

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934

Date of Report (date of earliest event reported): September 7, 2021

Dream Finders Homes, Inc.

(Exact name of registrant as specified in its charter)

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of incorporation)

001-39916

(Commission File Number)

85-2983036

(I.R.S. Employer Identification No.)

14701 Philips Highway, Suite 300
Jacksonville, Florida

(Address of principal executive offices)

32256

(Zip Code)

Registrant's telephone number, including area code: (904) 644-7670

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

| Title of each class | Trading Symbol(s) | Name of each exchange on which registered |
|----------------------|-------------------|---|
| Class A Common Stock | DFH | Nasdaq Global Select Market |

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 or Rule 12b-2 of the Securities Exchange Act of 1934.

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 1.01 Entry into a Material Definitive Agreement.

Purchase and Sale Agreement with McGuyer Homebuilders, Inc., et al.

On September 7, 2021, concluding an inspection period under a purchase and sale agreement, Dream Finders Homes, Inc., a Delaware corporation (the "Company"), through its subsidiary Dream Finders Holdings LLC, a Florida limited liability company ("DFH LLC"), provided notice of its election to proceed with the acquisition transaction described below, rendering its deposits non-refundable, subject to certain termination rights and closing conditions.

DFH LLC entered into such Purchase and Sale Agreement, as amended by that certain First Amendment to Purchase and Sale Agreement, dated August 31, 2021, and that certain Second Amendment to Purchase and Sale Agreement, dated September 7, 2021 (collectively, the "Purchase Agreement"), on June 17, 2021, with MHI Partnership, Ltd., a Texas limited partnership, MHI Models, Ltd., a Texas limited partnership, McGuyer Homebuilders, Inc., a Texas corporation, FMR IP, LLC, a Texas limited liability company, HomeCo Purchasing Company, Ltd., a Texas limited partnership, 2019 Sonoma, LLC, a Texas limited liability company (collectively, "Sellers"), Frank B. McGuyer ("Mr. McGuyer") and McGuyer Interests, Ltd., a Texas limited partnership ("McGuyer Interests"). On September 7, 2021, DFH LLC provided a notice to Sellers expressly stating DFH LLC's election to proceed with the transaction, and, effective at the time of providing such notice, DFH LLC is no longer entitled to the return of the \$3 million of deposits it has deposited with the title company, subject to certain termination rights and closing conditions.

Under the Purchase Agreement, DFH Coventry, LLC, a Florida limited liability company ("DFH Coventry"), as assignee of the rights of DFH LLC, agreed to acquire certain assets, rights and properties, and assume certain liabilities, comprising the following businesses of Sellers (the "MHI Acquisition"): (i) single-family residential homebuilding; (ii) owning model homes; (iii) acquisition, ownership and licensing of intellectual property (including architectural plans); (iv) purchasing and reselling homebuilding supplies; (v) development, construction and sale of condominium units in Austin, Texas; (vi) mortgage origination through a mortgage company; and (vii) title insurance, escrow and closing services through a title company (collectively, the "Business"); for a purchase price equal to the sum of: (A) the aggregate book value of the purchased assets (excluding amounts attributable to goodwill and other intangibles, if any, and adjusted as necessary to comply with accounting principles generally accepted in the United States of America) *less* the amount of the assumed liabilities; plus (B) \$50 million. The estimated purchase price for the MHI Acquisition is approximately \$475 million (inclusive of the approximately \$40 million for the purchase of model homes in a subsequent closing, as described below), subject to further calculation at the consummation of the transactions contemplated by the Purchase Agreement (the "Closing") and customary post-closing adjustments based on the closing date net asset value of the purchased assets.

Under the Purchase Agreement, DFH LLC is required to pay MHI Partnership, Ltd., a Texas limited partnership ("MHI Partnership"), additional consideration for up to five periods, the last of which ends 48 months after the Closing. Each payment for each such period will be calculated in accordance with Section 2.8 of the Purchase Agreement and is contingent on satisfaction of certain financial performance targets by DFH Coventry. The amount of such contingent consideration payable for each one of such five periods is 25% of pre-tax net income, subject to certain minimum pre-tax income hurdles and thresholds and certain overhead expenses.

The Purchase Agreement includes customary representations and warranties, as well as certain covenants, including, among other things, that: (i) Sellers will operate the Business in the ordinary course of business consistent with past practice, (ii) each party will use reasonable best efforts to obtain required regulatory approvals, and (iii) Sellers are bound by certain non-solicitation, non-competition and exclusivity covenants. The MHI Acquisition is anticipated to close in the fourth quarter of calendar year 2021.

The Closing is subject to customary conditions, including, among other things, the accuracy of representations and warranties, material performance of covenants, obtaining certain third party consents, and no occurrence of a material adverse effect. The Purchase Agreement contains indemnification rights for each of DFH LLC and Sellers for breaches of representations, warranties, and covenants, as well as certain other matters, subject to customary deductibles, caps, and other limitations.

The Purchase Agreement provides termination rights for DFH LLC under certain circumstances, including, subject to certain conditions, an uncured material breach by any Seller or if any of the conditions precedent to DFH LLC's obligation to proceed with the Closing have not been satisfied or if satisfaction of such a condition is or becomes impossible and DFH LLC has not waived such condition(s) on or before December 31, 2021.

The Purchase Agreement contemplates the execution of certain ancillary agreements between DFH LLC and Sellers (or their respective affiliates), including, among others, a Land Purchase Option Agreement, pursuant to which DFH Coventry has the option until twenty-four months after the Closing to purchase from Sellers any or all of the specific parcels of land to be specified in the Land Purchase Option Agreement.

Under the Purchase Agreement, DFH Coventry will acquire certain model homes (the "Model Homes") owned by MHI Models, Ltd., a Texas limited partnership ("MHI Models"), in a subsequent closing on or before December 17, 2021, for an estimated purchase price of approximately \$40 million, in aggregate. At the time of such subsequent closing, DFH LLC will reimburse MHI Models for taxes, homeowner association dues, and assessments and similar costs incurred by Sellers during the interim period from the Closing to the date of such subsequent closing. At the Closing, DFH LLC will execute a Lease Assumption Agreement assuming all of MHI Partnership's obligations pursuant to the Master Lease Agreement between MHI Models and MHI Partnership for the period from the Closing until DFH Coventry's acquisition of the Model Homes.

The above description of the Purchase Agreement does not purport to be complete and is qualified in its entirety by reference to the full text of the Purchase Agreement. A copy of the Purchase and Sale Agreement, the First Amendment to Purchase and Sale Agreement and the Second Amendment to Purchase and Sale Agreement are attached to this Current Report on Form 8-K as Exhibit 2.1, Exhibit 2.2 and Exhibit 2.3, respectively, and each such Exhibit is incorporated by reference into this Item 1.01. The Purchase Agreement governs the contractual rights between the parties in relation to the MHI Acquisition. The Purchase and Sale Agreement, the First Amendment to Purchase and Sale Agreement, and the Second Amendment to Purchase and Sale Agreement have been filed as exhibits to this Current Report on Form 8-K to provide investors with information regarding the terms of the MHI Acquisition and are not intended to modify or supplement any factual disclosures about the Company in its public reports filed with the Securities and Exchange Commission (the "SEC").

The representations, warranties, and covenants contained in the Purchase Agreement have been made solely for the purposes of the Purchase Agreement and as of specific dates; were solely for the benefit of the parties to the Purchase Agreement; are not intended as statements of fact to be relied upon by the Company's or any party's stockholders or other security holders, but rather as a way of allocating the risk between the parties in the event the statements therein prove to be inaccurate; have been modified or qualified by certain confidential disclosures that were made between the parties in connection with the negotiation of the Purchase Agreement, which disclosures are not reflected in the Purchase Agreement itself; may no longer be true as of a given date; and may apply standards of materiality in a way that is different from what may be viewed as material by stockholders or other security holders. Except as specifically set forth in the Purchase Agreement, stockholders and other security holders are not third-party beneficiaries under the Purchase Agreement and should not rely on the representations, warranties, and covenants or any descriptions thereof as characterizations of any actual state of facts or of the condition of the Company or its subsidiaries, including DFH LLC and DFH Coventry. Moreover, information concerning the subject matter of the representations and warranties may change after the date of the Purchase Agreement, which subsequent information may or may not be fully reflected in the Company's public disclosures.

Amendment to Credit Agreement

On September 8, 2021, the Company entered into a First Amendment and Commitment Increase Agreement (the "Amendment") to its Credit Agreement, dated as of January 25, 2021 (the "Credit Agreement"). The Credit Agreement, providing for a senior unsecured revolving credit facility, is with a syndicate of lenders identified in the Credit Agreement, and Bank of America, N.A. acts as administrative agent.

The Company exercised its right, and the Amendment provides, for an increase in the aggregate commitments under the Credit Agreement by \$300 million to \$750 million, and three lenders were added as additional lenders under the Credit Agreement. As amended by the Amendment, the Credit Agreement includes provisions for any existing lender to, at the Company's request, increase its revolving commitment under the Credit Agreement, add new revolving loan tranches under the Credit Agreement or add new term loan tranches under the Credit Agreement, in all cases not to exceed an aggregate of \$1.05 billion.

