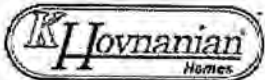


Exhibit B



Date:	May 20, 2017	
Sub / Lot:	Gallery - CM	8
Plan / Elevation:	1210	A2
Sales Consultant:	Kelsey Schilens	
Buyer(s):	Jones / / /	

Purchase Agreement and Escrow Instructions

This Purchase Agreement and Escrow Instructions (the "**Agreement**") is made between K. Hovnanian at Gallery, LLC, an Arizona limited liability company dba K. Hovnanian Homes ("**Seller**"), and the individual(s) identified below as "**Buyer**". Buyer, Seller and Escrow Holder may be called a "**Party**" or the "**Parties**." Buyer agrees to buy the "**Property**" described below including the residence built or to be built thereon (the "**Residence**"), and Seller, by acceptance of this Agreement, agrees to sell the Property to Buyer, on the terms and conditions below in the **Transaction Summary**, **General Provisions**, any attached **Addenda** and any attached **Additional Documents**, all of which are incorporated as a part of this Agreement.

TRANSACTION SUMMARY

COMMUNITY: Gallery - CM

BUYER: Matthew Jones / / /

PROPERTY: (The complete legal description will be stated in the title report given to Buyer in Escrow).

Street Address: 3104 North 71st Street City: Scottsdale **AZ** Zip: 85251

Plan: 1210 Lot: 8 of Tract Name Gallery - CM

ESCROW:

"Escrow Holder:" To be selected by Buyer in accordance with the attached "Escrow Holder Selection Addendum"

(For Office Use Only: To be completed by Escrow Holder):

Escrow Officer:	_____
Escrow No.:	_____
Date Received in Escrow:	_____ ("Opening Date")

PURCHASE PRICE: The purchase price ("**Purchase Price**") for the Property is listed below. Concurrently with signing this Agreement, Buyer delivered an initial earnest money deposit (the "**Earnest Money Deposit**") toward the purchase of the Property in the amount shown below in this Transaction Summary. The Earnest Money Deposit shall be non-refundable unless (i) Buyer is unable to obtain financing despite Buyer's best efforts as set forth in Section 1.E below; (ii) if through no fault of Buyer, Escrow is not closed on or within one (1) year after the Opening Date as set forth in Section 6.D below; or (iii) if Buyer has the right to receive the Earnest Money Deposit under Sections 6.A, 6.B or 7.B. The Earnest Money Deposit shall be deemed to be increased by and to include any additional deposits shown below in this Transaction Summary, all payments for "options" or "upgrades", and all other deposits, once paid, except as otherwise expressly set forth herein to the contrary. Buyer shall pay the balance of the Purchase Price and the "**Closing Costs**" at the time and in the manner specified below. If the word "estimated" or a word with similar meaning is set forth anywhere in this Agreement, the exact amounts will be determined before Close of Escrow.

(A) Base Purchase Price:	\$449,990.00
(B) Location Premium:	\$5,000.00
(C) Optional Items:	\$73,739.00
(D) Optional Incentive Applied:	\$39,829.00
(E) Total Purchase Price (A+B+C-D):	\$488,900.00
(F) Loan Amount (if applicable):	\$342,230.00
(G) Earnest Money Deposit Received:	_____
(H) Additional Earnest Money Deposit (Date required: _____)	_____
(I) Additional Earnest Money Deposit (Date required: _____)	_____
(J) Balance of Down Payment Due Before Close of Escrow (E-F-G-I) (negative amount reflects a credit):	_____

(K) Unless otherwise agreed to in this Agreement, Buyer shall pay actual closing costs ("**Closing Costs**") (including all charges by third parties ("**Third Party Charges**") for cost of credit reports and appraisals required by the Lender, Escrow fees and loan fees), other lender fees, prepaids and impounds (based on preliminary loan program discussed with Buyer), taxes, insurance, Owner's and Lender's title insurance policy charges, tax service charges, notary fees, recording costs, insurance premiums, **contract processing fee to Seller in the amount of \$389**, any Association(s) (defined below) fees, any VA or FHA fees not financed, charges for tax disclosure report and natural hazards disclosure report, and such other Closing Costs as are necessary, reasonable or typical to close this transaction. **Buyer's Initials** (MJ)

SELLERS' USE OF FUNDS: Earnest Money Deposit will be deposited in K. Hovnanian Homes' general account. Prospective Purchasers are advised that earnest money deposits, down payments, and other advanced money will not be placed in a neutral escrow. This money will be paid directly to K. Hovnanian Homes and may be used by K. Hovnanian Homes. This means the Buyer assumes a risk of losing the money if K. Hovnanian Homes is unable or unwilling to perform under the terms of this Agreement.

Buyer's Initials (MJ)

_____ Earnest Money Deposit will be deposited in a neutral escrow account with Escrow Holder.

FINANCING:

Seller-Approved Lender: K. Hovnanian American Mortgage Address: 20830 North Tatum Boulevard, Suite 250 Phoenix, AZ 85050

Phone: (480) 824-4186 Fax: (561) 509-2897 Cell: (480) 290-0248

Loan Type: Conventional Jumbo

Buyer Initials (MJ) Seller's Initials _____
Broker Initials _____

Buyer must submit a completed Loan Application to Seller-Approved Lender within three (3) days after the date shown at Buyer's signature ("Buyer Signature Date"). Buyer may also apply for a Loan with Buyer's Outside Lender identified by Buyer in the Outside Lender Addendum, if any. Buyer is not obligated to obtain financing through Seller-Approved Lender.

SIGNIFICANT DATES:

Effective Date of this Agreement - Refer to date shown at Seller's signature, below.

Estimated Closing Date: (Subject to change - See Section 2.D) TBD

Loan Application Deadline 3 days after Buyer Signature Date, below

Proof of Closing Funds Deadline (See Section 1.A) 60 days prior to Estimated Closing Date

Loan Approval Deadline: (See Section 1.E) 30 days after Buyer Signature Date, below

Due Date for Buyer's Funds: 2 business days prior to Estimated Closing Date

Due Date for Buyer to Cause Lender to deliver Loan Documents to Escrow Holder 3 business days prior to Estimated Closing Date

ADDITIONAL TERMS OF SALE: This Agreement may include additional terms and conditions which, if any, are stated in the Additional Terms Addenda, attached.

ADDENDA: Buyer acknowledges that the following Addenda which are marked as "Attached" have been received with this Agreement and reviewed by Buyer:

- Attached if checked
- Addendum A - Escrow Holder's General Escrow Instructions
 - Addendum B - Real Estate Agency Disclosure and Confirmation
 - Addendum C - Warranty Sample, Performance Standards
 - Other: DESIGN CENTER

OTHER PROPERTY CONTINGENCY: If Buyer must sell another property before Buyer can close this Escrow, then Buyer must disclose this to Seller's sales representative (which shall include checking the applicable box below) and sign either a Home to Sell Contingency Addendum or a Current Home Closing Contingency Addendum before Buyer signs this Agreement. If Buyer fails to make such disclosure to Seller and sign the applicable Contingency Addendum, then Buyer's obligations are not contingent on such a sale and Buyer shall be in default if Buyer fails to close Escrow for that reason.

Check one of the following:

- Non-Contingent.** Buyer's obligation to purchase and Seller's obligation to sell the Property is not contingent on the sale of a separate property.
- In Escrow.** Buyer's obligation to purchase and Seller's obligation to sell the Property is contingent on the sale of a separate property, which is currently in escrow. Buyer must execute the Current Home Closing Contingency Addendum.
- Contingent.** Buyer's obligation to purchase and Seller's obligation to sell the Property is contingent on the sale of a separate property. Buyer must execute the Home to Sell Contingency Addendum. Buyer agrees that even if Buyer's obligation to purchase the Property is contingent, failure to satisfy the contingency does not extend any of the deadlines in this Agreement. Instead, failure to satisfy the contingency by any of the deadlines set in this Agreement gives Buyer or Seller the right to cancel this Agreement.

VESTING: Manner in which title is to vest: _____

Vesting to be determined prior to the Close of Escrow

(Note: The manner of taking title may have significant legal and tax consequences. Buyer should consult with a professional regarding such consequences. Unless Buyer otherwise designates in further instructions to Escrow Holder, title to the Property shall be vested as stated above).

OFFER AND ACCEPTANCE: Execution of this Agreement by Buyer and Seller's sales representative is only an offer to purchase which is accepted only when an authorized representative of Seller signs in the designated spaces and delivers to Buyer or Escrow a copy of this Agreement. If Seller, in its sole discretion, does not so accept Buyer's offer, this Agreement shall be automatically revoked and Buyer's initial Earnest Money Deposit shall be promptly refunded to Buyer. Seller's sales representatives are not authorized to accept this offer. Receipt and deposit of Buyer's funds do not constitute Seller's acceptance of this offer. Seller may hold Buyer's Earnest Money Deposit check uncashed until Seller accepts this Agreement. No interest will be paid on any deposits made by Buyer.

COMPLETE AGREEMENT: This Agreement is the complete agreement between the Parties concerning the Property. There are no other representations or agreements, oral or written, express or implied, other than those contained in this Agreement. No sales representative or other agent of Seller has the authority to modify the terms of this Agreement or to make any agreements or representations on behalf of Seller. Therefore, although Buyer has had, and in the future may have conversations or other communications with sales representatives or other agents of Seller concerning any matter, including (a) the Property and the Community, (b) the availability of or Buyer's ability to qualify for or obtain any Loan, (c) the future value of the Property, (d) uses or prospective uses or development of surrounding properties, or (e) any other matter affecting the purchase of the Property or Buyer's decision to purchase the Property, none of the information contained in such conversations or communications including representations, promises, opinions or statements of any kind shall be binding upon Seller unless they are added by and expressly described in written addenda, executed by Buyer and Seller and attached to this Agreement.

THIS AGREEMENT WILL BE A LEGALLY BINDING CONTRACT. YOU SHOULD READ IT CAREFULLY AND UNDERSTAND IT BEFORE YOU SIGN IT. IF YOU HAVE ANY QUESTIONS ABOUT YOUR RIGHTS OR OBLIGATIONS UNDER THIS AGREEMENT, YOU SHOULD CONSULT AN ATTORNEY BEFORE YOU SIGN IT.

BUYER MUST BE GIVEN A COPY OF THE PUBLIC REPORT OF THE ARIZONA DEPARTMENT OF REAL ESTATE PRIOR TO THE SIGNING OF THIS AGREEMENT. BY SIGNING BELOW, BUYERS ACKNOWLEDGE RECEIPT OF THE PUBLIC REPORT AND THAT BUYERS HAVE HAD AN OPPORTUNITY TO READ SAID PUBLIC REPORT BEFORE SIGNING THIS PURCHASE AGREEMENT.

BUYER:

DocuSigned by: 5/21/2017 | 3:12:41 PM EDT

1. Matt Jones Signature Buyer Signature Date
Signature ID: D4D3E05FE01474

Matthew Jones
 Print First: _____ Middle: _____ Last Name: _____
 Address: 4700 S. Fulton Ranch, #8
 City, State & Zip Code: Chandler, AZ 85248
 Business Phone _____ Business Fax _____
 Home Phone _____ Home Fax _____
 Cell Phone _____
 E-mail Address: MJone011@gmail.com

2. _____ Signature Buyer Signature Date

Print First: _____ Middle: _____ Last Name: _____
 Address: _____
 City, State & Zip Code: _____
 Business Phone _____ Business Fax _____
 Home Phone _____ Home Fax _____
 Cell Phone _____
 E-Mail Address: _____

3. _____ Signature Buyer Signature Date

Print First: _____ Middle: _____ Last Name: _____
 Address: _____
 City, State & Zip Code: _____
 Business Phone _____ Business Fax _____
 Home Phone _____ Home Fax _____
 Cell Phone _____
 E-mail Address: _____

4. _____ Signature Buyer Signature Date

Print First: _____ Middle: _____ Last Name: _____
 Address: _____
 City, State & Zip Code: _____
 Business Phone _____ Business Fax _____
 Home Phone _____ Home Fax _____
 Cell Phone _____
 E-Mail Address: _____

(Seller or sales representative must be notified by Buyer of any change in Buyer's address or phone number.)

Acknowledgment of receipt of Buyer's Deposit:
(Check #:) on

Seller:
Accepted by Seller on _____
(the "Effective Date")

By: 
(Sales Consultant)

**K. Hovnanian at Gallery, LLC,
An Arizona limited liability company**

Date: 5.20.17

Sales Office Phone: 877.546.8669

By: _____
Date

E-Mail: kschilens@khov.com

Its: SELLER Authorized Signer

Broker Signature: _____

Address: 20830 N. Tatum Blvd. Suite 250

Phoenix, AZ 85050

Tel: (480) 824-4200

Fax: (480) 824-4201

Buyer Initials  Seller's Initials _____
Broker Initials _____

GENERAL PROVISIONS

1. PAYMENT TERMS.

A. Financial Capability Contingency. Seller's obligations under this Agreement are subject to and conditional upon Buyer providing evidence of Closing Funds in an amount sufficient to close Escrow. Such evidence must be satisfactory to Seller and provided on or before the Proof of Closing Funds Deadline specified in the Transaction Summary. Provided, however, that unless otherwise provided in the Transaction Summary, Buyer's purchase of the Property is not conditional upon the sale of Buyer's current residence or any other property owned by Buyer. If Buyer does not provide evidence of Closing Funds by the Proof of Closing Funds Deadline, then Seller shall have the right to terminate this Agreement and retain the Earnest Money Deposit in accordance with Section 7 below, in addition to all rights and remedies available to Seller set forth in this Agreement.

B. Loans. If the Transaction Summary provides that financing is necessary in addition to the total Earnest Money Deposit and the Balance of Down Payment in order for the sum of the foregoing to equal the Purchase Price, then Buyer intends to utilize a loan for the purchase of the Property (the "Loan"). Buyer will be responsible for (i) arranging the Loan, which may be comprised of such loans as Buyer deems appropriate and reasonable, and (ii) satisfying any and all commitments and/or requirements in accordance with Buyer's Loan.

C. Lender Selected. Buyer may use either the Seller-Approved Lender or an Outside Lender which is selected by Buyer and is acceptable to Seller ("Outside Lender"). To be acceptable to Seller, the Outside Lender must be an institutional lender which is experienced in and capable of processing the Loan according to the time limitations and requirements related to the Loan in this Agreement. If an Outside Lender has been selected, Buyer and Seller shall complete and sign a Financing Addendum in the form attached to this Agreement. As used in this Agreement, the term "Lender" means (i) prior to Loan Approval (defined in Section 1.E below), both the Seller-Approved Lender and the Outside Lender, and (ii) after Loan Approval, the Lender who issues the Loan commitment.

D. Loan Application. Buyer shall (i) on or before the Loan Application Deadline specified in the Transaction Summary, submit to the Seller-Approved Lender or any Outside Lender all applications, documents, materials, information and Lender-required fees necessary or initially requested to obtain Loan Approval (collectively, the "Loan Application"), (ii) within three (3) calendar days after being requested by Seller, Escrow Holder or Lender, execute and provide all additional documents, materials, information and fees necessary to obtain Loan Approval in accordance with the terms of the Loan Application, including credit reports, applications, verifications and any other Lender-required documents and information (collectively, "Loan Application Package"), and (iii) immediately upon Lender's request, provide a check to Lender for funds necessary to pay for the appraisal and credit report. If an Outside Lender is selected as the Lender, Buyer shall, concurrently with submitting the Loan Application and the Loan Application Package to the Outside Lender, also submit a complete Loan Application and Loan Application Package to the Seller-Approved Lender in such a form and including such documents and information as Seller-Approved Lender may require. The Seller-Approved Lender shall use such submittal to determine if Buyer is financially capable of purchasing the Property. Such prequalification shall not, however, constitute Loan Approval. Seller may unilaterally terminate this Agreement if the Seller-Approved Lender determines that Buyer is not financially capable of purchasing the Property or that Loan Approval would otherwise likely be denied, in which case Buyer and Seller shall have no further rights or obligations under this Agreement and the Earnest Money Deposit shall be returned to Buyer less amounts paid for Third Party Charges and any other designated non-refundable charges.

E. Loan Approval. On or before the Loan Approval Deadline specified in the Transaction Summary, Buyer shall obtain and deliver to Seller a written Loan commitment from Lender, which must be subject only to conditions reasonably acceptable to Seller ("Loan Approval"). Delivery by Lender of the Loan Approval to Seller shall constitute Buyer's selection of the Lender, and Buyer may not change said Lender without the prior written approval of Seller. Once Buyer receives Loan Approval, the Earnest Money Deposit shall be non-refundable unless through no fault of Buyer and despite the best efforts of Buyer, the Close of Escrow does not occur within one (1) year after the Opening Date as set forth in Section 6.D below or unless Buyer has the right to receive the Earnest Money Deposit under Sections 6.A, 6.B or 7.B. If through no fault of Buyer and notwithstanding that Buyer has complied with or satisfied each requirement or request of Lender and has otherwise used its best efforts, Buyer is unable to obtain such Loan Approval within that time period or if Lender gives written notice that Lender is not willing to make the Loan, then (a) Seller may, at its sole option, allow Buyer to apply for a Loan with another lender approved in advance by Seller; or, (b) Buyer or Seller may terminate this Agreement, in which case Buyer and Seller shall have no further rights or obligations under this Agreement and the Earnest Money Deposit shall be returned to Buyer less amounts released for Third Party Charges and any other designated non-refundable charges. Buyer's acceptance of those funds constitutes Buyer's waiver and release of any claim or interest Buyer may have in the Property. Seller is not obligated to accept or approve of a Lender who cannot provide a Loan Approval that meets the requirements for such described in this Section, or who cannot give Seller adequate assurance that Lender will close the Loan by the Estimated Closing Date. Buyer is responsible for any fees or other costs imposed by Seller in the event the Close of Escrow is delayed due to a Lender's failure to perform completely in a timely manner. Furthermore, Seller has absolutely no obligation to begin construction until Buyer obtains Loan Approval.

