete set of which shall form a single document.

10. Conflicts. In the event of any conflict between this Rider B and the Agreement, this Rider B shall control. In all other respects, the Agreement shall remain in full force and effect.

11. Entire Agreement. The Agreement, together with this Rider B and any other addenda and riders to the Agreement, contains the entire agreement between Buyer and Seller concerning the matters set forth herein. All prior discussions, negotiations and contracts relating to investors and occupancy requirements, if any, whether oral or written, are hereby superseded by these documents. No addition or modification of this Rider B or the Agreement shall be effective unless set forth in writing and signed by Buyer and an authorized agent of Seller.

DocuSigned by:
Edward F Dengg
802DBE5E21EF4D2...
Buyer - Edward F Dengg
Date 3/9/2013

DocuSigned by:
Sylvia K Dengg
DEB3A48291EB418...
Buyer - Sylvia K Dengg
Date 3/9/2013

Buyer -
Date

Buyer -
Date

SELLER: Lennar Carolinas, LLC

DocuSigned by:
Thomas J Filippello
23F4DB66441D4F7...
Authorized Agent of Seller - Thomas J Filippello
Date 3/19/2013

APPRAISAL CONTINGENCY ADDENDUM

THIS APPRAISAL CONTINGENCY ADDENDUM (Coastal Carolina Division) (this "Addendum") is executed in conjunction with and, by this reference, incorporated into the Purchase and Sale Agreement (the "Agreement") entered into as of the Ninth day of March , 2013, between Edward F Dengg, Sylvia K Dengg("Buyer") and Seller, as defined in the Agreement, respecting Lot 0019 of Block _____ of The Abbey at Spring Grove Subdivision/Plat in the community known as The Abbey at Spring Grove (the "Community").

1. Defined Terms. All initially capitalized terms not defined herein shall have the meanings set forth in the Agreement, and all references in this Addendum to the Agreement shall be deemed to include references to this Addendum and to any other rider and addenda attached to the Agreement, which are hereby incorporated by this reference.

2. Contingency. Seller and Buyer agree as follows:

2.1. Within ten (10) calendar days after the Effective Date of the Agreement, Buyer shall propose to Seller an independent appraiser, who has no affiliation with Seller, Buyer, Buyer's employer or Buyer's relocation company, to perform an appraisal of the Property at Buyer's sole expense.

2.2. The appraisal inspection shall be conducted within seventy-two (72) hours after Seller approves the proposed appraiser and notifies Buyer the Property is ready to be inspected. The inspection shall be the sole responsibility of Buyer and shall be scheduled by Buyer. Under no circumstances will the Closing be postponed for the appraisal inspection.

2.3. Buyer understands and agrees the Property is a construction site and that any entry by Buyer or Buyer's appraiser shall be done at the sole risk of Buyer and the appraiser and in compliance within all of Seller's safety guidelines, all federal, state, and local safety laws and regulations, and as otherwise required by the Agreement.

2.4. If the Property does not appraise at or above the Total Purchase Price, then Buyer shall have the option of terminating this Agreement by giving written notice to Seller within ten (10) business days after the appraisal inspection occurs in accordance with Section 2.2 above, in which case, Buyer's earnest money shall be refunded and the Agreement shall terminate automatically. If Buyer does not deliver such notice to Seller in accordance with this Section 2.4, Buyer's termination rights under this Addendum shall terminate automatically. TIME IS OF THE ESSENCE WITH RESPECT TO ALL OF BUYER'S OBLIGATIONS IN THIS ADDENDUM. Buyer's failure to deliver any notice required in this Addendum or to comply with any provision herein shall be deemed a waiver of Buyer's termination rights under this Addendum.

2.5. Buyer understands the appraisal is separate from and independent of the appraisal Buyer's mortgage lender will obtain. At any time, Buyer may elect to waive this appraisal contingency by delivering a written waiver to Seller, whereupon the parties shall proceed to Closing as if this Addendum did not exist.

3. Counterparts. This Addendum may be executed in counterparts, a complete set of which shall form a single document.

4. Conflicts. In the event of any conflict between this Addendum and the Agreement, this Addendum shall control. In all other respects, the Agreement shall remain in full force and effect.