In addition, the Amendment clarified and modified certain definitions and covenants as more fully set forth therein, including modifications of certain financial covenants to facilitate the consummation of the MHI Acquisition.

Certain of the Company's subsidiaries will guarantee the Company's obligations under the Credit Agreement. The Credit Agreement will mature on January 25, 2024, unless the Company requests, and the requisite lenders agree, to extend it pursuant to its terms.

A copy of the Credit Agreement was filed by the Company as Exhibit 10.1 to its Current Report on Form 8-K on January 25, 2021. The foregoing description of the Amendment is only a summary, does not purport to be complete and is qualified in its entirety by reference to the full text of the Amendment which is included as Exhibit 10.1 to this Current Report on Form 8-K and is incorporated herein by reference into this Item 1.01.

Subscription Agreement and Certificate of Designations for Series A Convertible Preferred Stock

On September 8, 2021, the Company entered into a Subscription Agreement (the “Subscription Agreement”) with certain funds and accounts managed and/or advised by subsidiaries of BlackRock, Inc. (collectively, the “Purchasers”). Pursuant to the Subscription Agreement, the Company agreed to sell to the Purchasers 150,000 shares of newly-created Series A Convertible Preferred Stock with an initial liquidation preference of \$1,000 per share and a par value \$0.01 per share (the “Convertible Preferred Stock”), for an aggregate purchase price of \$150 million. The closing of the purchase and sale of the Convertible Preferred Stock is conditioned upon the simultaneous closing of the MHI Acquisition described above. The Company will use the proceeds from the sale of the Convertible Preferred Stock to fund the MHI Acquisition and for general corporate purposes. The Subscription Agreement contains customary representations, warranties and covenants of the Company and the Purchasers.

Pursuant to the Certificate of Designations, the Convertible Preferred Stock will rank senior to the Company’s Class A and B common stock with respect to dividends and distributions on liquidation, winding-up and dissolution. Upon a liquidation, dissolution or winding up of the Company, each share of Convertible Preferred Stock will be entitled to receive the initial liquidation preference of \$1,000 per share, subject to adjustment, plus all accrued and unpaid dividends thereon. In addition, the Convertible Preferred Stock will have the following terms:

- *Cumulative Dividends:* The Convertible Preferred Stock will accumulate cumulative dividends at a rate per annum equal to 9.00% payable quarterly in arrears.
- *Duration:* The Convertible Preferred Stock will be perpetual with call and conversion rights. The Convertible Preferred Stock will not be convertible by the Purchasers in the first five years following issuance, with the exception of the acceleration of the Conversion Right (as defined below) upon breach of the protective covenants (described below). The Company can call the outstanding Convertible Preferred Stock at any time for one-hundred and two percent (102%) of its liquidation preference during the fourth year following its issuance and for one-hundred and one percent (101%) of its liquidation preference during the fifth year following its issuance (in each case, for the avoidance of doubt, plus accrued but unpaid dividends, if any). Subsequent to the fifth anniversary of its issuance, a Purchaser can convert the Convertible Preferred Stock into Class A common stock of the Company (the “Conversion Right”). The conversion price will be based on the average of the trailing 90 days’ closing price of Class A common stock of the Company, less 20% of the average and subject to a floor conversion price of \$4.00 (the “Conversion Discount”).

- *Protective Covenants:* The protective covenants of the Convertible Preferred Stock require the Company to maintain compliance with all covenants related to (i) the Credit Agreement, as may be further amended from time to time; provided that any amendment, restatement, modification or waiver of the Credit Agreement that would adversely and materially affect the rights of the Purchasers will require the written consent of holders of a majority of the then-outstanding shares of Convertible Preferred Stock; and (ii) any agreement between the Company and any Purchaser (the covenants referred to in clauses (i) and (ii), collectively, the “Protective Covenants”). Non-compliance beyond any applicable cure period with the Protective Covenants (in the case of the Protective Covenants related to the Credit Agreement) will accelerate the Conversion Right, and in the event of such acceleration that occurs before the fifth anniversary following the issuance of the Convertible Preferred Stock, the “Conversion Discount” shall be increased from 20% to 25%.
- *Voting Rights.* Except as may be expressly required by Delaware law, the shares of Convertible Preferred Stock have no voting rights.
- *Redemption in a Change of Control.* The Convertible Preferred Stock will be redeemed, contingent upon and concurrently with the consummation of a change of control of the Company. Shares of Convertible Preferred Stock will be redeemed in a change of control of the Company at a price, in cash, equal to the liquidation preference, subject to adjustment, plus all accumulated and unpaid dividends, plus, if the change of control occurs before the fourth anniversary of the date of issuance of the Convertible Preferred Stock, a premium equal to the dividends that would have accumulated on such share of Convertible Preferred Stock from and after the change of control redemption date and through the fourth anniversary of the issuance of the Convertible Preferred Stock.

Pursuant to the terms of the Certificate of Designations, unless and until approval of the Company’s stockholders is obtained as contemplated by Nasdaq listing rules, no shares of Class A common stock will be issued or delivered upon conversion of any Convertible Preferred Stock to the extent that such issuance would (i) result in the holder beneficially owning in excess of 19.99% of the outstanding Class A common stock as of the date of the Certificate of Designations or (ii) exceed 19.99% of the outstanding shares of Class A and Class B common stock combined as of the date of the Certificate of Designations.

In addition, in connection with the entry into the Subscription Agreement, the Company agreed as follows:

Board Observer

For so long as the Purchasers hold at least 25% of the outstanding shares of Convertible Preferred Stock, the Purchasers shall have the right to designate one individual to be present in a non-voting, non-fiduciary observer capacity (the “Board Observer”) at all meetings of the Company’s Board of Directors, including any telephonic or electronic meetings. If, following designation as the Board Observer, the Board Observer resigns, is removed, or is otherwise unable to serve for any reason, then, the Purchasers shall be entitled to designate a replacement Board Observer.

Information Rights

For so long as any Purchaser holds any of the outstanding shares of Convertible Preferred Stock, the Purchasers will receive certain information rights under the Subscription Agreement, including the right to receive financial statements of the Company.

Commitment Fee

In connection with the closing under the Subscription Agreement, the Company will pay a commitment fee to the Purchasers equal to 1% of the aggregate purchase price for the Convertible Preferred Stock.

Registration Rights Agreement

As part of the closing of the sale of the Convertible Preferred Stock, the Company and the Purchasers agreed to enter into a Registration Rights Agreement (the "Registration Rights Agreement") pursuant to which, among other things, the Company will grant the Purchasers certain registration rights. Under the Registration Rights Agreement, the Company will be required to register the Convertible Preferred Stock owned by the Purchasers and the shares of Class A common stock issuable upon conversion of such shares equal to 19.99% of the outstanding shares of Class A common stock for resale within the earlier of (i) three business days after the filing of the Company's Form 10-K for the fiscal year ended December 31, 2021 and (ii) six months after the closing. If the Company fails to comply with its registration requirements under the Registration Rights Agreement, the Purchasers, in addition to any regular dividends, will be entitled to an additional 2% per annum dividend for an additional quarter period on the Convertible Preferred Stock if the breach is cured within 30 days and for each additional 30 day period in which the Company fails to cure such breach, each Purchaser will be entitled to an additional 2% per annum for an additional quarter period until cured. In addition, the Purchaser has rights to demand the registration of the Convertible Preferred Stock and the shares of Class A common stock in certain instances.

The foregoing descriptions of the transactions contemplated by the Subscription Agreement, Registration Rights Agreement and the terms of the Convertible Preferred Stock pursuant to the Certificate of Designations do not purport to be complete and are subject to, and qualified in their entirety by, the full text of such agreements, which are included as Exhibit 10.2 to this Current Report on Form 8-K and incorporated by reference into this Item 1.01.

Item 2.03 Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant.

The disclosure set forth above in Item 1.01 of this Current Report on Form 8-K under the heading "Amendment to Credit Agreement" is incorporated by reference into this Item 2.03.

Item 3.02 Unregistered Sales of Equity Securities.

As described in Item 1.01 above, pursuant to the Subscription Agreement, the Company has agreed to sell to the Purchasers 150,000 shares of Convertible Preferred Stock. The offer and sale of the shares of Convertible Preferred Stock through the Subscription Agreement are being made in reliance on an exemption from registration under the Securities Act of 1933, as amended (the “Securities Act”), pursuant to Section 4(a)(2) thereof. The information in Item 1.01 of this Current Report on Form 8-K under the heading “Subscription Agreement and Certificate of Designations for Series A Convertible Preferred Stock” is incorporated by reference into this Item 3.02.

Item 7.01 Regulation FD Disclosure.

On September 13, 2021, the Company issued a press release announcing the entering into the Purchase Agreement, Amendment and Subscription Agreement in connection with the MHI Acquisition. A copy of the press release is furnished as Exhibit 99.1 to this Current Report on Form 8-K and incorporated by reference into this Item 7.01.