Buyer's Initials MJ

F. If Loan Is Approved For a Lesser Amount. In the event the Loan Approval is for a Loan less than the principal amount of the Loan Amount specified in the Transaction Summary, then Buyer must provide (a) evidence satisfactory to Seller (in Seller's sole discretion) that Buyer has ready access to, or possession of, funds in an amount equal to the difference between the required Loan Amount specified in the Transaction Summary and the principal amount referenced in the Loan Approval plus (b) an unequivocal and unconditional written commitment to Seller to deliver such additional funds to Escrow on the earlier of fifteen (15) days thereafter or thirty (30) days prior to the scheduled Close of Escrow. If Buyer fails to comply with (a) and (b), then (c) Seller may, at its sole option, allow Buyer to apply for a Loan with another lender approved in advance by Seller; or, (d) Buyer or Seller may terminate this Agreement, in which case Buyer and Seller shall have no further rights or obligations under this Agreement and the Earnest Money Deposit shall be returned to Buyer less amounts released for Third Party Charges and any other designated non-refundable charges. Buyer's acceptance of those funds constitutes Buyer's waiver and release of any claim or interest Buyer may have in the Property.

G. Buyer's Default. Buyer shall use Buyer's best efforts to obtain the Loan and Loan Approval. Buyer shall be in default if Buyer: (i) fails to obtain Loan Approval on or before the Loan Approval Deadline; (ii) takes any voluntary action to prevent or delay Loan Approval; (iii) requests that Lender not approve the Loan; (iv) fails to furnish all documents and information required by Lender within the required time periods; (v) fails after obtaining Loan Approval to sign promptly all documents and take all actions necessary for the timely funding of the Loan; (vi) makes any misrepresentations or otherwise defaults in Buyer's obligations concerning the Loan under this Agreement; or (vii) takes any action (including incurring significant debt) or allow any action to be taken against Buyer which precludes or prevents Buyer from qualifying for a Loan or adversely affects Buyer's credit or otherwise causes the termination or cancellation of any Loan, or fails to take any action which would assist in qualifying for a Loan or benefitting Buyer's credit. If Buyer defaults under this Section, then Seller shall have the right at any time thereafter to terminate this Agreement and retain the Earnest Money Deposit in accordance with Section 7 below, in addition to all rights and remedies available to Seller set forth in this Agreement.

H. Lender Information Release. Buyer instructs Lender to release to Seller or its authorized representatives all information concerning the status of Buyer's Loan, including application, submission conditions, submission, suspension, approval conditions, approval, denial and the reasons therefor, status of Loan Documents (defined in Section 1.L below), before funding conditions and funding.

Buyer Initials MJ Seller's Initials _____
Broker Initials _____

I. **Seller is Not Lender or Lender's Agent.** This Agreement is not a Loan Application to, or a Loan Approval or commitment by, any lending institution. Although financing may be offered to Buyer by an affiliate or subsidiary of Seller, neither Seller nor Seller's affiliate makes any representation or guarantee to Buyer that Buyer will qualify for such Loan.

J. **Loan Terms.** The interest rate and other Loan terms will not be determined with certainty until the Close of Escrow. The interest rate obtained at the Close of Escrow may be higher or lower than the rate available as of the Effective Date and may be a variable interest rate. The interest rate and other Loan terms are matters of concern solely between Buyer and Lender and shall not affect the rights and obligations of Buyer and Seller under this Agreement. Seller makes no representations that Buyer will qualify for the Loan or that the interest rate or other Loan terms available at the Close of Escrow will be those quoted by Lender at the time of Loan Application or Loan Approval or discussed by anyone at any time before the Close of Escrow. Buyer's obligations under this Agreement are not contingent upon Buyer obtaining any specific interest rate or other Loan terms.

K. **Loan Lock.** Buyer shall "lock" the Loan, by authorizing the preparation of Loan Documents, at least 30 days prior to the Estimated Closing Date (the "**Loan Lock Date**"). In the event that Buyer, for whatever reason, has not locked the Loan on or before 10:00 a.m. (Arizona time) on the Loan Lock Date, then Buyer hereby irrevocably instructs Lender to lock the Loan on the Loan Lock Date at the interest rate offered by Lender to Buyer as of such date, without the need for Lender to obtain any further or additional instructions or approvals from Buyer. It is the intent of Buyer that Lender shall be entitled to rely on Buyer's instructions set forth in the immediately preceding sentence. Notwithstanding anything in this Section to the contrary, in the event Buyer, for whatever reason, has not locked the Loan on or before 10:00a.m. (Arizona time) on the Loan Lock Date, then Seller shall have the right to terminate this Agreement and retain the Earnest Money Deposit in accordance with Section 7 below, in addition to all rights and remedies available to Seller set forth in this Agreement.

L. **Loan Documents.** The Loan shall be evidenced by a promissory note ("**Note**") in favor of the Lender in the amount indicated in the Transaction Summary of the Agreement or such other amount as may be approved by Lender. The Note shall be secured by a first deed of trust ("**Trust Deed**") against the Property. The Note, Trust Deed and any other documents evidencing, securing or otherwise related to the Loan (collectively, the "**Loan Documents**"), shall be on Lender's forms and shall include such terms and conditions as the Lender may require, or as may be otherwise negotiated between the Lender and Buyer. Buyer shall make such monthly payments for real property taxes and assessments, assessments for any Association(s), private mortgage insurance and fire and other hazard insurance premiums as are required under the Loan Documents. Signing the Loan Documents constitutes Buyer's approval of all of the terms and conditions of the Loan. Buyer shall cause the Lender to deliver Loan Documents to the Escrow Holder no later than 3 business days prior to the Estimated Closing Date so that the Close of Escrow is not delayed. Failure to cause the Lender to deliver said Loan Documents to Escrow Holder 3 business days prior to the Estimated Closing Date will result in Buyer's default and Seller shall have the right to terminate this Agreement and retain the Earnest Money Deposit in accordance with Section 7 below, in addition to all rights and remedies available to Seller set forth in this Agreement.

M. **VA/FHA Property Appraisal.** If Buyer is obtaining a VA Loan or FHA Loan with respect to Buyer's purchase of the Property, then (i) Buyer and Seller agree that Buyer shall not forfeit any deposits, or be obligated to purchase the Property, if the Purchase Price exceeds the VA's Certificate of Reasonable Value or the FHA Appraisal if any are applicable, and (ii) Buyer shall, however, have the right or option of proceeding with the purchase of the Property, without regard to any Certificate of Reasonable Value or FHA Appraisal, so long as an appropriate adjustment in the Down Payment and/or Loan Amount is made.

N. **Other Appraisal.** Buyer and Seller agree that Buyer shall forfeit any and all deposits or will be obligated to purchase the Property if the Purchase Price exceeds any other appraisal (i.e., for conventional loans or cash purchases—not VA or FHA loans). Buyer expressly acknowledges and agrees that Buyer may select various options that may increase the Purchase Price, without a corresponding increase in appraisal value. Buyer further acknowledges that the real estate market may change from the time Buyer enters into this Agreement and the Close of Escrow. Thus, Buyer bears the risk that that the Property may not appraise for the Purchase Price. If the Property fails to appraise for the Purchase Price, then Buyer may choose to either: (i) forfeit any and all deposits and this Agreement shall automatically terminate and Buyer shall have no further right to the Property; or (ii) provide evidence satisfactory to Seller (in Seller's sole discretion) that Buyer has ready access to, or possession of, funds in an amount equal to the difference between the Purchase Price and the Loan Amount that the Lender may be willing to provide based on any appraisal performed.

O. **Payment of Closing Funds by Buyer.** Buyer shall deposit into Escrow all Closing Funds required of Buyer to complete the purchase of the Property (other than any portion of the Purchase Price obtained through the Loan) not later than the date specified in this Agreement. All of Buyer's funds required under this Section will be paid by bank cashier's check paid through an Arizona institution or wire transfer.

P. **Failure to Deposit.** If Buyer fails to perform as set forth in "Significant Dates" or Section 1.D above, Seller may in Seller's sole discretion, either: (a) extend the date for the payment for an additional period of time specified by Seller at that date, pursuant to Section 2.D. below; or (b) reach an alternative financing agreement in writing with Buyer, or (c) treat Buyer's failure to perform as a default hereunder, in which event Seller may terminate the Agreement and retain the Earnest Money Deposit in accordance with Section 7 below, in addition to all rights and remedies available to Seller set forth in this Agreement.

2. **ESCROW.**

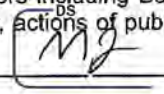
A. **Opening of Escrow.** On or promptly after the Effective Date, Seller shall open escrow ("**Escrow**") by depositing an executed copy of this Agreement with the Escrow Holder. The date on which Escrow Holder receives the fully executed Agreement shall be the "**Opening Date.**" As soon as possible after the Opening Date, Escrow Holder shall deliver a copy of the fully executed Agreement to Buyer and shall notify the Parties of the Opening Date.

B. **Escrow Instructions.** The Transaction Summary of this Agreement, together with Sections 1 through 9 of these General Provisions and Escrow Holder's "**General Escrow Instructions**" attached as **Addendum A**, constitute the Parties' instructions to Escrow Holder. Escrow Holder is not responsible for any other parts of this Agreement. Provisions regarding an award of attorney fees and related costs in the General Escrow Instructions or any other Escrow instructions shall apply only to disputes between Escrow Holder and the Parties, and not to disputes between the Parties themselves. If there is any conflict between this Agreement and Escrow Holder's General Escrow Instructions, the provisions of this Agreement shall control.

C. **Third Party Charges.** Escrow Holder may disburse the Closing Costs payable to third parties ("**Third Party Charges**") from funds deposited into Escrow by Buyer before or upon Close of Escrow.

D. **Close of Escrow.** "**Close of Escrow**" shall mean the date that the Special Warranty Deed conveying title to the Property to Buyer is recorded. Unless (a) Escrow is cancelled as provided in this Agreement, or (b) extended by Seller in writing, Close of Escrow is intended by Seller and Buyer to occur on the date Buyer is notified by Seller or Escrow Holder that Seller has obtained final inspection approvals of the Property from governing authorities or Seller has otherwise determined that the Property is substantially complete and ready for occupancy as described in Section 10.B. **BUYER ACKNOWLEDGES THAT SELLER'S DETERMINATION THAT THE PROPERTY IS READY FOR OCCUPANCY IS NOT A REPRESENTATION THAT THE PROPERTY'S UTILITIES WILL BE ON AT CLOSE OF ESCROW AND THAT SUCH UTILITY OPERATION IS NOT A CONDITION TO THE CLOSE OF ESCROW.** Because of the nature of the home building industry, it is not possible to estimate the Closing Date with accuracy. Due to a variety of factors including Buyer's timing for obtaining Loan approval, Seller's decisions concerning scheduling work, availability of materials and labor, actions of public authorities, national or

Buyer Initials _____



Seller's Initials _____

Broker Initials _____

regional emergency and weather conditions, the Closing Date could be delayed by weeks or months. Buyer accepts the uncertainty of the Closing Date and waives all claims against Seller, its agents, employees and contractors for all inconvenience, expense or other loss from any such delay. If, through no fault of the Seller, Buyer is unable to timely close Escrow and requests an extension from Seller before the scheduled close, Seller may extend Escrow at Seller's sole discretion by delivering written notice of the extension to Buyer and Escrow Holder. In consideration thereof, Buyer shall pay Seller, upon written demand, at such subsequent date when Escrow does close, a sum equal to the greater of (a) \$100 per day or (b) 1% of the Purchase Price divided by 30 days for each day Escrow is extended, unless Buyer obtains a VA Loan or FHA Loan, in which case this fee does not apply. If Buyer fails to close Escrow within the extension period, through no fault of Seller, Buyer shall be in default. Seller shall thereafter have the right to terminate this Agreement and retain the Earnest Money Deposit in accordance with Section 7 below, or pursue any remedy in law or equity that Seller may have against Buyer on account of Buyer's default.

Seller and Buyer hereby acknowledge that no escrow will close until all subdivision improvements have been completed and the governing municipality has issued its certificate of occupancy.

Buyer Initials (MJ)

Seller Initials (_____) (_____)

E. Other Documentation/Cooperation. Buyer shall complete and deliver to Seller or Escrow Holder all further instructions, documents, acknowledgments of disclosures and applications required by Seller or Escrow Holder to complete the transaction contemplated in this Agreement, and shall otherwise cooperate fully with Seller and Escrow Holder within three (3) business days after receipt of a request for action by Buyer. Buyer's failure to cooperate is a default hereunder and Seller shall have the right to terminate this Agreement and retain the Earnest Money Deposit in accordance with Section 7 below, in addition to all rights and remedies available to Seller set forth in this Agreement.

F. Closing Procedure. As soon as Escrow Holder holds all documents and all Closing Funds and has confirmed the performance of all other conditions precedent to the Close of Escrow, Escrow Holder shall promptly cause the Special Warranty Deed to be recorded and, on receipt of recording confirmation, promptly disburse Seller's net closing proceeds to Seller or Seller's order.

3. TITLE.

A. Special Warranty Deed. Title to the Property is to be conveyed to Buyer by Special Warranty Deed in a form selected by Seller ("**Special Warranty Deed**"), subject to (a) all non-delinquent taxes and assessments including any supplemental taxes levied after the Close of Escrow; (b) Declaration of Covenants, Conditions and Restrictions, or similar instrument ("**Declaration**"), reservations, dedications, easements and rights-of-way of record, (c) other matters of record or apparent affecting the use and occupancy of the Property, including those set forth in the final recorded plat, the Declaration, and any applicable Notice of Annexation; (d) encumbrances evidencing Buyer's Loan, if any; and (e) reservations contained in the Special Warranty Deed, including reservations of oil, gas and minerals.

B. Vesting. Buyer shall provide further instructions to Escrow Holder to designate the manner in which Buyer wants title to vest. Buyer acknowledges that the manner of taking title may have significant legal and tax consequences, and that Buyer should consult a professional concerning such consequences.

C. Title Insurance. Seller shall cause to be delivered to Buyer a preliminary title report specifying the legal description of the Property and the matters to which title to the Property shall be subject at the recording of the Special Warranty Deed. This title report shall be deemed approved by Buyer five (5) days after delivery to Buyer, unless Buyer has given prior written notice to Seller and Escrow Holder of Buyer's objections to specified reported title matters. Seller shall either cause the matters to which Buyer has objected to be removed from title to the Property as a matter of record, or Seller shall have the right to terminate the sale and cancel the Escrow by written notice delivered to Buyer and Escrow Holder, in which case the provisions of Section 6.B shall apply. After Close of Escrow, Escrow Holder shall deliver to Buyer a standard ALTA Owner's Policy (with regional exceptions) issued by a title insurance company selected by Seller, insuring title to the Property vested in Buyer in the condition described above with a liability equal to the Purchase Price. The premium for this standard ALTA Owner's Policy shall be paid by Seller.

4. CLOSING COSTS AND PRORATIONS. Buyer shall pay all Closing Costs as provided in the Transaction Summary unless specifically stated otherwise in this Agreement. Seller shall pay documentary transfer fees for recordation of the Special Warranty Deed and any costs in connection with partial reconveyance of any construction loan. Association(s) assessments shall be prorated as of Close of Escrow. Real property taxes and assessments shall also be prorated as of the Close of Escrow based upon a thirty (30) day month for expenses billed monthly, and a three hundred sixty (360) day year for expenses billed yearly, using the most recent available information. The Property will be reassessed after Close of Escrow, based upon the sale to Buyer, completion of construction or otherwise. Buyer is responsible for all property taxes against the Property assessed after Close of Escrow.

5. CONDITIONS TO CLOSE OF ESCROW. Notwithstanding anything herein to the contrary, Escrow shall not close, title to the Property shall not be conveyed to Buyer and, except as provided under Section 7, Buyer's funds shall not be unconditionally released from Escrow until the following conditions have been satisfied:

- A. Blanket Encumbrances.** All blanket encumbrances encumbering the Property are released or will be released through Escrow.
- B. Subordination of Encumbrances.** All mortgages and deeds of trust encumbering the real property in the Community are subordinate to or will be subordinate to the Declaration. This provision does not include real property taxes or assessments constituting a lien not yet delinquent.
- C. Property Insurance.** Unless Buyer is purchasing the Property without financing, Buyer has obtained appropriate fire and other casualty insurance for the Property no less than five (5) days prior to the Estimated Closing Date.
- D. Other Contingencies.** All other applicable conditions to the Close of Escrow, including those specified in any Addenda, are satisfied.

6. TERMINATION OF AGREEMENT AND CANCELLATION OF ESCROW.

A. Procedure for Mutual Termination. This Agreement may be terminated and the Escrow cancelled by mutual agreement of the Parties upon delivery to Escrow Holder of a termination and cancellation agreement executed by the Parties, in which event Buyer shall receive a refund of Earnest Money Deposit amounts paid by Buyer in the absence of any differing terms set out in the termination and cancellation agreement.

