

HBT AT WATERSIDE EAST LLC, doing business under the federal trademark and hereinafter referred to as Homes by Towne® in this New Home Customer Service Program Manual (“Homeowner’s Manual”), constantly strives to construct and deliver a quality home (for reference purposes in this Homeowner’s Manual, HBT AT WATERSIDE EAST LLC is also referred to as “we”, “our” and “Seller”). Realizing that a new home contains several thousand components and is constructed by numerous individual trade partners, there is the possibility that there will be situations that might require correction. Our commitment to you (for reference purposes you are also referred to in this Homeowner’s Manual as “your” and “Buyer”) is to expeditiously and professionally correct construction defects found in your home as defined in Florida Statutes Section 558.002(5) (a) thru (d) (“construction defects”) in accordance with the terms and conditions of our one (1) year SELLER’S EXPRESS LIMITED WARRANTY, which was included when you signed your Contract for Sale and Purchase (“Purchase Contract”) in Sections 21, 22, 23 and 26 thereof and which is also set forth in Section 3 of this Homeowner’s Manual. We suggest that you carefully read through this information as well as the service procedures that are included in this Section. Also during the foregoing one (1) year period (defined below) under our Customer Care Program, we will evaluate and, if appropriate, repair minor problems in your home that might not rise to the level of a construction defect under the Express Limited Warranty.

In support of our commitment, this document explains our New Home Customer Service Program, which consists of four elements: our Customer Care Program – Section 2; our SELLER’S EXPRESS LIMITED WARRANTY – Section 3; our Standards of Performance – Section 4; and New Home Care and Maintenance – Section 6.

A) Customer Care Program

We are very proud of our Customer Care Program. This program provides customer service assistance during the first year of your ownership. Under our Customer Care Program, we will not only correct any construction defects in your home but also evaluate and, if appropriate, repair minor problems in your home that might not rise to the level of a construction defect under the Express Limited Warranty.

B) OUR EXPRESS LIMITED WARRANTY PERIOD

Our EXPRESS LIMITED WARRANTY provides coverage for construction defects for a one (1)-year term from the later of (i) the date of issuance of the certificate of occupancy for your home from Sarasota County or (ii) the date on which we closed with you upon the sale of the home (referred to herein as the “Warranty Period”).

To comply with the terms of the Express Limited Warranty, as well as for reasons of accuracy, all non-emergency items for which you request service must be submitted in writing to the Homes by Towne® Customer Care Service Department. The “Request for Customer Care or Express Limited Warranty Service” form and web link is provided for your convenience. In

order to assure quality service, we do not accept non-emergency warranty service requests over the phone.

C) Standards of Performance

The Homes by Towne® Standards of Performance are set forth in Section 4 of this Homeowner's Manual. They describe the guidelines and tolerances for certain workmanship and materials within which we believe your new home should perform during the Warranty Period. They are designed to help you, the homeowner, Homes by Towne® and any arbitrator assigned to rule on the presence of a construction defect and to determine the validity of any request for warranty performance made under the Express Limited Warranty.

It is not possible to list every component of a home in these standards, so only the most frequent types of conditions which can occur in a home during the first year are addressed in these Standards of Performance. When a guideline or tolerance is not addressed in these Standards of Performance for a condition that occurs during the Warranty Period, we will evaluate the flaw or imperfection reported to determine whether the condition is a construction defect due to the fact that it: (1) materially affects the structural integrity of the home; or (2) has an obvious and material negative impact on the appearance of the home; or (3) jeopardizes the life or safety of the occupants; or (4) results in the inability of the home to provide the functions that can reasonably be expected in a residential dwelling.

For convenience and ease of understanding, the Standards of Performance have been expressed in terms of performance standards, which set forth the acceptable tolerances for each area of concern.

All new homes go through a period of settlement and movement as the home reaches equilibrium. During the period, the home may experience some minor material shrinkage, cracking and other events, which are unavoidable and are considered normal. You should also be aware that you, as the homeowner, are responsible for proper home maintenance, such as preserving Builder-set drainage around the house, regular caulking of interior and exterior surfaces, and caring for grout on interior surfaces. Damage caused by you as the homeowner, improper maintenance or changes, alterations or additions performed by anyone other than our employees or subcontractors is excluded from the Express Limited Warranty. Please refer to paragraph E) of this Section and to Section 6 of this Homeowner's Manual relative to homeowner maintenance obligations.

D) Exclusion from Standards of Performance

The Residential Construction Performance Guidelines published by the National Association of Home Builders, "NAHB Guidelines," will be used by Homes by Towne® as performance standards during the one-year customer care program and then only in accordance with the provisions of Section 4 hereof.

E) Homeowner Maintenance

Routine maintenance of the home is the homeowner's responsibility. This includes being aware of and applying the recommended procedures for using and maintaining all components of your home. Information included in Section 6 of this Homeowner's Manual, "New Home Care and Maintenance", is provided as a convenience to our homeowner(s) to deal with commonly asked questions and is not intended to constitute a comprehensive discussion of all maintenance that is required to properly care for your new home. We have also enclosed a checklist to assist in your maintenance.

Under the terms of the Express Limited Warranty, neglect of normal maintenance items may deprive your home of warranty coverage on the item(s) involved. Damage to the home which is a result of homeowner(s) negligence, abuse, misuse or inaction must be repaired by the homeowner(s) at their expense. Particularly in regard to landscaping and protection of the foundation and the concrete flat work, the homeowner's knowledge and maintenance are vital in protecting the home and maintaining the coverage under the Express Limited Warranty.