None of the information furnished in Item 7.01 or the accompanying Exhibit 99.1 will be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liability of such section, nor will such information be deemed incorporated by reference into any filing under the Securities Act or the Exchange Act, regardless of the general incorporation language of such filing, except as shall be expressly set forth by specific reference in such filing.

Forward-Looking Statements

Any forward-looking statements contained in this Current Report on Form 8-K are intended to qualify for the safe harbor from liability established by the Private Securities Litigation Reform Act of 1995. These forward-looking statements include, without limitation, information regarding the Purchase Agreement, Amendment, Subscription Agreement, and Registration Rights Agreement, the expected timetable for completing the MHI Acquisition and purchase and sale of the Convertible Preferred Stock, future financial and operating results, the benefits, synergies, and accretion related to the MHI Acquisition, and any other statements by the Company’s management regarding future expectations, beliefs, plans, objectives, goals, strategies, future events, or performance and the underlying assumptions. Forward-looking statements can often be identified by words such as “anticipate,” “believe,” “continue,” “could,” “estimate,” “expect,” “forecast,” “goal,” “intend,” “may,” “objective,” “plan,” “predict,” “projection,” “should” or “will” or the negative thereof or other comparable terminology.

Actual events and/or results may differ materially and adversely from such forward-looking statements as a result of certain risks and uncertainties including, but not limited to, the occurrence of any event, change, or other circumstances that could give rise to the termination of the Purchase Agreement; the outcome of any legal proceedings that could be instituted against DFH LLC, DFH Coventry, the Company or the Company's board of directors related to the MHI Acquisition or the Purchase Agreement; the ability to satisfy the closing conditions of the MHI Acquisition when anticipated or at all, including the receipt of all regulatory approvals related to the MHI Acquisition, and the ability to close the MHI Acquisition; the Company's ability to obtain the necessary financing arrangements to close the MHI Acquisition; the Company's ability to successfully integrate the assets acquired and employees transferred pursuant to the Purchase Agreement; the risk that the Company may not realize the anticipated benefits from the MHI Acquisition; risks that the proposed transaction disrupts current plans and operations and the potential difficulties in employee retention as a result of the MHI Acquisition; adverse effects of the COVID-19 pandemic on the Company's business, financial conditions and results of operations and suppliers and trade partners; adverse effects of the COVID-19 pandemic and other economic changes either nationally or in the markets in which the Company operates, including, among other things, increases in unemployment, volatility of mortgage interest rates and inflation and decreases in housing prices; a slowdown in the homebuilding industry or changes in population growth rates in the Company's markets; and other risks and uncertainties described herein, as well as those risks and uncertainties discussed from time to time in the Company's other reports and other public filings with the SEC, including, but not limited to, those detailed in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2020 (and/or its most recent Quarterly Report on Form 10-Q), filed with the SEC.

Any forward-looking statements contained in this Current Report on Form 8-K are made only as of the date hereof and should not be relied upon as representing the Company's views as of any subsequent date, and the Company undertakes no obligation to update or revise the forward-looking statements, whether as a result of new information, future events, or otherwise.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

| Number | Description |
|------------------------------|--|
| <u>2.1*</u> | Purchase and Sale Agreement, dated as of June 17, 2021, among Dream Finders Holdings LLC, MHI Partnership, Ltd., MHI Models, Ltd., McGuyer Homebuilders, Inc., FMR IP, LLC, HomeCo Purchasing Company, Ltd., 2019 Sonoma, LLC, Frank B. McGuyer and McGuyer Interests, Ltd. |
| <u>2.2</u> | First Amendment to Purchase and Sale Agreement, dated as of August 31, 2021, among Dream Finders Holdings LLC, MHI Partnership, Ltd., MHI Models, Ltd., McGuyer Homebuilders, Inc., FMR IP, LLC, HomeCo Purchasing Company, Ltd., 2019 Sonoma, LLC, Frank B. McGuyer and McGuyer Interests, Ltd. |
| <u>2.3*</u> | Second Amendment to Purchase and Sale Agreement, dated as of September 7, 2021, among Dream Finders Holdings LLC, DFH Coventry, LLC, MHI Partnership, Ltd., MHI Models, Ltd., McGuyer Homebuilders, Inc., FMR IP, LLC, HomeCo Purchasing Company, Ltd., 2019 Sonoma, LLC, Frank B. McGuyer and McGuyer Interests, Ltd. |
| <u>10.1*</u> | First Amendment and Commitment Increase Agreement, dated as of September 8, 2021, among Dream Finders Homes, Inc., Bank of America, N.A., as administrative agent, collateral agent and issuing bank, and the lenders named therein as parties thereto. |

[10.2](#) Subscription Agreement, dated September 8, 2021, by and between Dream Finders Homes, Inc. and the Purchasers listed thereto.

[99.1](#) Press Release of Dream Finders Homes, Inc. issued on September 13, 2021.

104 Cover Page Interactive Data File (embedded within the inline XBRL document)

* Certain schedules and similar attachments have been omitted pursuant to Item 601(a)(5) of Regulation S-K. The Company undertakes to furnish supplemental copies of any of the omitted schedules upon request by the SEC.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

DREAM FINDERS HOMES, INC.

/s/ Robert E. Riva

Robert E. Riva

Vice President, General Counsel and Corporate Secretary

Date: September 13, 2021

PURCHASE AND SALE AGREEMENT

FOR THE SALE OF CERTAIN PROPERTY OF

the Sellers set forth on Exhibit A hereto

TO

DREAM FINDERS HOLDINGS LLC

Dated as of June 17, 2021

PURCHASE AND SALE AGREEMENT

This **PURCHASE AND SALE AGREEMENT** (this "**Agreement**") is dated as of June 17, 2021 (the "**Effective Date**"), by and between (i) each of the Persons identified as a "Seller" on **Exhibit A** attached hereto (each is a "Seller", and collectively are the "**Sellers**"); (ii) **FRANK B. MCGUYER ("Owner")**, McGuyer Interests, Ltd., a Texas limited partnership ("**McGuyer Interests**", and together with Owner, the "**Interest Holders**"); and (iii) Dream Finders Holdings llc, a Florida limited liability company ("**Buyer**"). Sellers, Interest Holders and Buyer are referred herein collectively as the "**Parties**" and individually as a "**Party**".

RECITALS

A. The Sellers own the assets identified in Sections 2.1.1 through 2.1.16, which are used in the businesses, conducted in the State of Texas, of (collectively, the "**Business**"): single-family, residential homebuilding; owning model homes; acquisition, ownership and licensing of intellectual property (including architectural plans); purchasing and reselling homebuilding supplies; development, construction and sale of condominium units in Austin, Texas; mortgage origination through a mortgage company; title insurance, escrow and closing services through a title company.

C. Buyer is engaged in the business of acquiring and developing land, and building and selling homes in multiple states;

D. Interest Holders are directly or indirectly, the principal legal and beneficial owners of the Sellers;

E. Buyer and some of the Sellers previously entered into a letter of intent dated March 30, 2021 (the "**LOI**") with respect to the Buyer's purchase of specified assets of the Sellers;

F. Sellers desire to sell to Buyer, and Buyer desires to purchase from Sellers, the Purchased Assets set forth below on the terms and conditions hereof.

NOW, THEREFORE, with reference to the foregoing Recitals and for other good and valuable consideration (including Buyer's payment to the Sellers of an aggregate amount of One Hundred Dollars (\$100.00) in cash on the date hereof), the receipt and adequacy of which are hereby acknowledged, the Parties hereto hereby agree as follows:

ARTICLE 1 DEFINITIONS AND RULES OF CONSTRUCTION

1.1 Definitions. All initially-capitalized terms that are used but not defined in this Agreement have the meanings given such terms in **Part I of Exhibit B**. **Part II of Exhibit B** contains an index that lists the Sections of this Agreement in which other capitalized terms are defined.

1.2 Rules of Construction. This Agreement shall be interpreted in accordance with the rules of construction set forth in **Part III of Exhibit B**.