B. Procedure for Unilateral Termination. If a Party elects to exercise any right that Party may have to unilaterally terminate this Agreement, that Party shall give written notice of termination of the Agreement and cancellation of the Escrow to the other Party and to Escrow Holder, pursuant to Section 9.C, which notice shall be in addition to any requirements for notice under Section 7.B. In clarification of the forgoing, Buyer may have the right to unilaterally terminate this Agreement and receive the Earnest Money Deposit if and only (i) if Buyer is unable to obtain Loan Approval despite Buyer's best efforts as set forth in Section 1.E above; (ii) if through no fault of Buyer, Escrow is not closed on or within one (1) year after the Opening Date as set forth in Section 6.D below; or (iii) if Buyer has the right to receive the Earnest Money Deposit under Sections 7.B below. **Buyer's Obligations.** If this Agreement is terminated, within ten (10) days after Buyer's receipt of any termination notice from Seller, Buyer shall deliver to Seller all documents delivered by Seller to Buyer

Buyer Initials (MJ) Seller's Initials _____
Broker Initials _____

hereunder, Buyer shall have no further right or interest in the Property, and Buyer's indemnities of Seller in this Agreement shall survive the termination.

C. Buyer's Right. Notwithstanding the provisions for mutual execution of cancellation instructions in Section 6.B, if through no fault of Buyer, Escrow is not closed on or within one (1) year after the Opening Date, Buyer may unilaterally terminate this Agreement, unilaterally cancel Escrow and, within fifteen (15) calendar days after Seller and Escrow Holder receive written notice of such termination and cancellation, receive a refund of Earnest Money Deposit amounts paid by Buyer.

D. Seller's Right. Seller may terminate this Agreement and cancel Escrow if (a) Buyer is in default under this Agreement, (b) Seller has the right to terminate under any other provision of this Agreement, or (c) Seller's ability to construct the Residence or deliver it to Buyer is materially impaired because of (i) acts of God which Seller could not have reasonably foreseen and provided against, (ii) inclement weather, (iii) any strikes, boycotts or similar obstructive actions by employees or labor organizations, (iv) the action of any foreign, federal, state or local governmental authority or utility, (v) the unavailability or delay in prompt delivery of materials, labor, water, sewer or other utility services to the Property or Community, (vi) other causes beyond the reasonable control of Seller, or (vii) if, through no fault of Buyer or Seller, Escrow is not closed on or within one (1) year after the Opening Date. Upon termination of this Agreement by Seller and cancellation of the Escrow, and unless the Agreement is being terminated as a result of Buyer's default and under the procedure in Section 7, Buyer's full deposit, less amounts paid for Buyer's Third Party Charges, shall be refunded to Buyer, and Seller is released from all obligations imposed by this Agreement. Upon termination of this Agreement by Buyer and cancellation of Escrow, Seller may, at its discretion, retain the sum of \$250 ~~as a~~ service fee for cancellation.

Buyer Initials (MS) Seller Initials (_____) (_____)

E. Third Party Charges. Except in cases where Escrow is canceled (a) pursuant to Section 6.D, or (b) as a result of Seller's default, Buyer's Third Party Charges shall be paid from Buyer's funds. If Escrow is canceled pursuant to Section 6.D or as a result of Seller's default, Seller shall pay all Third Party Charges, and all of Buyer's funds deposited into Escrow, including amounts released for Buyer's Third Party Charges, shall be refunded to Buyer.

7. REMEDIES. IF BUYER DEFAULTS UNDER THIS AGREEMENT, SELLER SHALL BE RELEASED FROM ITS OBLIGATION TO SELL THE PROPERTY TO BUYER, AND SELLER MAY PURSUE ANY REMEDY AT LAW OR IN EQUITY THAT IT MAY HAVE AGAINST BUYER ON ACCOUNT OF SUCH DEFAULT. HOWEVER, BY PLACING THEIR INITIALS BELOW BUYER AND SELLER AGREE AS FOLLOWS:

Buyer Initials (MS) Seller Initials (_____) (_____)

A. Determination of Liquidated Damages. IF BUYER DEFAULTS UNDER THIS AGREEMENT, SELLER WILL BE DAMAGED AND WILL BE ENTITLED TO COMPENSATION FOR THESE DAMAGES. SUCH DAMAGES WILL BE EXTREMELY DIFFICULT AND IMPRACTICAL TO ASCERTAIN FOR THE FOLLOWING REASONS: (i) THE DAMAGES TO WHICH SELLER WILL BE ENTITLED IN A COURT OF LAW WILL BE BASED ON THE DIFFERENCE BETWEEN THE ACTUAL VALUE OF THE PROPERTY AS OF THE CLOSING DATE AND THE PURCHASE PRICE FOR THE PROPERTY AS SET FORTH IN THIS AGREEMENT, WHICH DIFFERENCE MUST BE BASED ON OPINIONS OF VALUE OF THE PROPERTY WHICH CAN VARY IN SIGNIFICANT AMOUNTS; (ii) SELLER WILL PROBABLY NOT RECOVER THE COST OF ADDITIONAL OPTION ITEMS BUYER REQUESTED IF SELLER RESELLS THE PROPERTY; AND (iii) IT IS IMPOSSIBLE TO PREDICT, AS OF THE EFFECTIVE DATE, WHETHER THE VALUE OF THE PROPERTY WILL INCREASE OR DECREASE AS OF THE CLOSING DATE. BUYER DESIRES TO LIMIT THE AMOUNT OF DAMAGES FOR WHICH BUYER MIGHT BE LIABLE IF BUYER DEFAULTS HEREUNDER. ADDITIONALLY, BOTH PARTIES WANT TO AVOID THE COSTS AND LENGTHY DELAYS RESULTING FROM SELLER FILING A LAWSUIT TO COLLECT ITS ACTUAL DAMAGES DUE TO BUYER'S DEFAULT. THEREFORE, IF BUYER DEFAULTS HEREUNDER, SELLER MAY RETAIN AND INSTRUCT ESCROW HOLDER TO RETAIN AND FORWARD TO SELLER THE EARNEST MONEY DEPOSIT AND ANY OTHER AMOUNTS PAID TO SELLER.

B. Seller's Default and Buyers Remedies. IF SELLER FAILS, PRIOR TO THE CLOSE OF ESCROW, TO SUBSTANTIALLY COMPLY WITH THE TERMS AND CONDITIONS OF THIS AGREEMENT AND BUYER IS NOT IN DEFAULT, BUYER SHALL DELIVER TO ESCROW AGENT AND SELLER A WRITTEN NOTICE DETAILING THE BREACH BY SELLER. SELLER SHALL HAVE TWENTY (20) DAYS FROM THE RECEIPT OF SUCH NOTICE IN WHICH TO REMEDY THE BREACH, EXCEPT THAT IF SELLER CANNOT REASONABLY COMPLETE THE REQUIRED PERFORMANCE WITHIN SUCH 20-DAY PERIOD, THEN SELLER SHALL HAVE A REASONABLE PERIOD, NOT TO EXCEED SIXTY (60) ADDITIONAL DAYS, WITHIN WHICH TO REMEDY THE BREACH. IF SELLER HAS NOT REMEDIED THE BREACH WITHIN THE TIME PROVIDED IN THE PREVIOUS SENTENCE, SELLER SHALL BE IN DEFAULT AND BUYER, AS ITS SOLE REMEDY, MAY CANCEL THIS AGREEMENT AND RECEIVE A REFUND OF THE EARNEST MONEY DEPOSIT PLUS ONE THOUSAND DOLLARS (\$1,000.00) AS LIQUIDATED DAMAGES AND NOT AS A PENALTY. BUYER AND SELLER HEREBY ACKNOWLEDGE THAT THE AMOUNT OF DAMAGES SUFFERED OR INCURRED BY BUYER AS A RESULT OF A DEFAULT BY SELLER UNDER THIS AGREEMENT WOULD BE EXTREMELY DIFFICULT AND/OR IMPOSSIBLE TO ASCERTAIN AND THAT THE LIQUIDATED DAMAGE AMOUNT DESCRIBED HEREIN CONSTITUTES A REASONABLE ESTIMATE OF SUCH DAMAGES. BUYER HEREBY EXPRESSLY WAIVES ANY OTHER RIGHTS AND REMEDIES IT MAY HAVE AT LAW OR EQUITY WITH RESPECT TO DEFAULT BY SELLER INCLUDING FOR SPECIFIC PERFORMANCE OR FOR ANY MONETARY DAMAGES OF ANY NATURE, INCLUDING BUT NOT LIMITED TO ACTUAL, SPECIAL, INDIRECT, INCIDENTAL, CONSEQUENTIAL, EXEMPLARY AND PUNITIVE DAMAGES.

C. Arbitration of Liquidated Damages Disputes. IF BUYER AND SELLER HAVE INITIALED THIS ARBITRATION PROVISION IN THE SPACES BELOW, UPON RECEIPT OF AN OBJECTION NOTICE, ESCROW HOLDER SHALL IMMEDIATELY NOTIFY SELLER, AND THE CONTROVERSY AS TO WHETHER SELLER IS ENTITLED TO THE DISBURSEMENT OF LIQUIDATED DAMAGES SHALL BE RESOLVED BY ARBITRATION IN ACCORDANCE WITH THE COMMERCIAL ARBITRATORS RULES OF THE AMERICAN ARBITRATION ASSOCIATION. JUDGMENT UPON THE AWARD RENDERED BY THE ARBITRATOR(S) MAY BE ENTERED IN ANY COURT HAVING JURISDICTION. IF BUYER AND SELLER HAVE NOT INITIALED THIS ARBITRATION PROVISION, THEN UPON RECEIPT OF BUYER'S OBJECTION, ESCROW HOLDER MAY BRING AN ACTION IN INTERPLEADER AS TO ALL SUMS ON DEPOSIT, IN ACCORDANCE WITH ESCROW HOLDER'S GENERAL ESCROW INSTRUCTIONS.

NOTICE: BY INITIALING IN THE SPACE BELOW, YOU ARE AGREEING TO HAVE ANY DISPUTE ARISING OUT OF THIS AGREEMENT DECIDED BY BINDING ARBITRATION PURSUANT TO THE FEDERAL ARBITRATION ACT. BY DOING SO, YOU ARE GIVING UP ANY RIGHTS YOU MIGHT POSSESS TO HAVE A CLAIM OR DISPUTE LITIGATED IN A COURT WHETHER BY JURY TRIAL OR JUDGE TRIAL. IF YOU REFUSE TO SUBMIT TO ARBITRATION, AFTER AGREEING TO THIS PROVISION, YOU MAY BE COMPELLED TO ARBITRATE UNDER THE AUTHORITY OF THE FEDERAL ARBITRATION ACT.

WE HAVE READ AND UNDERSTAND THE FOREGOING AND AGREE TO SUBMIT DISPUTES ARISING OUT OF THIS AGREEMENT TO ARBITRATION:

Buyer Initials (MS) Seller Initials (_____) (_____)

Buyer Initials (MS) Seller's Initials _____
Broker Initials _____

D. Resolution of Other Than Liquidated Damages Disputes. EXCEPT FOR PRE-CLOSING DISPUTES REGARDING LIQUIDATED DAMAGES UNDER SECTION 7 OF THIS AGREEMENT OR ANY DISPUTE BETWEEN BUYER AND SELLER REGARDING THIS AGREEMENT, ANY OTHER MATTER, SHALL BE RESOLVED PURSUANT TO THE DISPUTE RESOLUTION PROVISIONS OF THE HOME BUILDER'S LIMITED WARRANTY ("LIMITED WARRANTY"), A COPY OF WHICH IS ATTACHED TO AND INCORPORATED IN THIS AGREEMENT. HOWEVER, IF THE DISPUTE RESOLUTION PROVISIONS SPECIFIED IN THE LIMITED WARRANTY ARE NOT ENFORCEABLE FOR ANY REASON, THEN THE DISPUTES SHALL BE RESOLVED BY ARBITRATION IN ACCORDANCE WITH THE COMMERCIAL ARBITRATORS RULES OF THE AMERICAN ARBITRATION ASSOCIATION. JUDGMENT UPON THE AWARD RENDERED BY THE ARBITRATOR(S) MAY BE ENTERED IN ANY COURT HAVING JURISDICTION.

BY INITIALING BELOW, THE PARTIES ACKNOWLEDGE THAT THEY HAVE READ AND UNDERSTAND SECTION 7 AND THE PARTIES AGREE THAT DISPUTES BETWEEN BUYER AND SELLER NOT COVERED BY SECTION 7, WILL BE SUBJECT TO THE DISPUTE RESOLUTION PROCEDURE IN THE LIMITED WARRANTY OR, IF THAT IS NOT ENFORCEABLE, IN SECTION 7(D).

Buyer Initials MS

Seller Initials () ()

E. Federal Arbitration Act Governs. The arbitration procedures in this Section 7 and the Limited Warranty are implemented for the Property in accordance with the philosophy and intent of the Federal Arbitration Act (9 U.S.C. Sections 1-16) which is designed to encourage use of alternative methods of dispute resolution that avoid costly and potentially lengthy traditional court proceedings. These procedures are to be interpreted and enforced as authorized by the Federal Arbitration Act. Parties interpreting these procedures shall follow the federal court rulings (Allied-Bruce Terminix Companies, LLC v. Dobson, 115 S. Ct. 834 (1995), and other federal court rulings) that provide, without limitation, that the Federal Arbitration Act (1) is a congressional declaration of a liberal federal policy favoring arbitration agreements, notwithstanding substantive or procedural state policies to the contrary, (2) requires that federal and state courts rigorously enforce agreements to arbitrate, (3) requires the scope of this alternative dispute resolution agreement be interpreted broadly in favor of arbitration, and (4) requires disputes over whether an issue is arbitrable be resolved by a finding in favor of arbitration.

F. Cost of Legal Proceedings. Each party shall bear its own attorney's fees and costs (including experts' costs) incurred in connection with any legal proceedings relating to any disputes arising out of this Agreement, including but not limited to any arbitration proceedings brought under Section 7.D of this Agreement.

8. INTENTIONALLY DELETED.

9. MISCELLANEOUS.

A. Entire Agreement. This Agreement, the Addenda and the Additional Documents attached hereto are the entire agreement between the Parties concerning the subject matter hereof. Except for the written warranties provided by Seller to Buyer on, before or after the Close of Escrow as described in Section 10.E, neither Seller nor any sales representative, employee or agent of Seller has made or will make any representation or warranty, express or implied, not contained in this Agreement concerning the subject matter hereof, including any representation of merchantability, fitness for a particular purpose, quality of construction or otherwise concerning the Property. Buyer has not executed this Agreement in reliance upon any representation or warranty not contained in this Agreement. All advertising material is superseded by this Agreement. Neither this Agreement nor any memorandum hereof may be recorded. All representations and warranties of Buyer and any indemnity of Seller by Buyer under this Agreement shall survive the Close of Escrow and the delivery of the Special Warranty Deed.

If there are no ^{DS} representations or warranties, Buyer shall so indicate by writing the word "None": NONE
Buyer's Initials MS

B. Successors and Assigns. In view of the credit qualifications, processing and other personal matters considered hereunder, this Agreement and the rights of Buyer hereunder may not be assigned or transferred by Buyer voluntarily, involuntarily, or by operation of law without first obtaining Seller's written consent, which may be withheld in Seller's sole and absolute discretion. If Buyer attempts to assign Buyer's interest under this Agreement before the Close of Escrow or enters into another escrow for the concurrent resale of the Property, Buyer is in default and Seller shall have the right to terminate this Agreement and retain the Earnest Money Deposit in accordance with Section 7 above, in addition to all rights and remedies available to Seller set forth in this Agreement. Escrow Holder is instructed not to assist or participate in any way in the consummation of any so-called "double-escrows" initiated by Buyer. This Agreement and the rights, duties and obligations of the Parties shall be binding upon and shall inure to the benefit of the representatives, successors and assigns of Seller and, subject to the preceding sentences, to the heirs, executors, administrators, representatives, successors and assigns of Buyer.

C. Notices. All notices pertaining to this Agreement must be in writing and either delivered personally or mailed. A mailed notice is deemed delivered forty-eight (48) hours after deposit into the United States mail first class, addressed to the applicable Party at the address listed in this Agreement, with postage prepaid, by registered or certified mail, return receipt requested. A Party may change its address for notice by giving the other Party a notice in the manner provided in this Section.

D. Time is of the Essence. Time is of the essence in the performance of Buyer's obligations under this Agreement. Any delay in Buyer's performance under this Agreement will prejudice Seller. Therefore, any failure by Buyer to perform within the specified periods will be a default by Buyer. Unless otherwise provided in this Agreement, the term "days" means consecutive "calendar days." If the date on which any action is to be taken, any obligation is to be performed, or any notice is to be given under this Agreement falls on a day which is not a "business day" (meaning any day other than Saturday, Sunday, and any day the Recorder's Office of the County in which the Property is located is closed) such performance date shall be automatically extended to the next business day.

E. Severability. If any provision of this Agreement is determined to be invalid, illegal or unenforceable by a court of competent jurisdiction, the validity and enforceability of the other provisions of this Agreement shall not be affected thereby.

F. Interpretation. Headings in this Agreement are included for reference purposes only and shall not affect the meaning of any provisions of this Agreement. Buyer (and Buyer's counsel, if desired by Buyer) has reviewed this Agreement and Buyer agrees that any rule of contract interpretation that ambiguities or uncertainties are to be interpreted against the drafting party or the party who caused it to exist shall not be employed in the interpretation of this Agreement. This Agreement shall be governed by Arizona law. As used in this Agreement, the word "including" means "including but not limited to." If more than one person or entity is a Party, each of them is jointly and severally liable under this Agreement.

G. Waivers. Seller's waiver of a default by Buyer shall not be deemed a continuing waiver or a waiver of any subsequent default.

H. Counterparts. This Agreement may be executed in counterparts, each of which is an original, and all of which are one agreement.

I. Brokers. Except for Seller's sales representative (who represents Seller only) or as may be set forth in a Broker Commission Agreement, if any, attached to this Agreement, Buyer represents and warrants to Seller that Buyer has not dealt with any broker, real estate sales representative, or finder in connection with the transactions contemplated by this Agreement. Buyer shall indemnify, defend and hold Seller harmless from all claims, demands, liabilities, judgments and expenses arising out of any amounts claimed to be owing to any such persons on account of Buyer's conduct. K. Hovnanian at Gallery, LLC is a licensed Arizona Real Estate Broker.