ARTICLE 2 PURCHASE AND SALE

2.1 Purchase and Sale of Purchased Assets. Upon the terms and subject to the conditions set forth in this Agreement, at the Closing, each Seller shall sell, convey, assign, transfer and deliver to Buyer, and Buyer shall purchase and acquire from each Seller, free and clear of any Encumbrances other than Permitted Encumbrances, such Seller's right, title and interest in and to, as applicable, the following

property and assets, whether real, personal or mixed, tangible and intangible, inclusive of all assets used in the operation of the Business, including, but not limited to:

2.1.1 all assets reflected on the Schedule of Net Asset Value (the "**NAV Schedule**", attached as **Schedule 2.1.1**) except for the Excluded Assets (as defined below) and Subsequent Parcels (*see Section 3.8 below*) and as adjusted for assets subsequently acquired and disposed of in the ordinary course of business consistent with past practices (the assets specified in other provisions of this **Section 2.1** may include assets also identified in this **Section 2.1.1**);

2.1.2 those parcels of real property described in **Schedule 2.1.2** (collectively, the "**Land**"), which include, as applicable, the Lots, together with all Improvements thereon (including Work-in-Process Units), and all related Easements, if any, and water and water rights appurtenant or related thereto, including tributary, non-tributary, not non-tributary and ground water (collectively, the "**Water Rights**") (the Land, Improvements, Easements, and Water Rights are referred to collectively herein as the "**Real Property**"), except for Real Property that is sold prior to Closing in the ordinary course of business and the Subsequent Parcels;

2.1.3 all supplies, construction materials and equipment, sales offices, fixtures, furnishings and equipment, model home contents, marketing materials and any other personal property owned by such Seller in connection with the development, construction, sale or marketing of residential units on, or the ownership of, the Real Property or portions thereof (collectively, the "**Tangible Personal Property**");

2.1.4 the interests owned by such Seller in Contracts for the sale by it of Lots or Land or for the sale by it of residential units constructed or to be constructed on the Lots (collectively, the "**Sale Contracts**"), including BOYL Contracts, Sale Contracts between any Sellers and any Shared Services Affiliates (identified on **Schedule 4.26**) for real property owned by any Shared Services Affiliate, and the earnest money or option deposits provided to such Seller by the respective purchasers thereof (collectively, the "**Sale Deposits**");

2.1.5 the interests owned by such Seller in all Contracts between a Seller and any subcontractors, laborers, material suppliers and engineering, design and other consultants, service providers, with respect to work on the Real Property whether the work performed or to be performed under such Contract is onsite, offsite, direct or indirect, other than those listed as Excluded Assets on **Schedule 2.2** (collectively, the "**Subcontracts**");

2.1.6 each of the model homes listed by street address, plat and lot number on **Schedule 2.1.6** (the "**Model Homes**"), including all furniture, fixtures, equipment and any other personal property owned by a Seller relating thereto;

2.1.7 the interests owned by such Seller in all contracts to acquire the real property listed on **Schedule 2.1.7**, including between Affiliates of the Sellers and a Seller, including any and all deposits made thereunder (the "**Acquisition Contracts**");

2.1.8 the interests owned by such Seller in Contracts and leases, including surface use agreements and any billboard or similar advertising leases, and/or agreements listed on **Schedule 2.1.8** (the "**Other Contracts**");

2.1.9 all of the following insofar as they relate to any Real Property and are owned by any Seller and subject to **Section 7.5 below**: (a) governmental permits, licenses, applications, subdivision maps, plat maps, rights under development, subdivision and other similar agreements, building permits, certificates of occupancy and other development rights, entitlements or permits; (b) utility and other permits and deposits, commitments of utility capacity, other Contracts and rights with respect to utility capacity or development of utilities, and title to any installed or constructed

utilities; (c) prepaid expenses, fees and deposits, and the right to any refunds thereunder; (d) sewer and other utility taps and drainage rights, and prepaid facilities, water resource, system development fees and other prepaid fees associated with the development and/or construction of any improvements within or on real property; (e) warranties and guaranties; (f) rights with respect to Special Districts, directors lots with respect to Special Districts, interests owned by any Seller in any Contract with any Special District, and other reimbursements and receivables from any Special District that are payable or may become payable to any Seller; (g) any rights of such Seller or any third party with respect to the Real Property in any application or other matter submitted to any Governmental Body having jurisdiction over the subject matter thereof and all rights to the process relating to such applications; and (h) any other benefits or rights that inure to the benefit of or with respect to any Real Property (collectively, the "**Entitlements**");

2.1.10 to the extent owned by a Seller and subject to Section 7.5 below, all engineering, geotechnical, soils, environmental, architectural, home design, landscaping, drainage, grading, natural resources, archeological and other plans, specifications and reports relating to the Real Property (collectively, the "**Plans and Specifications**");

2.1.11 to the extent owned by a Seller and subject to Section 7.5 below, all signage and advertising materials (in any form, format or media, including electronic or Internet-based) and rights, including all of the right, title and interest of such Seller in and to any trademarks, d/b/a's or trade names (including but not limited to the names MHI, McGuyer Homebuilders, Pioneer Homes, Plantation Homes, Wilshire Homes, Coventry Homes, Gatehouse Properties and Carmel Builders), the names of the Sale Communities to the extent owned by or licensed to a Seller, all telephone and teletcopy numbers, and all marketing names and logos, Internet websites, and domain names and web addresses associated with the Sale Communities or any other Intellectual Property Rights now used in connection with the development, marketing and sale of the Real Property (collectively, "**Marketing IP**"), together with all mailing lists, customer lists, sales leads or traffic lists, telecommunication systems, computer software, computer software licenses, maintenance agreements (which licenses and maintenance agreements shall constitute Other Contracts), and sales brochures, all telephone and teletcopy numbers, and all marketing names and logos, Internet websites, and domain names and web addresses associated with the Sale Communities (collectively, the "**Marketing Property**" including the Marketing IP);

2.1.12 all fidelity bonds, including payment and performance bonds, maintenance bonds, labor and material bonds and other bonds, letters of credit and subdivision improvement guaranties relating to the Real Property (the "**Bonds**");

2.1.13 except to the extent that any of the following constitute Excluded Assets, all claims, warranties, indemnities and similar rights, including subrogation rights relating to the Subcontracts, insofar as they relate to the Real Property or the Assumed Liabilities (collectively, the "**Claims**");

2.1.14 except to the extent that any of the following constitute Excluded Assets, all of the books, instruments, papers, and records that relate directly to the Purchased Assets of the Sellers, whether in written form or another storage media, including: (i) accounting and financial records, (ii) property records and reports, (iii) customer, subcontractor, and supplier lists, (iv) environmental records and reports, (v) personnel and labor relations records, and (vi) property, sales or transfer tax records and returns, provided that such books instruments, papers and records shall exclude any documents relating to the Excluded Assets, the Governing Documents of the Sellers, and the income tax records and returns of the Sellers (collectively, the "**Books and Records**");

2.1.15 except to the extent that any of the following constitute Excluded Assets, any other property whatsoever that relates to or is used in connection with the Real Property, including

trade secrets, confidential information, other Intellectual Property Rights, intangible property and intangible property rights ("**Other Property**");

2.1.16 all ownership interest in Builder Homesite, Inc. ("**BHI**");

2.1.17 the 60% membership interests owned by MHI Partnership, Ltd. in WKMM, LLC and the 49% membership interest owned by Frank McGuyer in Millennium Title of Texas, L.C. (collectively "**MHI Title Company**"), it being understood that the parties shall use good faith efforts to agree on the specific structure of the acquisition of the assets (or acquisition of the membership interests in) of the MHI Title Company including, without limitation the purchase price for the MHI Title Company (the "**Title Company Purchase Price**"), prior to the expiration of the Inspection Period;

2.1.18 the 75% limited partnership interest owned by Land Investment Management Corp. in FC Lending, Ltd. and the 65% limited partnership interest owned by McGuyer 2007 Partnership, LLP in Cornerstone Mortgage Partners of Texas, LP (collectively "**MHI Mortgage Company**"), it being understood that the parties shall use good faith efforts to agree on the specific structure of the acquisition of the assets (or acquisition of the ownership interest in) of the MHI Mortgage Company including, without limitation, the purchase price for the MHI Mortgage Company (the "Mortgage Company Purchase Price" and collectively with the Title Company Purchase Price the "**MHI Entities Purchase Price**"), prior to the expiration of the Inspection Period;

2.1.19 all goodwill of the Business.

The Real Property, the Tangible Personal Property, the Sale Contracts (as defined in Section 2.1.4), the Sale Deposits, the Subcontracts, the Entitlements, the Plans and Specifications, the Marketing Property, the Claims, the Books and Records, the Model Homes, the Other Property and the goodwill are collectively referred to in this Agreement as the "**Property**." The Sale Contracts, the Subcontracts, the Acquisition Contracts, the Bonds, the BOYL Contracts and the Other Contracts are collectively referred to in this Agreement as the "**Assumed Contracts**." The Property and Assumed Contracts are collectively referred to in this Agreement as the "**Purchased Assets**."

2.2 Excluded Assets. The Purchased Assets shall exclude (i) all cash and cash equivalents, bank accounts and securities of the Sellers, (ii) all accounts or notes receivable of Sellers and (iii) those assets of Sellers shown on Schedule 2.2 attached hereto (collectively, "**Excluded Assets**").

2.3 Assumed Liabilities. On the Closing Date, effective as of the Effective Time, Buyer shall assume and agree to discharge or otherwise perform when due only those liabilities of the Sellers (other than the Retained Liabilities) set forth on Schedule 2.3 (the "**Assumed Liabilities**").