J. Buyer's Representations. Unless otherwise mutually agreed in writing, Buyer represents and warrants to Seller that (a) Buyer has a bona fide intention of residing in the Property as Buyer's principal place of residence and will be the first occupant of the Property after the Close of Escrow and (b) Buyer has not entered into any other contract or deposit receipt with Seller under which escrow has not yet closed. The inaccuracy or untruth of any of Buyer's representations and warranties in this Section or elsewhere in this Agreement shall be a Buyer default entitling Seller to terminate this Agreement and retain the Earnest Money Deposit in accordance with Section 7, in addition to all rights and remedies available to Seller set forth in this Agreement.

K. Homeowners' Association. Buyer understands that the Subdivision and the Property are bound by one or more declarations of covenants, conditions, restrictions and easements or tract declarations or similar instruments (the "CC&Rs") and that an owners' association (the "Association") has been established for the purpose of governing the affairs of the Subdivision. At the Close of Escrow, Buyer shall become a member of the Association and thereafter must abide by the terms and conditions of the CC&Rs, the Association's governing documents (e.g., Articles of Association and Bylaws), and any other applicable Association documents, receipt of which are hereby acknowledged by Buyer.

Buyer's Initials MS

10. ADDITIONAL AGREEMENTS. The following Sections represent additional agreements between Buyer and Seller, regarding which Escrow Holder shall have no liability or duty except in the event of a cancellation.

A. Construction. Seller shall cause construction and completion of the Residence and appurtenant improvements on the Property. The Residence is being constructed by either K. Hovnanian Great Western Building Company LLC, Arizona Registrar of Contractors License #188563B or K. Hovnanian Building Company, LLC, Arizona Registrar of Contractors License #277023 (together, the "Building Company"), furnishing all labor and material therefor. Buyer is purchasing a completed Residence. The Building Company is not acting as a contractor for Buyer in the construction of such Residence. Issuance of a Certificate of Occupancy or other alternative final approval of occupancy of the Property by the relevant local governmental authority is conclusive evidence of Seller's completion of the Residence. The Building Company is not constructing any element of the Residence specifically for the Buyer, except as expressly provided in any Optional Items Addendum between Buyer and Seller. The Building Company is constructing the Residence as part of the Community and in compliance with the requirements of the Declaration and other legal management documents applicable to the Community. The usable or buildable area, location and configuration of the Property and all improvements located thereon may fluctuate from that shown or displayed to Buyer in the Buyer information map and any drawings, plans, topographic maps or models when Seller and/or the Building Company places final improvements, including fencing and slopes, at Seller's sole and absolute discretion. The location, size, height and composition of all walls, fences and other improvements to be constructed on the Property or adjacent thereto shall be determined by Seller in its sole and absolute discretion. Despite temporary fencing, models, drawings or topographic maps displayed to Buyer, Seller has made no representations, warranties or assurances to Buyer regarding the size, height, location or composition of any wall, fence or other improvement to be constructed on or adjacent to the Property. Seller may substitute the type and location of materials, appliances and other items in the Residence and on the Property with items Seller determines are of substantially equal quality and utility (and acceptable to any Lender) to complete the Residence. Such substitutions may include kitchen appliances, household fixtures, electrical outlets and switches, hardware, wall surfaces, painting and other similar items. Buyer agrees that any substitutions made by Seller will not cause an adjustment in the Purchase Price. Seller may make substitutions without adjusting the Purchase Price. Buyer's consultation by Seller or Seller's agents shall not waive Seller's rights to make any change contemplated or provided in this Agreement. If Seller is unable to complete or install on the Property any optional item, decorator item, fixture, furnishing or other improvement, and such failure is caused by circumstances beyond Seller's reasonable control, the Close of Escrow shall not be delayed so long as occupancy of the Residence is approved by the applicable governmental authority. The incomplete items shall be completed by Seller as soon as reasonably possible after the Close of Escrow.

B. Completion of Residence. Seller has not provided Buyer an exact date for completion or occupancy of the Residence; however, except for delays caused by circumstances beyond Seller's reasonable control, Seller shall complete the construction of the Residence within one (1) year after the Effective Date. Buyer understands that the Residence will be substantially complete on the Close of Escrow. At the Close of Escrow there may be service items that need to be corrected by Seller. These items may include but are not limited to: paint touch-up, drywall patching, grout repair, caulk repair, flooring corrections, cabinet adjustments and other repairs not affecting the habitability of the Residence. Buyer understands that these are normal items that may be found in a new home and they shall not cause an extension of the Close of Escrow.

C. Possession and Delivery of Keys. Once the Escrow Holder confirms the recordation of the Special Warranty Deed, the sales representative will contact Buyer to deliver the keys to the Residence. Under no circumstances is Buyer entitled to delivery of the keys prior to the confirmation of the recordation of the Special Warranty Deed. Buyer has no right, title or interest in the Property, except the right and obligation to purchase the Property in accordance with this Agreement. Buyer may not possess the Property nor enter it prior to the confirmation of the recordation of the Special Warranty Deed. Any entry by Buyer shall be at Buyer's own risk. Buyer shall indemnify, defend and hold Seller, its agents, contractors, officers, directors, shareholders, partners and employees, harmless from and against all claims, demands, liabilities and expenses arising from any personal injury, death or property damage to Buyer, Buyer's invitees and guests, Seller or any other individual or entity as a result of any such entry. Buyer understands that to permit the work to progress in an orderly fashion, no interference with construction work on the Property is permitted. In addition, prior to the confirmation of the recordation of the Special Warranty Deed (a) no custom work may be contracted for or performed by Buyer or Buyer's agents on the Property and (b) no signs may be posted by Buyer or Buyer's agents on or near the Property, and (c) Buyer shall not enter into any contract for the sale or transfer of the Property or the assignment of Buyer's interest in this Agreement. A violation of the foregoing is a material default by Buyer.

D. Orientation. Buyer and Seller shall perform a joint courtesy orientation and inspection of the Property before the Close of Escrow. This inspection shall be for the sole purposes of orienting Buyer to the Property and preparing a list of corrective work, if any, which Seller may agree to perform. Although Buyer acknowledges the right to negotiate with Seller concerning the inspection of the Property, the Parties agree that Buyer may not bring other persons to the orientation. The Parties agree that (a) such items need not be completed before the Close of Escrow, and (b) the fact that such items have not been completed before the Close of Escrow shall not be a condition precedent to Close of Escrow, nor entitle Buyer to extend or otherwise delay the Close of Escrow. As of the Close of Escrow, Buyer shall be deemed to have approved all aspects of the Property and to have acknowledged and agreed that Seller has performed all of Seller's obligations to Buyer under the terms of this Agreement and concerning the Property and the Community as a whole, except as to those items which may be completed after the Close of Escrow and those items covered by the Fit and Finish Warranty, described below.

E. Warranties. Seller will provide to Buyer with this Agreement, for execution before the Close of Escrow, an agreement entitled "Home Builder's Limited Warranty" (the "Limited Warranty") which establishes a method for determining the existence and remedying of, including, without limitation, Seller's right to repair, "Construction Defects" (as defined in the Limited Warranty) in the Property for a period of up to eight (8) years after the date the Property is transferred to Buyer. The Limited Warranty does not cover "Consumer Products" (as defined in the Limited Warranty), being any equipment, appliance or other item defined as such in the Magnuson-Moss Warranty Act, including but not limited to a dishwasher, garbage disposal, range, oven, range hood, microwave oven, refrigerator, trash compactor, hot water heater, thermostat, washer and dryer and garage door opener. Seller makes no warranty concerning such Consumer Products, but Buyer is entitled to any Consumer Product warranty that may be provided by the product manufacturer. THE LIMITED WARRANTY IS IN LIEU OF ANY IMPLIED WARRANTY AND ARE THE ONLY WARRANTIES BY SELLER APPLICABLE TO THIS PURCHASE. ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, WHETHER ARISING UNDER STATE LAW OR THE MAGNUSON-MOSS WARRANTY ACT OR OTHERWISE, INCLUDING ALL IMPLIED WARRANTIES OF FITNESS, MERCHANTABILITY OR HABITABILITY, ARE

Buyer Initials MS Seller's Initials _____
Broker Initials _____

DISCLAIMED, EXCLUDED AND WAIVED. No sales representative or other representative of Seller or any contractor may change, extend or alter the Limited Warranty.

F. **No Buyer Work Prior to the Close of Escrow.** Buyer will not, during the construction of the Residence, be able to provide materials, subcontractors, labor or supplies to the Property, or work on or make modifications to the Property. Buyer's subcontractors may only work in the Property and Buyer may only install or provide materials for the Property after the Close of Escrow. If Buyer violates this Section of the Agreement, the Limited Warranty shall, at Sellers discretion, be deemed void and the Purchase Price may be increased by the amount of any cost incurred by Seller to correct, remove or otherwise eliminate materials, modifications or other work performed or caused to be performed by Buyer prior to the Close of Escrow.

G. **Termites.** At the Close of Escrow, Seller will deliver to Buyer a certificate from the pest control company that applied the termite treatment for the Property. Any warranties provided by the pest control company will be delivered to Buyer at the Close of Escrow. Seller's liability to Buyer or to subsequent owners of the Property for costs, expenses or other damages resulting from termites shall be limited to that specified in its Limited Warranty.

H. **Under Arizona Revised Statutes section 32-1155, a buyer of a dwelling has the right to file a written complaint against the homebuilder with the Arizona registrar of contractors within two years after the close of escrow or actual occupancy, whichever occurs first, for the commission of an act in violation of Arizona Revised Statutes section 32-1154, subsection A.**

Buyer Initials (^{DS} MJ)

I. By way of compliance with the Interstate Land Sales Act, Seller states that this Agreement is for the sale of a home on improved land that the Seller is obligated to erect within a period of two years from the execution of this Agreement, unless Acts of God or other events or circumstances that constitute a defense under applicable state law to performance under a contract would permit the Seller to extend that period. If the Seller fails to erect the home as and when described in this section, then, notwithstanding any provision of this Agreement to the contrary, the Buyer shall have any remedy at law or in equity.

Buyer Initials (^{DS} MJ) Seller's Initials _____
Broker Initials _____



Date:	May 20, 2017	
Sub / Lot:	Gallery - CM	8
Plan / Elevation:	1210	A2
Sales Consultant:	Kelsey Schilens	
Buyer(s):	Jones / / /	

[] CONSTRUCTION START ORDER -or- [] CONVERT TO SPEC

Construction Status Frame Start Addn #: _____

This is an addendum to the contract between SELLER and Matthew Jones (and) _____ (and) _____

buyer(s) to purchase a home at (Subdivision) Gallery - CM Lot No. 8
 Homesite Address: 3104 North 71st Street City: Scottsdale State: AZ ZIP: 85251

House Plan	Elevation	Garage Orientation	Loan Type
<u>1210</u>	<u>A2</u>	<u>Right</u>	<u>Conventional Jumbo</u>

	Purchase Price	Price
		<u>\$449,990.00</u>
Lot Premium		<u>\$5,000.00</u>

Code	Description	Color/Location	Original Unit Price	Price Diff	New Unit Price	Qty	Ext. Price	Buyer's Initials
CustomOpt on1	Carpet \$3,668 Pad \$893 Tile \$10,202 Surrounds \$10,316		\$25,079.00	\$0.00	\$25,079.00	1	\$25,079.00	<u>MJ</u>

APL PKG - Appliance Package								
Code	Description	Color/Location	Original Unit Price	Price Diff	New Unit Price	Qty	Ext. Price	Buyer's Initials
APL00222	Standard Monogram Appliance Package		\$0.00	\$0.00	\$0.00	1	\$0.00	<u>MJ</u>

APL WAD - Appliance Washer Dryer								
Code	Description	Color/Location	Original Unit Price	Price Diff	New Unit Price	Qty	Ext. Price	Buyer's Initials
APL00189	GE Stacked Spacemaker W/D - Gas Dryer		\$1,430.00	\$0.00	\$1,430.00	1	\$1,430.00	<u>MJ</u>

CBT GEN - Cabinet General								
Code	Description	Color/Location	Original Unit Price	Price Diff	New Unit Price	Qty	Ext. Price	Buyer's Initials
CBT00431	Dining Area - Cabinets w/ Pantry 2		\$7,470.00	\$0.00	\$7,470.00	1	\$7,470.00	<u>MJ</u>

CBT PKG - Cabinet Package								
Code	Description	Color/Location	Original Unit Price	Price Diff	New Unit Price	Qty	Ext. Price	Buyer's Initials
CBT00442	Standard Cabinets - Milamine Slab Door - Seneca White	Hardware: 5187128905 Drawers: 5187043905 Doors: 5187043905	\$0.00	\$0.00	\$0.00	1	\$0.00	<u>MJ</u>

CBT SPC KIT - Cabinet Specialty Kitchen								
Code	Description	Color/Location	Original Unit Price	Price Diff	New Unit Price	Qty	Ext. Price	Buyer's Initials
CBT00040	Trash Roll Out at Kitchen (per roll out)		\$380.00	\$0.00	\$380.00	1	\$380.00	<u>MJ</u>
CBT00264	Pots and Pans Drawer Bank at Kitchen		\$310.00	\$0.00	\$310.00	1	\$310.00	<u>MJ</u>

CTP QTZ BTH - Countertop CTP-Quartz Bath								
Code	Description	Color/Location	Original Unit Price	Price Diff	New Unit Price	Qty	Ext. Price	Buyer's Initials
CTP00773	Polished Edge Quartz Undermount Sink (per sink) (Note: Bedroom 4)	Location: Bed 4 Bath	\$390.00	\$0.00	\$390.00	1	\$390.00	<u>MJ</u>
CTP21567	Bedroom 4 Bath Quartz Level 1 (Note: Mesa Dune)		\$90.00	\$0.00	\$90.00	1	\$90.00	<u>MJ</u>

CTP QTZ KIT - Countertop CTP-Quartz Kitchen								
Code	Description	Color/Location	Original Unit Price	Price Diff	New Unit Price	Qty	Ext. Price	Buyer's Initials
CTP00943	Kitchen - Quartz Standard - Level 1 Color Selection Only - Old verbiage	Color: Mesa Dune	\$0.00	\$0.00	\$0.00	1	\$0.00	<u>MJ</u>

Buyer Initials MJ Seller's Initials _____
 Broker Initials _____

CTP QTZ OBH – Countertop CTP-Quartz Owners Bath								
Code	Description	Color/Location	Original Unit Price	Price Diff	New Unit Price	Qty	Ext. Price	Buyer's Initials
CTP23949	Owners Spa Bath Quartz Standard Level 1 - Color Selection Only	Color: Mesa Dune	\$0.00	\$0.00	\$0.00	1	\$0.00	DS MJ
CTP26488	Owners Spa Bath 2 Quartz Standard Level 1 - Color Selection Only	Color: Mesa Dune	\$0.00	\$0.00	\$0.00	1	\$0.00	

CTP QTZ PRM – Countertop CTP-Quartz Powder Room								
Code	Description	Color/Location	Original Unit Price	Price Diff	New Unit Price	Qty	Ext. Price	Buyer's Initials
CTP00945	Powder Room - Quartz Standard - Level 1 Color Selection Only – Old Verbiage	Color: Mesa Dune	\$0.00	\$0.00	\$0.00	1	\$0.00	DS MJ

ELE ACC – Electrical Accessories								
Code	Description	Color/Location	Original Unit Price	Price Diff	New Unit Price	Qty	Ext. Price	Buyer's Initials
ELE00281	Under Cabinet LED Tape Lighting w/ Switch - Standard Kitchen		\$470.00	\$0.00	\$470.00	1	\$470.00	DS MJ

ELE LGT – Electrical Lights								
Code	Description	Color/Location	Original Unit Price	Price Diff	New Unit Price	Qty	Ext. Price	Buyer's Initials
ELE00324	Dining Light Fixture - Haven Brushed Nickel		\$330.00	\$0.00	\$330.00	1	\$330.00	DS MJ

ELE LGT PEN – Electrical Lights Pendant								
Code	Description	Color/Location	Original Unit Price	Price Diff	New Unit Price	Qty	Ext. Price	Buyer's Initials
ELE00345	Pendant Light w/ Switch City Square Chrome		\$230.00	\$0.00	\$230.00	1	\$230.00	DS MJ
ELE00346	Pendant Light tied to Existing Switch - City Square Chrome		\$180.00	\$0.00	\$180.00	3	\$540.00	

ELE LGT REC – Electrical Lights Recessed								
Code	Description	Color/Location	Original Unit Price	Price Diff	New Unit Price	Qty	Ext. Price	Buyer's Initials
ELE00303	LED Recessed Light w/White Trim Tied to Existing Switch	Location: Great Room	\$220.00	\$0.00	\$220.00	3	\$660.00	DS MJ
ELE00304	LED Recessed Light w/White Trim on Single Pole Switch	Location: Great Room	\$300.00	\$0.00	\$300.00	1	\$300.00	

GAR OPN – Garage Opener								
Code	Description	Color/Location	Original Unit Price	Price Diff	New Unit Price	Qty	Ext. Price	Buyer's Initials
GAR00011	Keyless entry		\$80.00	\$0.00	\$80.00	1	\$80.00	DS MJ

HMT GEN – Home Media General								
Code	Description	Color/Location	Original Unit Price	Price Diff	New Unit Price	Qty	Ext. Price	Buyer's Initials
HMT00103	Conduit for Flat Panel TV Prewire	Location: Great Room	\$260.00	\$0.00	\$260.00	1	\$260.00	DS MJ