2.4 Retained Liabilities. Notwithstanding any other provision hereof, except for Assumed Liabilities, the Sellers shall retain, and the Buyer shall not assume or agree to pay, perform, or discharge any liabilities of the Sellers, including: (a) any liabilities or obligations that any Seller owes to an Affiliate thereof; (b) any liabilities or obligations that secure or relate solely to Excluded Assets; (c) except as set forth in Section 3.2 below (concerning the Buyer's payment of ½ of the commission payable to Builders Advisor Group equal to 1.5% of the Purchase Price), any liabilities or obligations owed for any broker or similar services rendered in connection with the Contemplated Transactions; (d) any employee liabilities, employee benefits or severance payments that are not Assumed Liabilities; (e) any liabilities or obligations with respect to any Employee Plans (including COBRA) that are not Assumed Liabilities; (f) any liabilities or obligations with respect to any Environmental Laws or Environmental Liabilities; provided, however, notwithstanding anything in this Agreement to the contrary, (1) Sellers reserve the right to assert any defense or right preserved for it in this Agreement or that they may otherwise raise against any third party with respect to any such potential liability and (2) Buyer shall be responsible to the

extent that Buyer caused, aggravated or contributed to such liability after Closing; (g) any Seller expenses incurred in connection with this Agreement or the Contemplated Transactions; (h) to the extent arising out of the operation of the Business prior to Closing (other than Assumed Warranty Claims), any liabilities or obligations with respect to any pending or Threatened action, inquiry, investigation, or Proceeding whether involving private parties or before any administrative or other Governmental Body; (i) any product liabilities, including without limitation, construction defects or other liabilities in respect of construction work performed prior to the Closing Date (other than Assumed Warranty Claims) on homes closed prior to or as of the Closing Date or development work performed prior to the Closing Date on Finished Lots as of the Closing Date (such claims, "**Warranty Claims**"); (j) any trade accounts payable or other liabilities or obligations with respect to homes closed prior to or as of the Closing Date (k) except as other provided herein, any Taxes; and (l) any liability or obligation other than those Assumed Liabilities which Buyer assumes pursuant to Section 2.3 above (collectively, "**Retained Liabilities**"), all of which shall remain the sole responsibility of, and be discharged and performed as and when due by, each applicable Seller.

2.5 Purchase Price.

2.5.1 Purchase Price. The purchase price to be paid by Buyer for the Purchased Assets (the "**Purchase Price**"), shall be the sum of:

(A) the aggregate book value of the Purchased Assets (excluding amounts attributable to goodwill and other intangibles, if any, and adjusted as necessary to comply with GAAP *less* the amount of the Assumed Liabilities (the "**Net Asset Value**"); notwithstanding the foregoing, the Parties agree that the value to be paid for the equity interest in BUILDER HOMESITE, INC. shall be mutually determined by the parties prior to the expiration of the Inspection Period and not its book value.

(1) The Net Asset Value will be calculated using generally accepted accounting principles as consistently applied by the Sellers ("**GAAP**") and in a manner consistent with the Net Asset Value calculation set forth on Schedule 2.5.1(A)(1) utilized in calculating the target purchase price (the "**Target Purchase Price Schedule**").

(2) Based on the NAV Schedule attached as Schedule 2.1.1: (a) the aggregate book value of the Purchased Assets is (\$565,083,512), (b) the Assumed Liabilities are \$71,667,592, and (c) result in a Net Asset Value of \$493,415,920.

(3) The aggregate book values of the Purchased Assets, the amount of the Assumed Liabilities, the Net Asset Value and the Purchase Price will be calculated at Closing (*see* Section 2.5.2 below) and adjusted pursuant to Section 2.6 below (*i.e.*, the True-Up);

(4) For the avoidance of doubt, any Subsequent Parcels (*see* Section 3.8 below) shall be excluded from the Net Asset Value.

(B) *plus* an amount equal to Fifty Million Dollars (\$50,000,000.00) (the "**Premium**"). The Premium shall be a fixed value and shall not be adjusted pursuant to Section 2.6 below.

(C) *plus* the MHI Entities Purchase Price.

(D) Based on the NAV Schedule attached as Schedule 2.1.1, the target Purchase Price (excluding the MHU Entities Purchase Price) would be \$543,415,920, including the Net Asset Value (\$493,415,920), and Premium (\$50,000,000).

2.5.2 Closing Purchase Price. On or before seven (7) days prior to Closing, Sellers shall submit to Buyer updated versions of all applicable Schedules using financial information as of

TBD, 2021 (the "**Closing Adjusted Schedules**") calculated using GAAP as consistently applied by the Sellers and in a manner consistent with the Net Asset Value calculation set forth on the Target Purchase Price Schedule. Based on the Closing Adjusted Schedules, Buyer shall prepare and deliver to Sellers, within five (5) days after Buyer's receipt of the Closing Adjusted Schedules, the Closing Schedule of Net Asset Value ("**Closing NAV Schedule**"), with updated aggregate book values for the Purchased Assets adjusted (up or down, as applicable) to reflect increases or decreases in the amount of the aggregate book value of the Purchased Assets (e.g., the exclusion of any Subsequent Parcels) and updated amounts for the Assumed Liabilities. The Net Asset Value and the Purchase Price shall be calculated based on the Closing NAV Schedule. The Net Asset Value, as calculated based on the Closing NAV Schedule, shall be the "**Closing Net Asset Value**", and the Purchase Price, as calculated based on the Closing NAV Schedule, shall be the "**Closing Purchase Price**".

2.5.3 Payment of Closing Purchase Price. On the Closing Date, the Closing Purchase Price shall be paid by Buyer to Sellers as follows:

(A) Buyer shall deposit with the Title Company the amount of Five Million Dollars (\$5,000,000.00) of the Closing Purchase Price (the "**Indemnity Escrow**") and such amount, including any interest or other amounts earned thereon and less any disbursements therefrom in accordance with the Indemnity Escrow Agreement, the "**Indemnity Escrow Fund**"), which shall be used to indemnify Buyer for any Damages as more fully described in Section 10.2 below and pursuant to the Indemnity Escrow Agreement.

(B) Buyer shall deposit with the Title Company the amount of Five Million Dollars (\$5,000,000.00) of the Closing Purchase Price (the "**True-Up Escrow**") and such amount, including any interest or other amounts earned thereon and less any disbursements therefrom in accordance with the True-Up Escrow Agreement, the "**True-Up Escrow Fund**"), which shall be used to indemnify Buyer for any Damages as more fully described in Section 2.6 below and pursuant to the True-Up Escrow Agreement in the form attached as Exhibit R (the "**True-Up Escrow Agreement**").

(C) Buyer shall deposit with the Title Company the amount of Three Millions Dollars (\$3,000,000.00) of the Closing Purchase Price (the "**Warranty Reserve Escrow**") and such amount, including any interest or other amounts earned thereon and less any disbursements therefrom in accordance with the Warranty Reserve Escrow Agreement, the "**Warranty Reserve Escrow Fund**"), which shall be applied or returned to Sellers as provided in the Warranty Service Agreement (see Section 6.8 below) and pursuant to the Warranty Reserve Escrow Agreement in the form attached as Exhibit Q (the "**Warranty Reserve Escrow Agreement**").

(D) Buyer shall pay the remainder of the Closing Purchase Price and the amount required to release the mortgage liens on the Real Property ("**Closing Cash Payment**") to the order of Sellers by wire transfer of immediately available funds, in accordance with written instructions provided by Sellers.

2.6 Post-Closing Purchase Price Adjustment (True-Up). On or prior to the sixtieth (60th) day after the Closing Date (the "**True-Up Date**"), Sellers shall prepare and deliver to Buyer (a) final versions of all applicable schedules with information that was true and correct as of the Closing Date (the "**Final Adjusted Schedules**"), (b) the final schedule of Net Asset Value ("**Final NAV Schedule**"), which shall be prepared in accordance with GAAP, and (c) all records, work papers, schedules and other documents relating related to the preparation of the Final Adjusted Schedules and the Final NAV Schedule and to the determination of the True-Up ("**Final Supporting Information**"). The Final NAV Schedule shall set forth the aggregate book values of the Purchased Assets (which shall exclude any Subsequent Parcels and any amounts attributable to goodwill or other intangibles) less the Assumed Liabilities as of the Closing Date (the "**Final Net Asset Value**"). Sellers shall use commercially reasonable efforts to prepare the Final

Adjusted Schedules and Final NAV Schedule in accordance with this Section 2.6. All expenses of Sellers in connection with the preparation of the Final Adjusted Schedules, Final NAV Schedule and Final Net Asset Value shall be borne by Sellers. Notwithstanding the foregoing, any time and from time to time after the True-Up Date until a period of nine (9) months thereafter, in the event either party determines that the Final Net Asset Value may be modified as a result of actual additional, updated or corrected Final Supporting Information, then the parties shall update the Final NAV Schedule, with the procedures set forth in Section 2.6.1 through Section 2.6.4 herein. The provisions of this Section 2.6 shall survive Closing.

2.6.1 If Buyer disagrees with the Final NAV Schedule (including the Final Net Asset Value as set forth on the Final NAV Schedule), then within twenty (20) days after Buyer's receipt of the Final Adjusted Schedules, Final NAV Schedule and the Final Supporting Information, Buyer may deliver a notice to Sellers of such disagreement and setting forth Buyer's revision to the Final NAV Schedule and Buyer's calculations of the Final Net Asset Value ("**Buyer's Objection Notice**"). Any such notice of disagreement shall specify those items or amounts as to which Buyer disagrees.