INS – Insulation								
Code	Description	Color/Location	Original Unit Price	Price Diff	New Unit Price	Qty	Ext. Price	Buyer's Initials
INS00015	Insulate Ceilings Above 1st Floor Livable - R-11 Batts Garage Not Included		\$260.00	\$0.00	\$260.00	1	\$260.00	DS MJ
INS00020	Insulate Ceilings Above 2nd Floor Livable - R-11 Batts Garage Not Included		\$750.00	\$0.00	\$750.00	1	\$750.00	

PLU SNK – Plumbing Sink								
Code	Description	Color/Location	Original Unit Price	Price Diff	New Unit Price	Qty	Ext. Price	Buyer's Initials
PLU00453	Lav Sink - Archer K-2355 Undermount Sink - White (per sink) (Note: Bedroom 4 bath)		\$410.00	\$0.00	\$410.00	1	\$410.00	DS MJ

PNT – Paint								
Code	Description	Color/Location	Original Unit Price	Price Diff	New Unit Price	Qty	Ext. Price	Buyer's Initials
PNT20069	Interior Paint Color Package - Ceilings Flat, Walls Flat SW Accessible Beige	Color: SW7036	\$2,580.00	\$0.00	\$2,580.00	1	\$2,580.00	DS MJ

Buyer Initials DS MJ Seller's Initials _____
 Broker Initials _____

RAL INT - Railing Interior								
Code	Description	Color/Location	Original Unit Price	Price Diff	New Unit Price	Qty	Ext. Price	Buyer's Initials
RAL00006	Standard Color Selection for Standard Paint Grade Handrail	Paint: SW 6385 Dover White	\$0.00	\$0.00	\$0.00	1	\$0.00	
RAL00011	Stainless Horizontal Spindles w/ Paint Grade Handrail 1st Floor	Color: Dover White	\$1,780.00	\$0.00	\$1,780.00	1	\$1,780.00	DS MJ

STL BTH - Structural Bath								
Code	Description	Color/Location	Original Unit Price	Price Diff	New Unit Price	Qty	Ext. Price	Buyer's Initials
STL23109	Bedroom 4 Bath Shower ILO Tub w/Tile Surrounds - Deactivate per Vaughn		\$4,190.00	\$0.00	\$4,190.00	1	\$4,190.00	DS MJ

STL CLR - Structural Color								
Code	Description	Color/Location	Original Unit Price	Price Diff	New Unit Price	Qty	Ext. Price	Buyer's Initials
STL00095	Exterior Color Package	Roof Tile: N/A; Scheme #: 9000	\$0.00	\$0.00	\$0.00	1	\$0.00	DS MJ

STL ROM BED - Structural Room Bedroom								
Code	Description	Color/Location	Original Unit Price	Price Diff	New Unit Price	Qty	Ext. Price	Buyer's Initials
STL00053	Bedroom 4		\$13,700.00	\$0.00	\$13,700.00	1	\$13,700.00	MJ

STL ROM INT - Structural Room Interior								
Code	Description	Color/Location	Original Unit Price	Price Diff	New Unit Price	Qty	Ext. Price	Buyer's Initials
STL20976	Owners Suite 2		\$12,050.00	\$0.00	\$12,050.00	1	\$12,050.00	MJ

SUR - Surround								
Code	Description	Color/Location	Original Unit Price	Price Diff	New Unit Price	Qty	Ext. Price	Buyer's Initials
SUR00031	Delete Standard Backsplash - Must Add Custom Backsplash	Location: Kitchen	\$0.00	\$0.00	\$0.00	1	\$0.00	DS MJ

TRM EDR - Trim Entry Door								
Code	Description	Color/Location	Original Unit Price	Price Diff	New Unit Price	Qty	Ext. Price	Buyer's Initials
TRM00362	Front Entry Door - Therma Tru - 8' Linea w/Glass Glass Selection Only	Glass: Chord	\$0.00	\$0.00	\$0.00	1	\$0.00	DS MJ

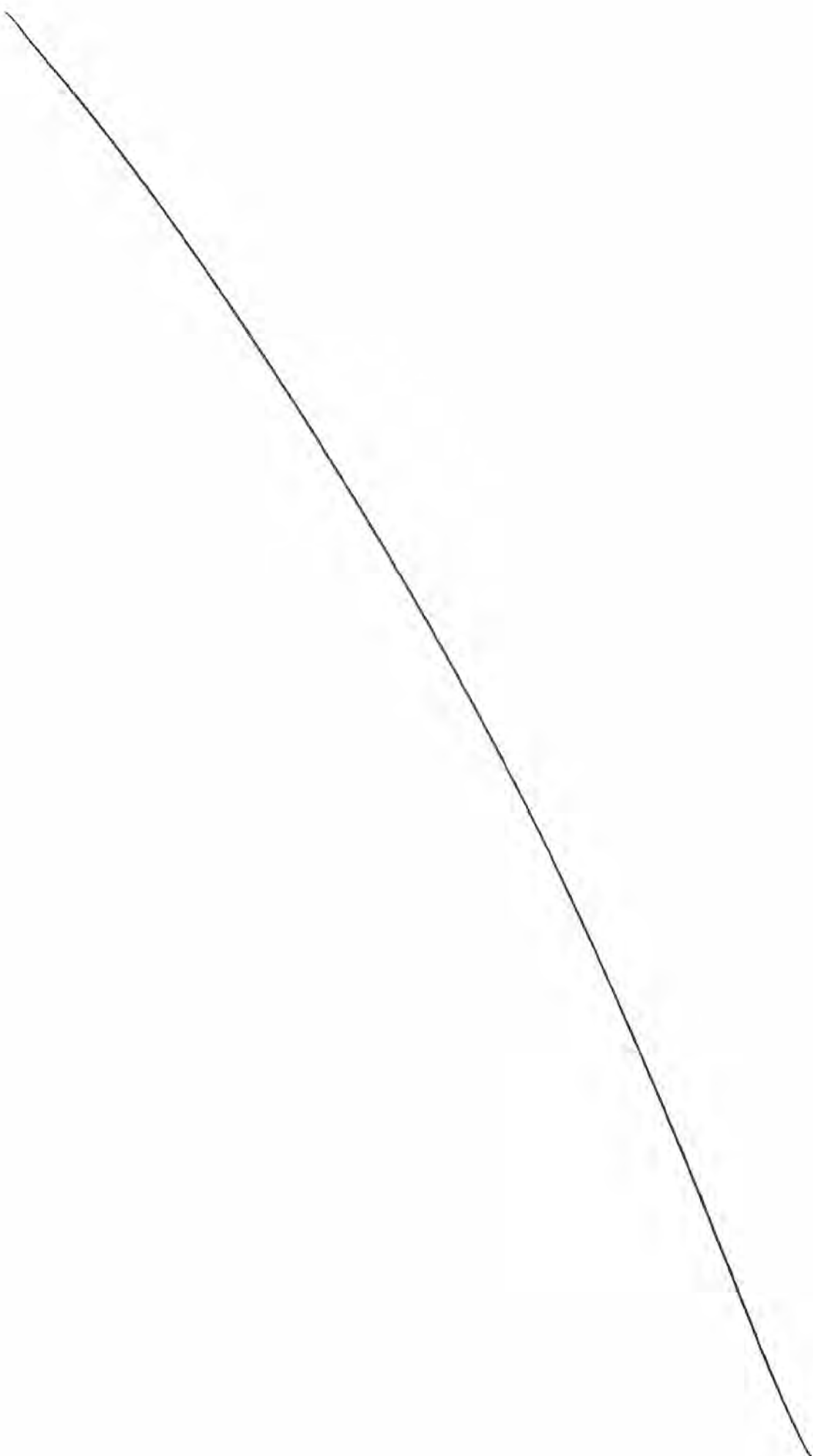
TRM HDW - Trim Hardware								
Code	Description	Color/Location	Original Unit Price	Price Diff	New Unit Price	Qty	Ext. Price	Buyer's Initials
TRM00375	Entry Door Handle Set - Tavaris with Vedani Interior Door Hardware Finish Selection Only	Finish: Satin Nickel	\$0.00	\$0.00	\$0.00	1	\$0.00	DS MJ

Total Incentives:	\$39,829.00
Total Ordered Options:	\$73,739.00
Total Purchase Price:	\$488,900.00

DocuSigned by:
Matt Jones 5/21/2017 | 3:12:41 PM EDT
 Buyer 604D3E05FE01474 Date _____ Buyer _____ Date _____
 Buyer _____ Date _____ Buyer _____ Date _____
 Sales Consultant [Signature] Date 5-20-17
 SELLER Authorized Signer _____ Date _____
 K. Hovnanian at Gallery, LLC

This construction order is not binding on SELLER until approved and accepted by an authorized signer of SELLER

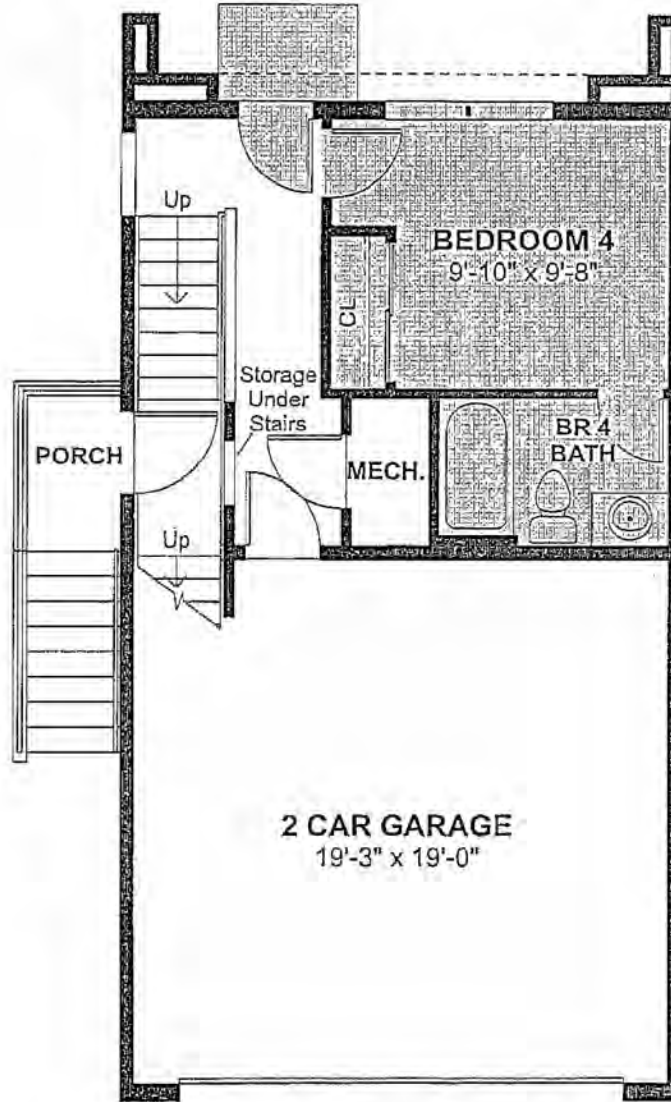
Buyer Initials MJ Seller's Initials _____
 Broker Initials _____



WINNEM-LOT 8-JONES

Argyle

KH *Home*
Plans



DocuSigned by:
Matt Jones
 5/30/17
 20140203FE01474

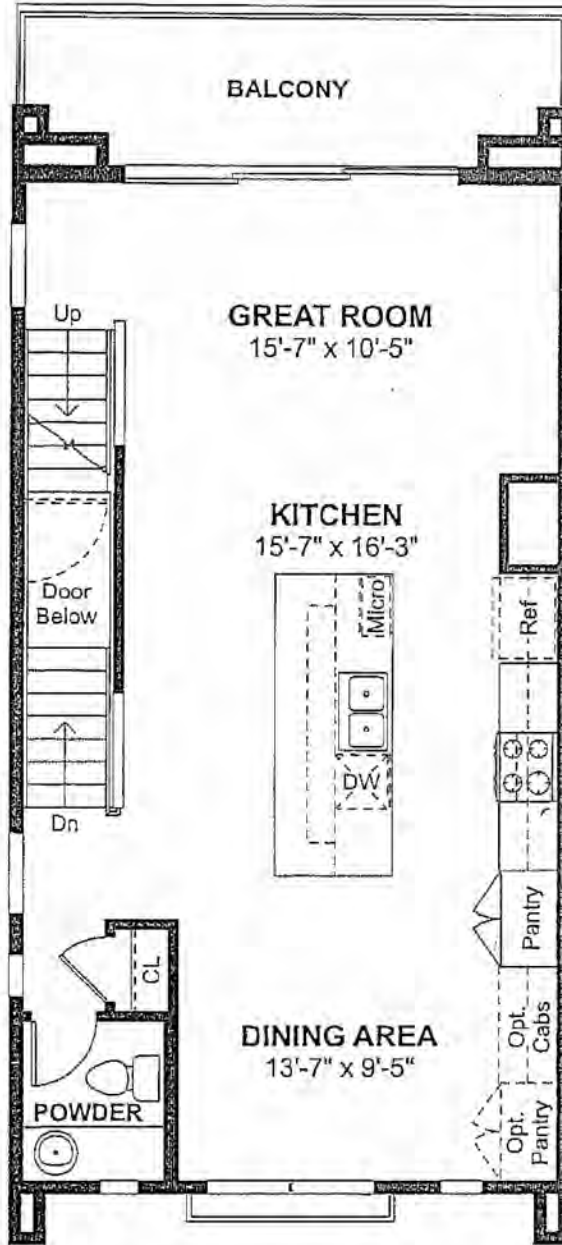
FIRST FLOOR

Note 1

GALLERY - LOT 8 - JONES

Argyle

KH Homebuilding
Home



DocuSigned by:
Matt Jones
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 5/20/17

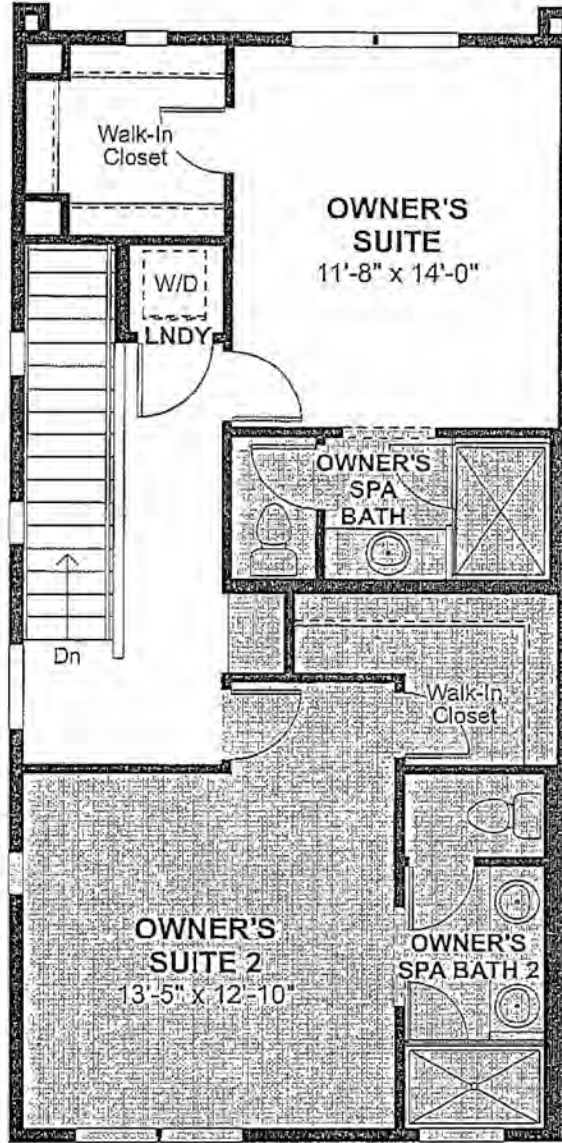
SECOND FLOOR

Note 1

GALLERY - LOT 8 - JONES

Argyle

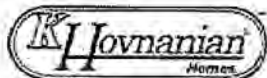
KH *Howland Homes*



DocuSigned by:
Matt Jones
 604D3E05EE01474
 X
 5/20/17

THIRD FLOOR

*Note 1



Date:	May 20, 2017	
Sub / Lot:	Gallery - CM	8
Plan / Elevation:	1210	A2
Sales Consultant:	Kelsey Schilens	
Buyer(s):	Jones / / /	

ADDENDUM A

GENERAL ESCROW INSTRUCTIONS

COMMUNITY:	Gallery - CM	BUYER:	Matthew Jones &
PROPERTY:			&
Street Address:	3104 North 71st Street	City:	Scottsdale, AZ ZIP: 85251
Lot: 8	Tract No.: 0	Plan:	1210 Elevation: A2

Buyer, Seller and/or First and Second Parties (hereinafter sometimes referred to collectively as the "Principals" and each separately as the Principal), jointly and severally, hereby appoint and designate **See Escrow Holder Selection Addendum** as Escrow Holder, to perform escrow services in connection with the transaction which is the subject of this escrow in accordance with written instructions accepted by you in this escrow. As used herein, the term "Instructions" shall mean and refer to the instructions set forth on Page 1 hereof and by reference is incorporated herein, along with any written amendments and supplements thereto as hereafter may be given to Escrow Holder and the terms, conditions and provisions herein below set forth.