2.6.2 If a Buyer's Objection Notice shall be timely delivered pursuant to Section 2.6.1 above, the Parties shall, during the ten (10) days following such delivery, use Reasonable Efforts to reach agreement on the disputed items or amounts in order to determine, as may be required, the Final NAV Schedule and the amount of the Final Net Asset Value. If, during such period, the Parties are unable to reach such agreement, they shall promptly thereafter engage Ernst & Young or other mutually agreed upon certified public accountant (the "**Accounting Referee**") promptly to review this Agreement and the disputed items or amounts for the purpose of determining the Final NAV Schedule and calculating the Final Net Asset Value. In making such calculation, the Accounting Referee shall consider only those items or amounts as to which Buyer has disagreed. The Accounting Referee shall deliver to Sellers and Buyer, as promptly as practicable, but in any event within thirty (30) days of being engaged, a report setting forth the Final NAV Schedule and the calculation of the actual Final Net Asset Value in accordance with the provisions of Section 2.6 above. Such report shall be final and binding upon the Parties hereto. The cost of such review and report pursuant to this Section 2.6.2 shall be borne equally by Sellers and Buyer.

2.6.3 The final Purchase Price shall be determined as follows (the "**True-Up**"):

(A) The "**Final Net Asset Value**" shall be the Final Net Asset Value as either approved by both Buyer and Sellers or resolved pursuant to Section 2.6.2 above, which shall be calculated in accordance with Section 2.6 above.

(B) The "**True-Up Amount**" is the difference between the Final Net Asset Value and the Closing Net Asset Value.

(C) If the Final Net Asset Value is less than the Closing Net Asset Value, then the final Purchase Price will equal the Closing Purchase Price less the True-Up Amount and the True-Up Amount shall be in favor of Buyer.

(D) If the Final Net Asset Value shown on the Final NAV Schedule is more than the Closing Net Asset Value, then the final Purchase Price will equal the Closing Purchase Price plus the True-Up Amount and the True-Up Amount shall be in favor of Sellers.

2.6.4 Within five (5) days after the Final NAV Schedule is either approved by both Buyer and Sellers or resolved pursuant to Section 2.6.2 above ("**True-Up Payment Date**"):

(A) If the True-Up Amount is in favor of Buyer pursuant to Section 2.6.3(C) and the True-Up Amount exceeds the amount of the True-Up Escrow Fund, then (i) the Title Company shall, following joint written notice delivered by Sellers and Buyer to the Title

Company, release to Buyer the True-Up Escrow Fund and (ii) Sellers and Interest Holders jointly and severally shall pay the excess of the True-Up Amount over the True-Up Escrow Fund amount to the order of Buyer by wire transfer of immediately available funds, in accordance with written instructions provided by Buyer;

(B) If the True-Up Amount is in favor of Buyer pursuant to Section 2.6.3(C) and the True-Up Amount is less than or equal to the True-Up Escrow Fund amount, then (i) the Title Company shall, following joint written notice delivered by Sellers and Buyer to the Title Company, release to Buyer the amount of the True-Up Amount from the True-Up Escrow Fund and release the remainder of the True-Up Fund to Sellers; and

(C) If the True-Up Amount is in favor of Sellers pursuant to Section 2.6.3(D) above, then Buyer shall pay (i) the True-Up Amount to Sellers and (B) the Title Company shall, following joint written notice delivered by Sellers and Buyer to the Title Company, release to Sellers the entire amount of the True-Up Fund.

All amounts in the True-Up Escrow Fund shall be released pursuant to the above provisions of this Section 2.6.4. Any modifications to the Final Net Asset Value within the nine (9) month period after the True-Up Date as a result of actual additional, updated or corrected Final Supporting Information shall be paid in cash to the party owed any additional True-Up Amount.

2.7 Allocation of Purchase Prices. The Parties hereby agree that the Purchase Price will be allocated among the Purchased Assets and Sellers as set forth or Schedule 2.7. Subject to the requirements of any applicable Tax law, all Tax Returns and reports filed by the Parties shall be prepared consistently with such allocation. In the event of any adjustment to the Purchase Price hereunder, the Parties agree to adjust such allocation to reflect such adjustment and to file consistently any Tax Returns and reports required as a result of such adjustment. Each of the Parties agrees to cooperate with the other Party in the preparation and filing of any Tax Returns required under any applicable law.

2.8 Earn Out.

2.8.1 In addition to the Purchase Price, Buyer shall pay to MHI Partnership the Earn Out. Each Earn Out Payment for each Earn Out Year will be paid, if due hereunder, by Buyer to MHI Partnership as soon as reasonably practicable after each Earn Out Year-end but in no event later than five (5) days after the applicable Earn Out Payment is finally determined pursuant to Section 2.8.3 below. Each Earn Out Payment shall be made, if due hereunder, so long as the Newco's Pre-Tax Income meets or exceeds the Earn Out Hurdle for the applicable Earn Out Year and such Pre-Tax Income shall be calculated in accordance with GAAP. In the event an Earn Out Hurdle is not met for any particular Earn Out Year, no Earn Out shall be due for that particular Earn Out Year and Buyer shall retain one hundred percent (100%) of Newco's Pre-Tax Income for that Earn Out Year. In the event the Earn Out Hurdle is met or exceeded in any particular Earn Out Year, the MHI Partnership shall receive as the Earn Out one hundred percent (100%) of the Pre-Tax Income for that Earn Out Year in excess of the Earn Out Hurdle up to an amount equal to that Earn Out Year's Minimum Pre-Tax Income Budget Threshold. In the event the Newco's Pre-Tax Income exceeds the Minimum Pre-Tax Income Budget Threshold for an Earn Out Year, Buyer shall receive seventy-five percent (75%) of the Newco's Pre-Tax Income in excess of the Minimum Pre-Tax Income Budget Threshold for such Earn Out Year and MHI Partnership shall receive twenty-five percent (25%) of the Newco's Pre-Tax Income in excess of the Minimum Pre-Tax Income Budget Threshold for such Earn Out Year. Buyer and MHI Partnership agree that in the event of a recession (defined as a fall in the United States' Gross Domestic Product in two (2) consecutive quarters) that materially adversely affects the housing industry that the Parties shall act in good faith to appropriately adjust downward the Minimum Pre-Tax Income Budget Threshold for purposes of the Earn Out Calculation, consistent with Buyer's management's decisions regarding budgets and projections for Buyer's other divisions.

Notwithstanding anything to the contrary herein, at any time after Closing through the time periods set forth in Section 2.6 herein, Buyer shall have the right to set off first, against the True-Up Escrow, then second, against any uncontested and mutually agreed upon Earn out Payment (or Earn Out Payments finally determined by the Accounting Referee), against any uncontested and agreed upon amounts (or amounts finally determined by the Accounting Referee) owed by Seller to Buyer pursuant to Section 2.6.4(B) herein. In addition, at any time after Closing through the time periods set forth in Section 2.6 herein, Seller shall have the right to set off any amounts that may be owed to Buyer against any amounts now or hereafter owed by Buyer to Seller pursuant to Section 2.6.4(C).

2.8.2 As soon as reasonably practicable after each Earn Out Year-end but in no event later than thirty (30) days after Buyer publishes its final annual audit for each Earn Out Year, Buyer shall prepare and deliver to MHI Partnership a written statement (in each case, an "**Earn-Out Calculation Statement**") setting forth in reasonable detail its determination of Pre-Tax Income for the applicable period and its calculation of the resulting Earn Out Payment (in each case, an "**Earn-out Calculation**").

2.8.3 MHI Partnership shall have forty-five days after receipt of the Earn-out Calculation Statement for each Earn Out Year (in each case, the "**Review Period**") to review the Earn-out Calculation Statement and the Earn-out Calculation set forth therein. During the Review Period, MHI Partnership and its accountants shall have the right to inspect Newco's books and records during normal business hours at Newco's offices, upon reasonable prior notice and solely for purposes reasonably related to the determinations of Newco's Pre-Tax Income and the resulting Earn-out Payment. Prior to the expiration of the Review Period, MHI Partnership may object to the Earn-out Calculation set forth in the Earn-out Calculation Statement for the applicable Earn Out Year by delivering a written notice of objection (an "**Earn-out Calculation Objection Notice**") to Buyer. Any Earn-out Calculation Objection Notice shall specify the items in the applicable Earn-out Calculation disputed by MHI Partnership and shall describe in reasonable detail the basis for such objection, as well as the amount in dispute. If MHI Partnership fails to deliver an Earn-out Calculation Objection Notice to Buyer prior to the expiration of the Review Period, then the Earn-out Calculation set forth in the Earn-out Calculation Statement shall be final and binding on the parties hereto. If MHI Partnership timely delivers an Earn-out Calculation Objection Notice, Buyer and MHI Partnership shall negotiate in good faith to resolve the disputed items and agree upon the resulting amount of Newco's Pre-Tax Income and the Earn-out Payment for the applicable Earn Out Year. If Buyer and MHI Partnership are unable to reach agreement within twenty (20) days after such an Earn-out Calculation Objection Notice has been given, all unresolved disputed items shall be promptly referred to the Accounting Referee. The Accounting Referee shall be directed to render a written report on the unresolved disputed items with respect to the applicable Earn-out Calculation as promptly as practicable, but in no event greater than twenty (20) days after such submission to the Accounting Referee, and to resolve only those unresolved disputed items set forth in the Earn-out Calculation Objection Notice. If unresolved disputed items are submitted to the Accounting Referee, Buyer and MHI Partnership shall each furnish to the Accounting Referee such work papers, schedules and other documents and information relating to the unresolved disputed items as the Accounting Referee may reasonably request. The Accounting Referee shall resolve the disputed items based solely on the applicable definitions and other terms in this Agreement and the presentations by Buyer and MHI Partnership, and not by independent review. The resolution of the dispute and the calculation of Newco's Pre-Tax Income that is the subject of the applicable Earn-out Calculation Objection Notice by the Accounting Referee shall be final and binding on the parties hereto. The fees and expenses of the Accounting Referee shall be borne by MHI Partnership and Buyer in proportion to the amounts by which their respective calculations of Newco's Pre-Tax Income differ from Newco's Pre-Tax Income as finally determined by the Independent Accountant.

2.8.4 Buyer's obligation to pay each of the Earn-Out Payments to MHI Partnership in accordance with this Section 2.8 is an independent obligation of Buyer and is not otherwise conditioned or contingent upon the satisfaction of any conditions precedent to any preceding or subsequent Earn-out Payment and the obligation to pay an Earn-out Payment to MHI Partnership shall not obligate Buyer to pay any preceding or subsequent Earn-out Payment. For the avoidance of doubt and by way of example, if the conditions precedent to the payment of the Earn-out Payment for the first Earn Out Year are not satisfied, but the conditions precedent to the payment of the Earn-out Payment for the second Earn Out Year are satisfied, then Buyer would be obligated to pay such Earn-out Payment for the second Earn Out Year for which the corresponding conditions precedent have been satisfied, and not the Earn-out Payment for the first Earn Out Year. .

2.8.5 At all times during any Earn Out Year, Buyer shall not, through the use of Affiliates or otherwise, (i) take any action with the intent of reducing the Earn Out Payments including diverting any business away from Newco to any other Affiliate of the Buyer with the intent of reducing the Earn Out Payments or (ii) take any action with the primary intent or with the effect of avoiding or seeking to avoid the inclusion of any earnings or revenues relating to Newco in the calculation of Newco's Pre-Tax Income, (iii) allocate overhead or administrative expenses of any other Affiliate of Newco in a manner that materially increases the amount or materially changes the type of overhead and administrative expenses historically incurred by the Business as operated by MHI Partnership and in any event overhead and administrative expenses shall not be greater than one tenth of one percent (0.1%) of Revenue, or (iv) terminate any member of the Executive Team other than for Cause as defined in the applicable employment agreement without the prior consent of Owner. At all times during any Earn Out Year, Buyer will conduct the Business consistent with past practices of MHI Partnership including using commercially reasonable efforts to not take any action that would reduce the Businesses' historical level of working capital and shall continue to acquire Lots consistent with past practices of the Business.

2.9 Deposit. Subject to a mutually acceptable escrow agreement, Buyer shall deposit One Million Dollars (\$1,000,000.00) ("**Initial Deposit**") with the Title Company, within five (5) Business Days after the Effective Date. Within five (5) Business Days after the expiration of the Inspection Period (hereinafter defined) and so long as Buyer has delivered a Notice to Proceed (hereinafter defined), Buyer shall deposit with the Title Company the amount of Two Million Dollars (\$2,000,000.00) (the "**Additional Deposit**") and collectively with the Initial Deposit, the "**Deposit**"). If the transaction does not close, Title Company shall disburse the Deposit to the party entitled to the Deposit as provided for in this Agreement. The Deposit shall be applied toward the Closing Cash Payment at Closing.

2.10 Inspection Period. Buyer shall have a period, commencing on the Effective Date through the date that is seventy-five (75) calendar days thereafter (the "**Inspection Period**"), to perform, during normal business hours and upon at least three days advance notice to Seller, due diligence with respect to the Purchased Assets (including conducting such tests, studies, surveys, and/or other physical inspections of the Property as Buyer deems necessary or appropriate) and all information relating thereto. Buyer's inspections may encompass such matters as, without limitation, title and survey, environmental conditions, soil conditions, siting, access, traffic patterns, competition, financing, economic feasibility, platting, zoning, leasing status, and matters involving governmental cooperation. Notwithstanding the foregoing, such inspection may not include a Phase II study without the prior consent of Seller. Seller shall be entitled to have a representative present at all times during each such inspection or due diligence visit. All inspection fees, appraisal fees, engineering fees, and other costs and expenses of any kind incurred by Buyer's or Buyer's Representatives relating to such inspection and its other access shall be at the sole expense of Buyer. While conducting any inspection under this Section 2.10, neither Buyer nor any of Buyer's Representatives shall (i) interfere with the business of Seller, except to a de minimis extent, or (ii) damage the Property. Buyer agrees to indemnify and hold Seller and its disclosed or

undisclosed, direct and indirect shareholders, officers, directors, trustees, partners, principals, members, employees, agents, affiliates, representatives, consultants, accountants, contractors, and attorneys or other advisors, and any successors or assigns of the foregoing (collectively with Seller, the "**Seller Related Parties**") harmless from and against any and all losses, costs, damages, liens, claims, liabilities, or expenses (including, but not limited to, reasonable attorneys' fees, court costs, and disbursements) incurred by any Seller Related Parties arising from or by reason of Buyer's and/or Buyer's Representatives' access to, or inspection of, the Property, or any tests, inspections, or other due diligence conducted by or on behalf of Buyer, except to the extent such losses, costs, damages, liens, claims, liabilities, or expenses are caused by an existing condition at the Property or are caused by the gross negligence or willful misconduct of any of the Seller Related Parties. The indemnification provisions of this Section 2.10 shall survive the Closing or any termination of this Agreement. During the Inspection Period, and as a condition to Closing, Buyer and Seller shall use reasonable efforts to draft and agree upon the form of all agreements ancillary to this Agreement and that are to be included as Exhibits hereto or otherwise contemplated to be executed and delivered at Closing pursuant to this Agreement including but not limited to the following (such documents and agreements, the "**Closing Agreements**"): Shared Services Agreement, Land Purchase Agreement, Warranty Services Agreement, Employment Agreements, Non-Competition Agreement, Escrow Agreements for Indemnity, Warranty Reserve and True-Up Escrow, the Deeds, the Bill of Sale and the Assignment and Assumption Agreement. Buyer shall have the right to terminate this Agreement upon written notice to the Sellers delivered at any time prior to 8:00 p.m. local time in Jacksonville, Florida on the last day of the Inspection Period, provided, however, in order for Buyer to proceed beyond the expiration of the Inspection Period, Buyer shall provide written notice to Seller from one of Buyer's named notice parties in Section 10.10 herein expressly stating Buyer's election to proceed beyond the Inspection Period (the "**Notice to Proceed**"). If Buyer does not provide the Notice to Proceed on or prior to the last day of the Inspection Period, or if Buyer provides written notice of its termination prior to such time, this Agreement shall automatically terminate and the Initial Deposit shall be immediately returned to Buyer and the parties shall have no further liability hereunder (except with respect to those obligations hereunder which survive the termination of this Agreement).

ARTICLE 3 CLOSING

3.1 Closing Date. The closing of the purchase and sale of all of the Purchased Assets as provided in this Agreement (the "**Closing**") shall be held as an escrow closing coordinated by the Title Company on or before the thirtieth (30th) day after the Inspection Period (which may be extended by Buyer for up to thirty (30) additional days by written notice to Sellers given at least five (5) Business Days prior to the closing date), or such other mutually agreed to time and place, provided the satisfaction or waiver of all conditions to Closing set forth in ARTICLE 8 below have been met. In the event that all conditions to Closing have not been satisfied or waived on or prior to the thirtieth (30th) day after the Effective Date (as may have been extended), then the Closing shall be held two Business Days after the date on which all conditions to Closing set forth in ARTICLE 8 below have been met. For all purposes of this Agreement, the Closing shall be effective as of 11:59 p.m., Houston, Texas time, on the day immediately preceding the Closing Date (the "**Effective Time**"). The date of the Closing is referred to herein as the "**Closing Date**."

3.2 Closing Costs. The Sellers shall pay the costs to record any releases of mortgages, deeds of trust or other Encumbrances that are to be released on the Closing Date. The Sellers shall pay the costs to record the deeds relating to the Real Property and all documentary fees payable in respect of the deeds. The Sellers shall not be required to pay any title insurance premiums related to obtaining title insurance. The Sellers, on one hand, and Buyer, on the other, shall each pay one-half (½) of any and all sales, use, transfer, or similar taxes or fees, including, without limitation, all homeowners' association transfer fees or charges, payable in connection with the Contemplated Transactions. The Sellers and Buyer shall each

pay one-half (½) of the commission payable to Builders Advisor Group in connection with the Contemplated Transactions. All other closing costs related to the Contemplated Transactions shall be paid by Buyer and the Sellers in the manner consistent with customary practice for residential land sales in the county where each item of Real Property is located. The Title Company shall notify Buyer and the Sellers in writing of their respective shares of such costs at least three (3) Business Days prior to the Closing Date.