THE PRINCIPALS HEREBY AGREE, JOINTLY AND SEVERALLY, AND HEREBY AUTHORIZE, EMPOWER AND DIRECT ESCROW HOLDER AS FOLLOWS:

1. Escrow Holder is hereby authorized to pay from funds deposited into escrow for said purpose all amounts necessary to procure documents and all other charges and obligations necessary to consummate this transaction. Seller and Buyer grant Escrow Holder a lien on all property and funds deposited in escrow. Seller and Buyer authorize Escrow Holder to reimburse itself for its charges and for all damages or expenses it may incur in connection with the escrow and the performance of Escrow Holder's duties, including costs, damages and attorney's fees. Escrow Holder may charge \$100.00 per hour, or any part of an hour, for additional work deemed by Escrow Holder to be above and beyond that typically required in a normal escrow transaction. This work may include, but is not limited to, research needed to procure loan or lien releases, after hours or out of office closing services, additional documentation or correspondence, cancelled and/or rescheduled appointments, or work provided on transactions which cancel. Escrow Holder is authorized to pay said charge from Buyer's or Seller's funds (as applicable) at close of escrow, or to deduct same from funds held in escrow upon cancellation.
2. Escrow Holder is hereby authorized to act upon any statement furnished to Escrow Holder by a lien holder or his agent, without liability or responsibility for the accuracy of such statement. In the event the lender or lien holder demands additional funds after the close of escrow, Seller agrees to deposit with Escrow Holder any additional funds necessary to comply with the lender/lien holder's instructions upon receipt of same from Escrow Holder. Seller acknowledges that any payment in full to a lender must be received by the lender on or before a specific date to avoid further interest accrual; and Seller hereby instructs Escrow Holder to forward payoff funds to the lender by express service of Escrow Holder's choice and to charge Seller any fees for express delivery at close of escrow.
3. Escrow Holder relies upon information provided by the Seller in order to obtain loan payoff information. Seller hereby relieves Escrow Holder of any and all liability and/or responsibility under ARS 33-715 regarding failure by lender(s) to provide timely payoff statement(s).
4. Any fees, costs or assessments which are the responsibility of the parties herein pursuant to the purchase contract, listing agreement, lenders instructions, homeowners association, tax authority or other vendor in this transaction shall be paid by the responsible party and Escrow Holder is instructed to pay same at close of escrow. In the event any costs or fees are unpaid at or after close of escrow the party responsible for said cost agrees to pay it promptly upon notification of same.
5. Possession of the property, transfer of utilities or subscribed services, and collection of cancellation premiums from the Seller's fire or hazard insurance policy shall be handled by the parties direct and outside of escrow, and Escrow Holder shall have no responsibility with regard thereto.
6. Proration of real property taxes shall be based upon the last available tax statement from the taxing authority.
7. If any funds remain in this escrow after closing and are unclaimed for a period of six months or more, there will be a charge of \$125.00 flat fee for maintenance of said funds.
8. Escrow Holder may resign upon written notice to Seller and Buyer at least (10) days prior to the effective date of resignation. If such right to resign is exercised by Escrow Holder, all funds, less Escrow Holder's charges, and all documents shall be returned by Escrow Holder to the party who deposited them into escrow and Escrow Holder shall have no liability hereunder.
9. Any litigation, arbitration or mediation arising out of this transaction in which Escrow Holder is named as a party shall be filed and maintained in the county in which the office of the Escrow Holder handling this transaction is located. In the event of any litigation or arbitration which relates to the duties or actions of Escrow Holder, including any action seeking a declaration of the rights or obligations of any party to this Escrow, the prevailing party or parties in such litigation or arbitration proceeding shall be awarded, in addition to any other available remedy, all expenses, fees and costs, including expert witness fees, and all reasonable attorney's fees shall be determined by the court or arbitrator, and not by a jury, in a separate proceeding.
10. Seller represents that no IRS withholding of proceeds is required under the Foreign Investment in Real Property Tax Act (FIRPTA), or that if said withholding is required that Buyer and Escrow Holder have been notified of same. Buyer acknowledges Seller's

representation and Buyer and Seller hereby relieve Escrow Holder and its employees of any and all liability and/or responsibility regarding said withholding requirement.

11. All of the terms and conditions of the Contract and Receipt for Deposit remain the same. However, Seller and Buyer hereby agree that all notices required to be delivered to any party to the contract or to Escrow Holder pursuant to the parties contract shall be mailed or delivered to all parties and to Escrow Holder in order to constitute notice under the contract.
12. NOTICE OF UNINSURED MONIES PURSUANT TO ARS 6-841.03: MONIES DEPOSITED IN AN ESCROW ACCOUNT ARE NOT INSURED AGAINST LOSS FROM FRAUD OR THEFT BY THE STATE OF ARIZONA OR THE UNITED STATES GOVERNMENT. This disclosure requirement applies to each Buyer and Seller of a Residential Dwelling. Section 6.841.02 defines "Residential Dwelling" as an owner occupied structure or an investment property that is designated for Residential use by four or fewer families.
13. Escrow Fees shall be paid one-half (1/2) by the Buyer(s) and one-half (1/2) by the Seller(s) unless specified differently in the Purchase Contract, HOWEVER the concurrent loan escrow fee of \$100.00 for any secondary financing or equity credit lines shall be paid by the Buyer, if applicable, unless specified differently in the Purchase Contract.
14. In accordance with ARS 6-841.02, if the Buyer(s) or Seller(s) shall deem it necessary, upon request Escrow Holder shall issue a Closing Protection Letter that provides protection for the loss of escrow monies due to fraud or dishonesty of the Escrow Holder.
15. In the event Escrow Holder is instructed to make disbursements not directly related to closing the escrow, conveying title or closing a loan, Escrow Holder may charge an additional check fee of \$10.00 per check for this additional service. Disbursements for which this fee is charged include but are not limited to; repair bills or reimbursements to third parties, payoff of credit accounts or loans which do not encumber the property, additional proceeds checks or assignments of proceeds to two or more parties.
16. Seller and Buyer agree that at such time as Seller and Buyer deposit into escrow the executed documents, an executed copy of the Settlement Statement and the funds sufficient to close the transaction, Escrow Holder is authorized to close the escrow. By depositing the above referenced documentation, the following matters shall be deemed to be satisfied, waived, met or agreed to without further instructions from Seller and Buyer, and Seller and Buyer further agree to indemnify, defend, and hold Escrow Holder harmless from, for, and against any and all claims by any persons, including Seller and Buyer, as to the following matters:
 - A. All items to be prorated have been submitted to Escrow Holder.
 - B. All repairs, inspections, contingencies, and/or conditions have been completed, met, waived, or satisfied.
 - C. Buyer has received and reviewed the Commitment for Title Insurance issued by Escrow Holder and Buyer approves and accepts all matters as set forth therein.
 - D. Escrow Holder shall not record before the closing date as set forth in the contract.
17. In the event of a dispute regarding construction defects, Arizona House Bill 2620, effective August 22, 2002, provides for a process home purchasers must follow before filing a legal action against the home builder or contractor. For more information refer to Title 12, Chapter 8, Article 14 of Arizona Revised Statutes.
18. Effective August 22, 2002 Arizona House Bill 2074 requires escrow agents to ensure all funds in an escrow be available in the escrow bank account prior to disbursement. In order to comply with this "Good Funds" statute a hold must be placed on any funds deposited with an escrow agency until the funds are made available by the paying bank. In order to avoid a delay of your closing, all parties are encouraged to make any necessary deposits well enough in advance of the closing to ensure payment by the paying bank. **Only funds deposited directly into the escrow account through Wire or Electronic Transfer will be available for immediate disbursement. Any Lenders or third party depositors in the transaction should be notified of the "Good Funds" requirement. For additional information and funds availability guidelines see the "UNDERSTANDING ARIZONA'S "GOOD FUNDS" REQUIREMENTS" handout or ask your escrow officer. Escrow Holder shall have no responsibility and/or liability for any closing delays resulting from failure to have available funds as defined by the statute.**

ALL GENERAL ESCROW INSTRUCTIONS AS SET FORTH HEREIN ARE RECEIVED, READ AND APPROVED BY:

BUYER(S):

DocuSigned by:

Matt Jones

6D4D3E05FE01474...

5/21/2017 | 3:12:41 PM EDT

Date

SELLER:

**K. Hovnanian at Gallery, LLC,
An Arizona limited liability company**

By: _____

Date

Date

Its: _____

SELLER Authorized Signer

Date

DS
MJ



Date:	May 20, 2017	
Sub / Lot:	Gallery - CM	8
Plan / Elevation:	1210	A2
Sales Consultant:	Kelsey Schliens	
Buyer(s):	Jones / / /	

ADDENDUM B REAL ESTATE AGENCY RELATIONSHIP DISCLOSURE AND CONFIRMATION

COMMUNITY:	Gallery - CM	BUYER:	Matthew Jones &
PROPERTY:			&
Street Address:	3104 North 71st Street	City:	Scottsdale, AZ ZIP: 85251
Lot: 8	Tract No.: 0	Plan:	1210 Elevation: A2

When you enter into a discussion with a real estate agent regarding a real estate transaction, you should from the outset understand what type of agency relationship or representation you wish to have with the agent in the transaction.

SELLER'S AGENT: A Seller's agent under a listing agreement with Seller acts as the agent for the Seller only. A Seller's agent or a subagent of that agent has the following affirmative obligations:

To the Seller:

- (a) A fiduciary duty of utmost care, integrity, honesty, and loyalty in dealings with the Seller.

To the Buyer and Seller:

- (a) Diligent exercise of reasonable skill and care in performance of the agent's duties.
- (b) A duty of honest and fair dealing and good faith.
- (c) A duty to disclose all facts known to the agent materially affecting the value or desirability of property that are not known to, or within the diligent attention and observation of, the parties.

An agent is not obligated to reveal to either party any confidential information obtained from the other party which does not involve the affirmative duties set forth above.

BUYER'S AGENT: A selling agent can, with a Buyer's consent, agree to act as agent for the Buyer only. In these situations, the agent is not the Seller's agent, even if by agreement the agent may receive compensation for services rendered, either in full or in part from the Seller. An agent acting only for a Buyer has the following affirmative obligations:

To the Seller:

- (b) A fiduciary duty of utmost care, integrity, honesty, and loyalty in dealings with the Buyer.

To the Buyer and Seller:

- (d) Diligent exercise of reasonable skill and care in performance of the agent's duties.
- (e) A duty of honest and fair dealing and good faith.
- (f) A duty to disclose all facts known to the agent materially affecting the value or desirability of property that are not known to, or within the diligent attention and observation of, the parties.

An agent is not obligated to reveal to either party any confidential information obtained from the other party which does not involve the affirmative duties set forth above.

AGENT REPRESENTING BOTH SELLER & BUYER: A real estate agent, either acting directly or through one or more associate licensees, can legally be the agent of both the Seller and the Buyer in a transaction, but only with the knowledge and consent of both the Seller and the Buyer.

In a dual agency situation, the agent has the following affirmative obligations to both the Seller and the Buyer:

- (a) A fiduciary duty of utmost care, integrity, honesty and loyalty in the dealings with either Seller or the Buyer;
- (b) Other duties to the Seller and the Buyer as stated above in their respective sections.

In representing both Seller and Buyer, the agent may not, without the express permission of the respective party, disclose to the other party that the Seller will accept a price less than the listing price or that the Buyer will pay a price greater than the price offered.

The above duties of the agent in a real estate transaction do not relieve a Seller or a Buyer from the responsibility to protect their own interests. You should carefully read all agreements to assure that they adequately express your understanding of the transaction. A real estate agent is a person qualified to advise about real estate. If legal or tax advice is desired, consult a competent professional.

Throughout your real property transaction, you may receive more than one disclosure form, depending upon the number of agents assisting in the transaction. The law requires each agent with whom you have more than a casual relationship to present you with this disclosure form. You should read its contents each time it is presented to you, considering the relationship between you and the real estate agent in your specific transaction.

CONFIRMATION OF AGENCY RELATIONSHIP

K. HOVNANIAN GREAT WESTERN HOMES®, LLC., Selling Agent, is the agent of (check one):

- The Seller Exclusively The Buyer Exclusively Both the Buyer and Seller

By signing below, Buyer acknowledges receipt of this document and the attachment, and that Buyer understands and accepts the terms of this Confirmation of Agency Relationship.

Buyer <small>DocuSigned by:</small> Matt Jones <small>403E05FE01474</small>	Date 5/21/2017 3:12:41 PM EDT	AGENT: K. Hovnanian at Gallery, LLC
Buyer	Date	Date: 5.20.17



Date:	May 20, 2017	
Sub / Lot:	Gallery - CM	8
Plan / Elevation:	1210	A2
Sales Consultant:	Kelsey Schilens	
Buyer(s):	Jones / / /	

Buyer to sign below. **Seller to retain this signed Acknowledgment.**
Buyer to retain remainder of packet.

ADDENDUM C
Home Builder's Limited Warranty
(Acknowledgement of Receipt and Agreement to Read and Understand)

I/we hereby certify that on, or prior to, the date of this Agreement, I/we have received a sample of the Home Builder's Limited Warranty (PWC Form No. 117) which expires eight (8) years from the date the certificate of occupancy is issued. I/we agree that, prior to closing/settlement on the home to which this Agreement relates, I/we will read the sample Home Builder's Limited Warranty in its entirety and will contact the builder with any questions I/we have about my/our or the builder's duties, rights and obligations under the Home Builder's Limited Warranty or the coverage, limits or exclusions contained therein.

I/we understand that I/we may contact Professional Warranty Service Corporation (PWC), which acts as the warranty administrator, to discuss these issues.

I/we understand that I/we have the right to have the Home Builder's Limited Warranty and any and all other documents related to my/our purchase of the home reviewed by an attorney of my/our choosing at my/our sole expense. This review does not allow the purchaser to alter the terms of the warranty, delay, or cancel the closing on the contracted home.

I/we agree that my/our failure to read the sample Home Builder's Limited Warranty and to obtain any needed assistance in understanding the Home Builder's Limited Warranty document shall not in any way change my/our or the builder's rights, duties or obligations under this Home Builder's Limited Warranty.

Statements and Agreements by Sales Associates: Seller is not responsible for, or bound by, any statement or agreement by a sales associate unless such statement or agreement is in writing and is signed by an authorized representative of the Seller. If any sales associate has made a representation to you, please put it in writing in the space provided below. **If "none", so state and initial.**

NONE

Property Address: 3104 North 71st Street
Scottsdale, AZ 85251

DocuSigned by:			
Matt Jones	5/21/2017 3:12:41 PM EDT		
Buyer	Date	Buyer	Date
Buyer	Date	Buyer	Date



Date:	May 20, 2017	
Sub / Lot:	Gallery - CM	8
Plan / Elevation:	1210	A2
Sales Consultant:	Kelsey Schilens	
Buyer(s):	Jones / / /	

ADDENDUM TO PURCHASE CONTRACT

BUYER(S) Matthew Jones & _____
 _____ & _____
 SELLER: **K. Hovnanian at Gallery, LLC**

The information contained in this addendum constitutes a part of the agreement between Buyer and Seller as set forth in the contract. This addendum is not binding on Seller until approved and accepted by an authorized signer of K. Hovnanian at Gallery, LLC

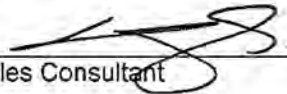
Purchase Agreement is contingent upon Buyer's approval of the revised design center pricing.

All other terms and conditions of the purchase agreement will remain the same.

DocuSigned by:
Matt Jones 5/21/2017 | 3:12:41 PM EDT
 6D4D3E05FE01474

Buyer _____ Date _____ Buyer _____ Date _____

Buyer _____ Date _____ Buyer _____ Date _____

 _____
 Sales Consultant Date 5.20.17

SELLER Authorized Signer _____ Date _____
 K. Hovnanian at Gallery, LLC

Buyer Initials  Seller's Initials _____
 Broker Initials _____



Date:	May 20, 2017	
Sub / Lot:	Gallery - CM	8
Plan / Elevation:	1210	A2
Sales Consultant:	Kelsey Schliens	
Buyer(s):	Jones / / /	

**AFFILIATED BUSINESS ARRANGEMENT
DISCLOSURE STATEMENT NOTICE**

TO: Matthew Jones / / /
 Purchaser

FROM: K. Hovnanian Great Western Homes, LLC

PROPERTY: 3104 North 71st Street Gallery - CM 8
Address Community & Lot #
Scottsdale AZ 85251
City State Zip

DATE: May 20, 2017

Thank you and welcome to the fine family of K. Hovnanian Homes. As Purchasers of a home from one of our communities, you have been referred to K. Hovnanian American Mortgage, LLC. Please be advised that K. Hovnanian American Mortgage, LLC and the community where you are buying your home are separate and distinct entities and are wholly owned subsidiaries of Hovnanian Enterprises, Inc. Because of this business relationship, our parent company and/or affiliate may receive a financial or other benefit by this referral.

The following is a list of the range of charges that may be applicable to a mortgage loan transaction made by K. Hovnanian American Mortgage, LLC. The fees and charges listed are not necessarily applicable to all mortgage programs:

Origination Fee	0 to 1% of Loan Amount
Discount Fee	0 to 4% of Loan Amount
Application Fee	\$0 to \$995
The following fees may be paid to outside parties:	
Appraisal Fee	\$400 to \$1,285
Final Inspection Fee	\$100 to \$200
Credit Report Fee	\$105 to \$250
Flood Certification Fee	\$10.75
Tax Service Fee	\$0 to \$87

Fees applicable to your loan vary based upon the loan program you select. Under the Federal RESPA laws it is required that we provide this notification to you. Because we cannot determine the loan program, you will ultimately select (based in part by the fees you may be required to pay) the fees listed above cover a broad range and will not necessarily be required in their entirety for your loan. Actual charges may vary according to the particular circumstances and choices you make in selecting a program and pricing. Please refer to your Good Faith Estimate (provided at the time of actual application) for more information.

ALTHOUGH WE ENCOURAGE YOU TO USE THE SERVICES OF K. HOVNANIAN AMERICAN MORTGAGE, LLC, YOU ARE NOT REQUIRED TO DO SO. 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.

I/we have received and read a copy of this disclosure that provides me with the notice of the relationship between K. Hovnanian American Mortgage, LLC and the community. I/we understand that an affiliate is referring us to purchase the above-described settlement services from K. Hovnanian American Mortgage, LLC and may receive some financial or other benefit as a result of this referral to them.

DocuSigned by:
Matt Jones 5/21/2017 | 3:12:41 PM EDT

Buyer 6D4D3E05FE01474 _____ Date _____ Buyer _____ Date _____

Buyer _____ Date _____ Buyer _____ Date _____

SELLER Authorized Signer _____ Date _____
 K. Hovnanian at Gallery, LLC



Date:	May 20, 2017	
Sub / Lot:	Gallery - CM	8
Plan / Elevation:	1210	A2
Sales Consultant:	Kelsey Schilens	
Buyer(s):	Jones / / /	

**NEW LAND TITLE AGENCY, LLC
AFFILIATED BUSINESS ARRANGEMENT DISCLOSURE STATEMENT
AND NOTICE**

BUYER: Matthew Jones

LOT: 8

This is to give you notice that Seller has a business relationship with New Land Title Agency, LLC ("Escrow Holder"). Seller and Escrow Holder are both under common ownership. Because of this relationship, this referral may provide Seller with a financial or other benefit.

Set forth below is the estimated charge or range of charges for certain services. For issuance of an upgraded ALTA Homeowners Policy, which has additional coverage, the cost will be 10% of the basic owner's title insurance premium on the total amount.

ALTA Loan Policy	\$499.00 - \$1,209.00 (based on loan of \$100,000.00 up to \$500,000.00) per loan, if any (contact your escrow officer for exact amounts)
Endorsements	\$75 per endorsement, per loan as requested by lender, if any
Escrow Fee	\$350.00 plus \$7.00 per \$5,000, in addition when a loan is involved, a \$100 loan tie in fee will be assessed, per loan
Overnight or Courier Fee	\$25 each
Wire Processing Fee	\$25
Receipt/Printing Email Docs	\$100 per document set
Public Report Binders	\$35
Holdback Fee	\$200 per holdback
Interest Bearing Accounts	\$75 per setup
Doc Prep	\$50
Second Mortgage	\$100

Please note these are the Escrow Holder's charges only and do not include, in some instances, Lender charges or escrows, government-imposed recording charges or miscellaneous charges such as termite inspections, surveys, couriers, notary public, abstracts and copies, prorations or down payments. If additional services are performed or requested, they may result in an additional processing fee. Please contact your escrow agent.

You are NOT required to use Escrow Holder as a condition for purchase of the Property. THERE ARE FREQUENTLY OTHER SETTLEMENT PROVIDERS AVAILABLE WITH SIMILAR SERVICES. YOU ARE FREE TO SHOP AROUND TO DETERMINE THAT YOU ARE RECEIVING THE BEST SERVICES AND THE BEST RATES FOR THESE SERVICES.

ACKNOWLEDGMENT:

I/We have read this disclosure form, and understand that Seller is referring me/us to purchase the above described settlement services from the Escrow Holder, and may receive a financial or other benefit as the result of this referral.

DocuSigned by:
Matt Jones 5/21/2017 | 3:12:41 PM EDT

Buyer _____	Date _____	Buyer _____	Date _____
_____	Date _____	_____	Date _____
SELLER Authorized Signer _____	Date _____		

K. Hovnanian at Gallery, LLC



Date:	May 20, 2017	
Sub / Lot:	Gallery - CM	8
Plan / Elevation:	1210	A2
Sales Consultant:	Kelsey Schilens	
Buyer(s):	Jones / / /	

ADDENDUM TO PURCHASE AGREEMENT AND ESCROW INSTRUCTIONS

ESCROW HOLDER SELECTION ADDENDUM

BUYER: Matthew Jones

LOT: 8

THIS ADDENDUM TO PURCHASE AGREEMENT AND ESCROW INSTRUCTIONS (the "Addendum") is entered into by and between K. Hovnanian at Gallery, LLC, an Arizona limited liability company ("Seller") and the undersigned Buyer to modify and supplement that certain Purchase Agreement and Escrow Instructions (collectively with any and all addenda and amendments thereto existing as of the date of this Addendum, the "Purchase Agreement") entered into between Buyer and Seller, which relates to the purchase by Buyer of the Property as more particularly described in the Purchase Agreement. The Purchase Agreement is hereby modified and supplemented as set forth in this Addendum.

1. Defined Terms. All words in this Addendum in which the initial letter is capitalized, thereby indicating the use of such words as defined terms, shall have the meanings given such terms in the Purchase Agreement unless otherwise defined in this Addendum.

2. Reference to Affiliated Business Arrangement. Before making a selection of the Escrow Holder to handle the closing of Buyer's purchase of the Property, Buyer acknowledges that Buyer has reviewed and understood the Affiliated Business Arrangement Disclosure Statement and Notice regarding New Land Title Agency, L.L.C., an Arizona limited liability company.

3. Selection of Escrow Holder. Buyer hereby selects the following company or entity to act as "Escrow Holder" as defined in the Agreement:

NEW LAND TITLE
10830 N. TATUM BLVD.
STE 250
PHOENIX, AZ 85050

Buyer Initials MJ Seller Initials /

4. Ratification. This Addendum is hereby executed and made an integral part of the Purchase Agreement, which is hereby ratified and reaffirmed, constitutes the binding obligation of the parties, and remains in full force and effect. In the event of any conflict or inconsistency between this Addendum and the Purchase Agreement, the terms, provisions and conditions of this Addendum shall control.

DocuSigned by:
Matt Jones 5/21/2017 | 3:12:41 PM EDT

Buyer _____ Date _____ Buyer _____ Date _____

Buyer _____ Date _____ Buyer _____ Date _____

SELLER Authorized Signer _____ Date _____
K. Hovnanian at Gallery, LLC



Date:	May 20, 2017	
Sub / Lot:	Gallery - CM	8
Plan / Elevation:	1210	A2
Sales Consultant:	Kelsey Schilens	
Buyer(s):	Jones / / /	

**ADDENDUM TO PURCHASE AGREEMENT
EARNEST MONEY DEPOSIT REQUIREMENTS
GALLERY**

Buyer and Seller agree that Buyer is required to deposit with Seller the Earnest Money Deposits in the amounts and at the times set forth in this Addendum.

At the time of execution of the Agreement, Buyer shall make an initial Earnest Money Deposit in the amount of \$15,000. Within five days after Buyer has finalized all the options and upgrades to be included with the Property, Buyer shall make a second Earnest Money Deposit to Seller in an amount equal to 20% of the total aggregate price of the options and upgrades selected by Buyer.

By way of illustration, at the time of Buyer's execution of the Agreement, Buyer will make an initial Earnest Money Deposit of \$15,000. Then, within 21 days after Buyer's execution of the Agreement, Buyer shall finalize the selection of all its options and upgrades. If the total price of the options and upgrades selected by Buyer is \$60,000, then buyer shall, within five days after Buyer's finalization of the options and upgrades, make a second Earnest Money Deposit to Seller in an amount equal to \$12,000 (20% of \$60,000). Upon Buyer's deposit of the second Earnest Money Deposit of \$12,000, the total Earnest Money Deposit shall be \$27,000 (\$15,000 plus \$12,000).

Buyer's failure to make the initial Earnest Money Deposit and the second Earnest Money Deposit in the amounts and at the times required by this Addendum shall be deemed a default under the Agreement. Both the initial Earnest Money Deposit and the second Earnest Money Deposit constitute the "Earnest Money Deposit."

As provided in the Agreement, the Earnest Money Deposit will be deposited in Seller's general account. Prospective Buyers are advised that earnest money deposits, down payments, and other advanced money will not be placed in a neutral escrow. This money will be paid directly to Seller and may be used by Seller. This means the Buyer assumes a risk of losing the money if Seller is unable or unwilling to perform under the terms of the Agreement. The provisions of this paragraph do not apply to VA loans.

This Addendum is hereby executed and made an integral part of the Agreement, which is hereby ratified and reaffirmed, constitutes the finding obligation of the parties, and remains in full force and effect. In the event of any conflict or inconsistency between this Addendum and the Agreement, the terms, provisions and conditions of this Addendum shall control.

This Addendum, upon its execution by both parties, constitutes an integral part of the Agreement between the parties.

DocuSigned by:		5/21/2017 3:12:41 PM EDT	
Matt Jones			
Buyer-6D4D3E05FE01474...	Date	Buyer	Date
_____	_____	_____	_____
Buyer	Date	Buyer	Date
_____	_____	_____	_____
SELLER Authorized Signer	Date		
K. Hovnanian at Gallery, LLC	_____		



Date:	May 20, 2017
Sub / Lot:	Gallery - CM 8
Plan / Elevation:	1210 A2
Sales Consultant:	Kelsey Schilens
Buyer(s):	Jones / / /

PUBLIC REPORT RECEIPT

Community: Gallery - CM A.K.A. Gallery - CM
 Lot #: 8

The law and regulations of the Real Estate Commissioner require that the owner, agent or subdivider of this development furnish you, as a prospective customer, with a copy of the Public Report. It is recommended that you read the report before you make any written offer to purchase or lease an interest in the development, and before you pay any money or other consideration toward the purchase or lease of an interest in the development.

FOR YOUR PROTECTION, PLEASE DO NOT SIGN THIS RECEIPT UNTIL YOU HAVE RECEIVED A COPY OF THE REPORT AND HAVE HAD THE OPPORTUNITY TO READ IT.

DM16-058162, 8/22/16
 (File Number)

Gallery - CM
 (Tract No. or Name)

I understand that the report is not a recommendation or endorsement of the development, but is for information only.

DocuSigned by:

Matt Jones

5/21/2017 | 3:12:41 PM EDT

Buyer 6D4D3E05FE01474... Date _____
 Signature _____

Buyer _____ Date _____
 Signature _____

Current address
4700 S. Fulton Ranch
Chandler, AZ 85248

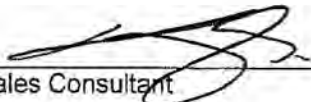
Current address

Buyer _____ Date _____
 Signature _____

Buyer _____ Date _____
 Signature _____

Current address

Current address

 Date 5.20.17

SELLER Authorized Signer _____ Date _____
 K. Hovnanian at Gallery, LLC



SUBDIVISION ADDENDUM TO PURCHASE AGREEMENT AND ESCROW INSTRUCTIONS

Date:	May 20, 2017	
Sub / Lot:	Gallery - CM	8
Plan / Elevation:	1210	A2
Sales Consultant:	Kelsey Schilens	
Buyer(s):	Jones / / /	

THIS SUBDIVISION ADDENDUM relates to that certain Purchase Agreement and Escrow Instructions dated May 20, 2017 between Matthew Jones &

K. Hovnanian at Gallery, LLC., an Arizona limited liability dba K. HOVNANIAN HOMES or GREAT WESTERN HOMES, ("Seller"), concerning lot 8, ("The Property"), within Gallery - CM, ("The Subdivision"). Notwithstanding any of the terms or provisions of the PURCHASE AGREEMENT AND ESCROW INSTRUCTIONS, the parties agree as follows:

1. APPLICABLE; NOT APPLICABLE: GOLF COURSE

The Subdivision is situated along boundaries of a golf course, adjacent to a golf course or near a golf course, and Buyer acknowledges being fully familiar with the location and layout of the golf course. Seller does not own, operate or control the golf course or it's operator, and has no rights concerning the management of the course. Buyer acknowledges that they have been informed and advised by Seller and understand the following:

- a) as with any lot located in the vicinity of a golf course, Buyer, future owners of the Property, their tenants, family members, and guests may suffer injury or damage to property from flying golf balls and other hazards associated with a golf course, and Seller has no control thereof. Buyer willing and freely accepts and assumes the risk of these hazards for all such persons and agrees to hold Seller and its agents, employees and contractors free and harmless from any and all liability or damage that may be suffered by such persons from or related to the use or operation of the golf course or flying balls.
- b) golfers will often attempt to retrieve golf balls that are hit upon the private property bordering a golf course. Buyer is hereby advised to expect such conduct by golfers.

Buyer shall advise any parties to whom Buyer sells or otherwise transfers the Property of the contents of this Addendum, shall require such purchasers to agree to all of the terms and provisions of this Addendum, for the benefit of Seller and Buyer. Every successive owner thereafter shall be bound by the same obligations with respect to future purchasers.

Buyer acknowledges that no representations or warranties have been made or are made by the Seller or any other person with regard to Buyer or any other person having use or other rights with respect to the golf course or other facilities associated therewith, or any club related thereto, or with respect to the continuous operation or future use of any such golf course or other facilities. Buyer acknowledges that Buyer has no guaranteed or vested right to use or become a member of the golf course, any other related facilities or any private club associated therewith, that Buyer does not acquire any interest in any such facilities by virtue of taking title to the Property and that the purchase price of the Property does not include the price for use of or membership in the golf course, any related facilities or any associated club. Buyer acknowledges that neither the golf course nor any related facilities are owned by the owners of the lots within the Subdivision or will become Common Area for that subdivision.

(Buyer Initials Here: MJ)

2. APPLICABLE; NOT APPLICABLE: LAKE

The Subdivision is situated along the boundaries of a lake, adjacent to a lake, or near a lake, and Buyer acknowledges being fully familiar with the location and layout of the lake as it affects the Subdivision and Property. Buyer acknowledges the inherent and unavoidable potential danger and hazard of purchasing the Property in the vicinity of the lake. Buyer agrees that Buyer, their heirs, successors and assigns, their tenants, and their respective family members, guests and invitees are assuming the risks associated with the presence of the Subdivision and Property in the vicinity of a lake and Seller shall have no responsibility for any injury or damage suffered by any such parties as a result of accidents, events or circumstances related to the lake.

(Buyer Initials Here: MJ)

3. APPLICABLE; NOT APPLICABLE: MASTER ASSOCIATION

The Subdivision and Property are subject to the jurisdiction of a MASTER ASSOCIATION, GALLERY HOA

Buyer is obligated to comply with all of the terms and provisions of said Association, including, but not limited to, payment of assessments to the Master Association and compliance with the Master Association's architectural control provisions as may be slated in such documents. Further, Buyer acknowledges that Seller does not control, manage or otherwise direct the activities of the Master Declaration, and shall not be responsible for the actions or omissions of the Master Association or any other body under such documents.

(Buyer Initials Here: MJ)

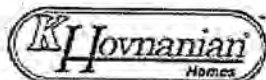
4. Beginning Homeowner Association Dues to be \$ 340 - ^{DS} per month.

(Buyer Initials Here: MJ)

This Addendum shall be in full force and effect as an PURCHASE AGREEMENT AND ESCROW INSTRUCTIONS upon Seller's acceptance of the PURCHASE AGREEMENT AND ESCROW INSTRUCTIONS.

DocuSigned by:
Matt Jones 5/21/2017 | 3:12:41 PM EDT

Buyer	Date	Buyer	Date
SELLER Authorized Signer	Date		
K. Hovnanian at Gallery, LLC			



Date:	May 20, 2017	
Sub / Lot:	Gallery - CM	8
Plan / Elevation:	1210	A2
Sales Consultant:	Kelsey Schilens	
Buyer(s):	Jones / / /	

ADDENDUM MOLD AND MILDEW

This Addendum ("Addendum") forms a part of the Purchase and Sale Agreement, ("Agreement") between Buyer and Seller. If there is a conflict between the Agreement and the terms and provisions of this Addendum, the Addendum shall control.

What is Mold? Mold is a type of fungus which occurs naturally in the environment and is necessary for the natural decomposition of plant and other organic material. It spreads by means of sharing in microscopic spores borne on the wind, and is found everywhere life can be supported. Residential home construction is not, and cannot be, designed to exclude mold spores. If the growing conditions are right, mold can grow in your Residence. Most Owners are familiar with mold growth in the form of bread mold, and mold that may grow on bathroom tile.

In order to grow, mold requires a food source. This might be supplied by items found in the home, such as fabric, carpet or even wallpaper, or by building materials, such as drywall, wood and insulation, to name a few. Also, mold growth requires a temperate climate. The best growth occurs at temperatures between 40°F and 100°F. Finally, mold growth requires moisture. Moisture is the only mold growth factor that can be controlled in a residential setting. By minimizing moisture, a homeowner can reduce or eliminate mold growth.

Moisture in the home can have many causes. Spills, leaks, overflows, condensation, and high humidity are common sources of home moisture. Good housekeeping and home maintenance practices are essential in the effort to prevent or eliminate mold growth. If moisture is allowed to remain on the growth medium, mold can develop within 24 to 48 hours.

Should I be concerned about mold in my home? Most mold is not harmful, but certain strains of mold can, although rare, have adverse health effects in susceptible persons. The most common effects are allergic reactions, including skin irritation, watery eyes, runny nose, coughing, sneezing, congestion, sore throat and headache. Individuals with suppressed immune systems may risk infections. Experts disagree about the level of mold exposure that may cause health problems, and about the exact nature and extent of the health problems that may be caused by mold.

What Owners can do. Owners can take positive steps to reduce or eliminate the occurrence of mold growth in the Residence, and thereby minimize any possible adverse effects that may be caused by mold. These steps include the following:

1. Before bringing items into the Residence, check for signs of mold on the items. Potted plants (roots and soil), furnishings, or stored clothing and bedding material, as well as many other household goods, could already contain mold growth.
2. Regular vacuuming and cleaning will help reduce mold levels. Mild bleach solutions and most tile cleaners are effective in eliminating or preventing mold growth if used in accordance with the manufacturer's recommendations.
3. Keep the humidity in the Residence low. Vent clothes dryers to the outdoors. Ventilate kitchens and bathrooms by opening the windows, by using exhaust fans, or by running the air conditioning to remove excess moisture in the air, and to facilitate evaporation of water from wet surfaces.
4. Promptly clean up spills, condensation and other sources of moisture. Thoroughly dry any wet surfaces or material. Do not let water pool or stand in your home. Promptly replace any materials that cannot be thoroughly dried, such as drywall or insulation.
5. Inspect for leaks on a regular basis. Look for discolorations or wet spots. Repair any leaks promptly. Inspect condensation pans (refrigerators and air conditioners) for mold growth. Take notice of musty odors and visible signs of mold.
6. Should mold develop, thoroughly clean the affected area. First, test to see if the affected material or surface is color safe. Porous materials, such as fabric, upholstery or carpet should be discarded. Should the mold growth be severe, call on the services of a qualified professional cleaner.

Whether or not you as a Buyer experience mold growth depends largely on how you manage and maintain your Residence. A Buyer will need to take actions to prevent conditions which cause the mold or mildew. It is the responsibility of each Buyer to ensure that it has taken the necessary precautions to prevent mold from becoming a problem in such Buyer's Residence. This is part of the of home ownership. You as a Buyer agree to assume responsibility for following the recommendations set forth above and in the Mold Information Sheet. Also, that if there is any water damage to water intrusion to your Residence, you will take immediate actions to prevent conditions which cause mold or mildew to develop.

Buyer understands that Seller will not be responsible for any actual, special, incidental, or consequential damages, including strict liability, [breach of any express or implied warranty for a particular purpose] negligence or any other legal theory with respect to the presence and/or existence of molds, mildew and/or microscopic spores unless caused by the sole negligence or willful misconduct of the Seller. Buyer, on behalf of itself and its family members, tenants, invitees and licensees, releases Seller from and against any and all claims, actions, damages, causes of actions, liabilities and expenses (including without limitation, attorney fees and costs and costs of enforcing this indemnity) for property damage, injury or death resulting from exposure to microscopic spores, mold and/or mildew and from any loss of resale value, provided, however, that in no event is Buyer releasing Seller as a result of the presence and/or existence of mold, mildew and/or microscopic spores if caused by the sole negligence or willful misconduct of Seller.

This notice, disclosure and disclaimer agreement is hereby appended to and made a part of the purchase agreement. The consideration for this agreement shall be the same consideration as stated in the purchase agreement. Should any term or provision of this agreement be ruled invalid or unenforceable by a court of competent jurisdiction, the remainder of this agreement shall nonetheless stand in full force and effect.

BUYER ACKNOWLEDGES THAT THIS ADDENDUM CONTAINS A RELEASE PROVISION WHICH HAS LEGAL CONSEQUENCES. BUYER, BY ITS INITIALS SET FORTH BELOW, ACKNOWLEDGES THAT IT HAS BEEN ADVISED BY SELLER TO OBTAIN THE ADVICE OF LEGAL COUNSEL PRIOR TO EXECUTING THIS ADDENDUM.

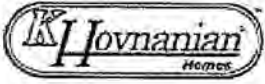
I/We agree to the additional terms and conditions set forth above.

DocuSigned by:
Matt Jones
Buyer
6D403E05FE01474

Buyer

Buyer

Buyer



Date:	May 20, 2017	
Sub / Lot:	Gallery - CM	8
Plan / Elevation:	1210	A2
Sales Consultant:	Kelsey Schilens	
Buyer(s):	Jones / / /	

ADDENDUM TO PURCHASE AGREEMENT

SELECTION OF OPTIONS AND UPGRADES; CRITICAL DATES

BUYER: Matthew Jones

LOT: 8

Buyer and Seller wish to clearly outline the timing for the selection of options and upgrades to the Residence. At the time of the execution of the Agreement, Buyer shall execute an initial construction start order setting forth the structural features of the Residence, as well as color schemes and roof tile selections. If construction of the Residence has not commenced at the time the Agreement is executed by Buyer, then Buyer will have until the date that is either 21 or 28 days (refer to the Earnest Money Deposit Requirements Addendum) after Buyer's execution of the Agreement (the "Option Finalization Date") to select additional options and upgrades offered with the Residence, including electrical options, cabinets, flooring and other non-structural options, which selections will be set forth on an updated construction start order. Many of the additional options and upgrades may be selected at a design center. Because all appointments with the design center must be scheduled, it is imperative that Buyer schedule its appointment far in advance of the Option Finalization Date so that Buyer has sufficient time prior to the Option Finalization Date to finalize its options and upgrades. Given the critical timing involved in residential home construction, no extensions to the Option Finalization Date will be allowed.

Upon the finalization of the options and upgrades to the Residence, Buyer and Seller shall execute an Amendment to the Agreement (the "Finalization Amendment") stating that (i) all options and upgrades to the Residence have been finalized, (ii) no further options and upgrades will be allowed, (iii) no amendments or modifications to existing options and upgrades will be permitted, and (iv) the Residence is ready to be released for construction.

If construction of the Residence has already commenced at the time the Agreement is executed by Buyer (i.e., Buyer is purchasing a spec home), then Buyer shall execute the initial construction start order and the Finalization Amendment on the date Buyer executes the Agreement.

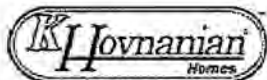
In the event Buyer fails, for whatever reason, to finalize its options and upgrades on or before the Option Finalization Date or fails to execute the Finalization Amendment when required under this Addendum, then Buyer shall be in default of the Agreement and Seller shall have all rights and remedies provided in the Agreement, including, without limitation, the right to terminate the Agreement and retain the Earnest Money Deposit in accordance with Section 7 of the Agreement.

This Addendum is hereby executed and made an integral part of the Agreement, which is hereby ratified and reaffirmed, constitutes the binding obligation of the parties, and remains in full force and effect. In the event of any conflict or inconsistency between this Addendum and the Agreement, the terms, provisions and conditions of this Addendum shall control. This Addendum, upon its execution by both parties, constitutes an integral part of the Agreement between the parties.

DocuSigned by: **Matt Jones** 5/21/2017 | 3:12:41 PM EDT

Buyer _____	Date _____	Buyer _____	Date _____
Buyer _____	Date _____	Buyer _____	Date _____

SELLER Authorized Signer _____ Date _____
K. Hovnanian at Gallery, LLC



Date:	May 20, 2017	
Sub / Lot:	Gallery - CM	8
Plan / Elevation:	1210	A2
Sales Consultant:	Kelsey Schilens	
Buyer(s):	Jones / / /	

ADDENDUM TO PURCHASE AGREEMENT AND ESCROW INSTRUCTIONS

TRAFFIC DELAYS

BUYER: Matthew Jones

LOT: 8

The addendum to Purchase Agreement and Escrow Instructions (the "Addendum") is entered into by and between K. Hovnanian at Gallery, LLC, an Arizona limited liability company ("Seller") and the undersigned Buyer to modify and supplement that certain Purchase Agreement and Escrow Instructions (collectively with any and all addenda and amendments thereto existing as of the date of this Addendum, the "Purchase Agreement") entered into between Buyer and Seller, which relates to the purchase by Buyer of the Property as more particularly described in the Purchase Agreement. The Purchase Agreement is hereby modified and supplemented as set forth in this Addendum.

1. Defined Terms. All words in this Addendum in which the initial letter is capitalized, thereby indicating the use of such words as defined terms, shall have the meanings given such terms in the Purchase Agreement unless otherwise defined in this Addendum.

2. Traffic Delays. Buyer hereby acknowledges and agrees that Seller is in the business of building and selling homes. Buyer understands that from time to time in order to construct homes at the Project, there will be times when vehicles, equipment or personnel temporarily restrict access. Seller will work with its subcontractors and suppliers to limit both the amount and the length of these restrictions, but Buyer hereby acknowledges and agrees that there will be delays in the ingress and egress of the Community due to the construction process. Seller makes no representations or warranties to any owner, lessee, tenant, resident or any of their agents, invitees or contractors regarding unrestricted access to any property, and affirmatively states that at times there will be delays. In addition to the foregoing, Buyer understands and agrees that the construction activity may restrict or delay entry into the Project by the police, the fire department, ambulances and other emergency personnel, which delay could have serious consequences.

3. Ratification. This Addendum is hereby executed and made an integral part of the Purchase Agreement, which is hereby ratified and reaffirmed, constitutes the binding obligation of the parties, and remains in full force and effect. In the event of any conflict or inconsistency between this Addendum and the Purchase Agreement, the terms, provisions and conditions of this Addendum shall control.

DocuSigned by:
Matt Jones 5/21/2017 | 3:12:41 PM EDT
 Buyer _____ Date _____ Buyer _____ Date _____
604D3E05FE01474

 Buyer _____ Date _____ Buyer _____ Date _____

K. Hovnanian at Gallery, LLC,
an Arizona limited liability company

SELLER Authorized Signer



Date:		
Sub / Lot:	Gallery - CM	8
Plan / Elevation:	1210	A2
Sales Consultant:	Kelsey Schilens	
Buyer(s):	Jones / / / MJone011@gmail.com	

REALTOR-CLIENT REGISTRATION FORM

Thank you for bringing your client to our community. By registering their name when you show our models, you establish agency. If your client purchases a home within this community, your agency will be protected.

In order to avoid any misunderstandings involving agency, we will honor your agency for thirty (30) days from date of registration with the following exceptions:

- 1) Agency cannot be honored if the Buyers have previously visited the model homes, regardless of whether or not they registered with onsite sales agent.
- 2) We require that you accompany your clients to the sales center to register them on their first visit, unless you have submitted a signed Rapid Registration form to the sales agent or Realtor Resource Center. In that event, please instruct your client to mention that they have already been registered via Rapid Registration.
- 3) If any client registers with multiple agents at the same K. Hovnanian community, only the last agent registered will be paid a commission.
- 4) Commissions are not considered earned until successful close of escrow.
- 5) We do not allow realtor contributions towards Purchase Price or Options. They are only allowed towards Closing Costs and Prepaid HOA dues. Any realtor contribution must be reviewed and approved by K. Hovnanian American Mortgage prior to the execution of the Purchase Agreement with Buyer. This is to ensure the realtor contribution complies with the mortgage underwriting criteria. A Realtor Commission Disclosure form must be utilized for review and approval of any realtor credit.

Currently, this community offers a co-broke commission in the amount of 3 % of the ADJUSTED BASE PRICE (i.e., the base price as reflected on the community price sheet at time of purchase—including elevation—less applicable home price and option price incentives) on new build. Final commission percentage can be adjusted as part of any offer/counter-offer negotiation. In some communities, there are increased commission percentages paid based on the stage of construction of an individual home (Showcase Homes). These commission specials are subject to home availability on the date of contract. Please see your K. Hovnanian Sales Consultant for additional details and availability on Showcase Homes. (NOTE: In the event it's necessary, all offer/counter-offer negotiations are presented to buyers and agents simultaneously via their email addresses as listed on this document).

Your commission will be mailed from the escrow company to the address below, at the close of escrow. Your office should receive the check within five (5) working days of closing.

Client's Name Matthew Jones

Client's Name _____

Client's Address 4700 S. Fulton Ranch #8 City Chandler Zip Code 85248

Phone Number _____

Client's Signature Matt Jones
DocuSigned by: 0D4D3E05FE01474...

Client's Email MJone011@gmail.com Client's Signature _____

Realtor/Broker Ryan Miller

Real Estate Company RBR & Associates

Phone: (480) 220-8793 Office Fax: (877) 519-9525

Address 8787 E. Pinnacle Peak Rd. #101, Scottsdale, AZ 85255

Realtor/Broker Signature _____ Date: _____

SELLER Authorized Signer _____ Date: _____

Ryan Miller
Designated Broker

Phone: 480-220-8793
Fax: 877.519.9525
Ryan@rbrassoc.com
www.rbrassoc.com



Realtor's Email Address: Ryan@RBRAssoc.com

Seller's Initials _____
Broker Initials _____

ADDENDUM TO PURCHASE AGREEMENT AND ESCROW INSTRUCTIONS

GATED COMMUNITY

BUYER: MATHEW JONES

COMMUNITY: GALLERY LOT: 8

THIS ADDENDUM TO PURCHASE AGREEMENT AND ESCROW INSTRUCTIONS (the "Addendum") is entered into by and between K. Hovnanian at Gallery, LLC, an Arizona limited liability company ("Seller") and the undersigned Buyer to modify and supplement that certain Purchase Agreement and Escrow Instructions (collectively with any and all addenda and amendments thereto existing as of the date of this Addendum, the "Purchase Agreement") entered into between Buyer and Seller, which relates to the purchase by Buyer of the Property as more particularly described in the Purchase Agreement. The Purchase Agreement is hereby modified and supplemented as set forth in this Addendum.

1. Defined Terms. All words in this Addendum in which the initial letter is capitalized, thereby indicating the use of such words as defined terms, shall have the meanings given such terms in the Purchase Agreement unless otherwise defined in this Addendum.

2. Gated Entrance/Exit at Community. Buyer hereby acknowledges and agrees that the Project is planned (but shall not be required) to have one or more private gates restricting vehicular and pedestrian entry into the Project (the "Gate"). The Gate is scheduled to be installed on or prior to the closing of the first home at the community. The Gate shall be owned and operated by the applicable homeowner's association, subject to Seller's right to control the Gate as long as Seller owns or has an option to purchase any lot at the Project, as more specifically provided below and/or in the community association documents.

3. Gate Does not Guarantee Safety; Gate May Restrict Access of Emergency Personnel. Access to the Project is through the Gate, although the Gate may be inoperable, consistently open or removed at any time. Seller makes no representations or warranties that the Gate will provide security and safety to any owner, lessee, tenant, resident or any of their agents, invitees or contractors. The Gate may restrict or delay entry into the Project by the police, the fire department, ambulances and other emergency personnel, which delay could have serious consequences. Further, Seller advises Buyer that Seller's marketing of homes for sale to the general public, including a model home(s) open for tour to the general public, will cause an increased amount of traffic at the Project. Such traffic may not be escorted by Seller and Buyer hereby acknowledges that Seller shall have no responsibility to escort such traffic nor shall Seller be responsible for the acts of the general public, or any other person or entity, who access the Project for any reason or at any time, including, without limitation during the hours the Gate is opened in connection with Seller's sales, marketing or construction efforts.

4. Gate Open at Times Determined by Seller. Buyer hereby acknowledges and agrees that the Gate will be open at such times and for such length as determined by Seller in its sole discretion. Initially, Seller intends to keep the Gate open during such time as Seller's model home(s) is opened to the general public. However, nothing in the previous sentence shall be deemed to require or otherwise obligate Seller to close the Gate at any time, it being agreed by the parties that Seller shall be entitled to keep the Gate open at any time that Seller determines, in its sole discretion, that an open Gate will benefit the sales, marketing or construction effort at the Project. Seller's right to control the Gate shall terminate when Seller no longer owns or has an option to purchase any lot at the Project. Buyer acknowledges and agrees that there will be no reduction in HOA fees payable by Buyer due to the fact that (i) Seller controls the Gate, and (ii) the Gate may be opened some or all of time.

5. Ratification. This Addendum is hereby executed and made an integral part of the Purchase Agreement, which is hereby ratified and reaffirmed, constitutes the binding obligation of the parties, and remains in full force and effect. In the event of any conflict or inconsistency between this Addendum and the Purchase Agreement, the terms, provisions and conditions of this Addendum shall control.

DocuSigned by: **Matt Jones** 5/21/2017 | 3:12:41 PM EDT
Buyer _____ Date _____ Buyer _____ Date _____
Buyer _____ Date _____ Buyer _____ Date _____

K. Hovnanian at Gallery, LLC,
an Arizona limited liability company

By: _____
Its: SELLER Authorized Signer

HOME BUILDER'S LIMITED WARRANTY REGISTRATION FORM

Sales Contract Date
for this Home:

Builder Identification No. _____ Builder Name: _____

1. ADDRESS OF HOME TO BE REGISTERED (NUMBER and STREET) 3104 North 71st Street	2. LOT 8	BLOCK
---	-------------	-------

3. CITY: Scottsdale	STATE: AZ	ZIP: 85251	4. COUNTY:
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5. ENTER THE DATE THE WARRANTY PERIOD WILL BEGIN: (TITLE TRANSFER) MONTH _____ DAY _____ YEAR _____	HOME TYPE (check one) Single Family Attached <input type="checkbox"/> Condominium Unit <input type="checkbox"/> Single Family Detached <input type="checkbox"/>
---	--

6. ENTER THE SALES PRICE OF THIS HOME: \$ _____	IF FHA or VA mortgage, check here: FHA or VA Case No. <input type="checkbox"/>
--	---

7. NAME OF INITIAL PURCHASER(S) OF HOME: (LAST NAME, FIRST NAME)

Matthew Jones

8. MAIL ADDRESS: (COMPLETE ONLY IF DIFFERENT FROM NUMBER AND STREET OF THE HOME IDENTIFIED ABOVE ON LINES 1-4)

9. SIGNATURE OF BUILDER'S REPRESENTATIVE OR AUTHORIZED AGENT:

Date: _____

HOME BUYER ACKNOWLEDGEMENT (LINE.10)

The undersigned hereby acknowledges as follows:

I/we have received, reviewed, understand and agree to the terms of the Home Builder's Limited Warranty ("Limited Warranty") document (PWC Form #117). I/we acknowledge that the Builder does not make any representations as to its Limited Warranty that contradict or are inconsistent with the terms and conditions stated in its Limited Warranty.

10. Signature of Home Buyer(s)	DocuSigned by: Matt Jones	Date: 5/21/2017 3:12:41 PM EDT
	6D4D3E05FE01474..	Date: _____
	_____	Date: _____
	_____	Date: _____

MAIL ORIGINAL TO: Professional Warranty Service Corporation (PWC)
P.O. Box 800 Annandale, VA 22003-0800

1-800/850-2799