3.3 Prorations. The following costs shall be prorated between Buyer and the Sellers as of the Effective Time" (a) the 2021 Tax Prorations (as defined below); and (b) homeowners' association assessments for the Real Property (excluding any delinquent assessments, which will be the sole obligation of the Sellers).

3.3.1 No later than five (5) days prior to the Closing, the Title Company shall calculate the amount of real property taxes and assessments on the Real Property allocable to that portion of the 2021 tax year prior to the Closing Date to Seller and after the Closing Date to Buyer (the "**2021 Tax Proration**") and deliver a written copy of such calculation to Sellers and Buyer.

3.3.2 For the avoidance of doubt, all real property taxes and assessments on the Real Property for the 2020 tax year are the sole obligation of the Sellers and the taxes for the 2021 tax year shall be prorated between Sellers and Buyer.

3.3.3 If the information used to calculate the prorations is changed or newer information is provided after the Effective Time (in the case of prorations for real property taxes, as a result of tax protests, tax refunds or changes in tax rates or valuation, or timing of the Closing prior to assessed values and tax rates being determined), then Buyer and the Sellers shall make such payments, one to the other as are necessary to adjust the prorations to the actual amounts as determined for 2021 tax year and this obligation shall survive Closing.

3.4 Closing Deposits by the Sellers. No later than one (1) Business Day prior to the Closing Date, the Sellers shall, as applicable, deposit or cause the following to be deposited with the Title Company, unless otherwise waived by Buyer:

3.4.1 *Deeds*. Special warranty deeds to the Real Property in the form attached as Exhibit C and sufficient to convey good and marketable title to the Real Property to Newco, each executed by the applicable Seller, with all appropriate notarizations, certifications and acknowledged in recordable form (collectively, the "**Deeds**").

3.4.2 *Assignment of CC&Rs*. Two (2) duplicate originals of a Blanket Assignment of Declarant's Rights, Designation of Builder's Rights or similar document(s) in form and substance reasonably acceptable to Newco, assigning to Newco all of each Seller's right, title and interest, if any and to the extent assignable, as the "**Declarant**" or "**Builder**," as applicable, under any declaration(s) of covenants, conditions and restrictions affecting title to the Real Property, duly executed by each applicable Seller, acknowledged and in recordable form (collectively, the "**Declarant Assignments**").

3.4.3 *Bill of Sale*. An Assignment and Bill of Sale in the form attached as Exhibit D (the "**Bill of Sale**"), duly executed by each Seller.

3.4.4 *Certificates of Non-Foreign Status*. A Non-Foreign Affidavit in the form attached as Exhibit E, duly executed by each Seller (collectively, the "**Non-Foreign Affidavits**").

3.4.5 *Assignment and Assumption of Sale Contracts*. For each Sale Community for which there are Sale Contracts (as defined in Section 2.1.4), two (2) duplicate originals of an

Assignment and Assumption Agreement in the form attached as **Exhibit F**, duly executed by each applicable Seller (each an "Sale Assignment").

3.4.6 *Assignment and Assumption Agreement.* Two (2) duplicate originals of an Assignment and Assumption Agreement in the form attached as **Exhibit G**, covering all Assumed Liabilities, including but not limited to, (i) the Assumed Contracts (other than the Sale Contracts (as defined in Section 2.1.4) and Acquisition Contracts), (ii) including the Subcontracts and the Other Contracts, and (iii) the Assumed Warranty Claims (the "Assignment and Assumption Agreement"), duly executed by each Seller.

3.4.7 *Other Conveyance Documents.* Such other bills of sale, assignments and other instruments of transfer or conveyance as Buyer may reasonably request or as may be otherwise necessary to evidence and effect the sale, assignment, transfer, conveyance and delivery of the Purchased Assets to Newco, in form and substance mutually acceptable to Newco and the Sellers.

3.4.8 *Owner's Affidavit and Indemnity.* An owner's affidavit in the form attached to this Agreement as **Exhibit H** and other documents, in the standard form required by the Title Company consistent with the practice in Texas, in order for the Title Company to record the Deeds.

3.4.9 *Employment Agreements.* A copy of an employment agreement, duly executed by the key employees of Sellers agreed upon by Buyer and in substantially the form attached as **Exhibit I** (together, the "Employment Agreements").

3.4.10 *Warranty Services Agreement.* A copy of the Warranty Services Agreement in form attached as **Exhibit J** (the "Warranty Services Agreement"), duly executed by each applicable Seller.

3.4.11 *Assignment and Assumption of Acquisition Contracts.* An assignment and assumption agreement for each Acquisition Contract in the form attached as **Exhibit K**, duly executed by each applicable Seller and/or affiliate of a Seller ("Acquisition Contract Assignments").

3.4.12 *Non-Competition Agreement.* A copy of the Non-Competition Agreement, duly executed by each Seller and Interest Holders.

3.4.13 *Land Purchase Option.* A copy of the Land Purchase Option Agreement in the form as set forth on **Exhibit M** and the Subsequent Closing Escrow Agreement in the form as set forth on **Exhibit N** (the "Subsequent Closing Escrow Agreement"), each duly executed by each applicable Seller.

3.4.14 *Sellers' Governing Documents.* For each Seller and each wholly-owned subsidiary of any Seller, a copy of the Governing Documents of each such entity, certified as of a recent date by the Secretary of such entity, and certificates of compliance or good standing certificates for each such entity, certified as of a recent date by the Comptroller of the State of Texas or the Secretary of State of the State of Nevada as appropriate.

3.4.15 *Sellers' Secretary's Certificates.* A certificate, dated as of the Closing Date, of the Secretary of each Seller and each wholly-owned subsidiary of any Seller confirming the non-existence of amendments to the Governing Documents of such entity, the authority of such entity to enter into and perform its obligations under this Agreement and the Seller Closing Documents, and incumbency and signatures of the officers of each such entity that executed this Agreement and the Seller Closing Documents, as applicable, on behalf of such entity.

3.4.16 *Consents.* All Consents, subject to Section 7.5 below, required to be obtained by the Sellers with respect to the Purchased Assets or the consummation of any material obligation of the Sellers or Interest Holders with respect to the Contemplated Transactions and which are set forth on Schedule 3.4.16 ("Required Consents").

3.4.17 *Schedules.* Updated schedules of the Sellers pursuant to ARTICLE 4, as contemplated by Section 6.2 below.

3.4.18 *Sellers' Compliance Certificate.* A certificate executed by each Seller as to the accuracy in all material respects of its representations and warranties as of the date of this Agreement and as of the Closing in accordance with Section 8.1.1 below and as to its compliance in all material respects with and performance in all material respects of its covenants and obligations to be performed or complied with at or before the Closing in accordance with Section 8.1.2 below:

3.4.19 *Architectural and Other Professional License Agreements.* For each set of architectural, landscape and engineering plans for the Real Property or the residential units or models for the Sale Communities that are not owned by the Sellers, a letter or other agreement, in form and substance reasonably satisfactory to Buyer, from the applicable architect or engineer that grants Newco and Newco's successors and assigns a non-exclusive license to use and rely upon said plans in Buyer's (or in any Buyer licensee's or designee's) sole discretion free of charge, notwithstanding anything to the contrary that may be contained on such plans or in any related agreement between a Seller and the architect or engineer for purposes of using the Real Property or to build residential units on the Real Property.

3.4.20 *Resignation Letters.* At the option of Buyer, for each homeowners' association or similar board on which there is a Seller Board Member, a letter executed by the applicable Seller Board Member in which such Seller Board Member resigns as a member of such association or board, with such resignation being effective as of the Closing Date, and for each board of directors of a Special District on which there are Seller Board Members, such letters of resignation as required in accordance with the process outlined in Section 6.9 below.

3.4.21 *Shared Services Agreement.* A copy of the Shared Services Agreement in the form attached as Exhibit O (the "**Shared Services Agreement**") duly executed by entities that develop Lots (the "**Shares Services Affiliates**") in which the Sellers and Interest Holders own equity interests, along with other equity interest owners (who are identified on Schedule 4.26 hereto).

3.4.22 *Indemnity Escrow Agreement.* A copy of the Indemnity Escrow Agreement in the form attached as Exhibit P (the "**Indemnity Escrow Agreement**"), duly executed by each Seller.

3.4.23 *Warranty Reserve Escrow Agreement.* A copy of the Warranty Reserve Escrow Agreement, duly executed by each Seller.

3.4.24 *True-Up Escrow Agreement.* A copy of the True-Up Escrow Agreement, duly executed by each Seller.

3.4.25 *General.* Such other documents, duly executed, and items as Buyer or Title Company may reasonably request.

3.5 Closing Deposits by Buyer. No later than one (1) Business Day prior to the Closing Date, Buyer shall deposit or cause to the following to be deposited with the Title Company:

3.5.1 *Closing Funds.* Immediately available funds in an amount equal to the Closing Cash Payment.

- 3.5.2 *Closing Costs.* Buyer's portion of the closing costs, prorations and cash charges for the Closing.
- 3.5.3 *Sale Assignments.* Two (2) duplicate originals of each Sale Assignment, duly executed by Newco and Buyer.
- 3.5.4 *Assignment and Assumption Agreement.* Two (2) duplicate originals of the Assignment and Assumption Agreement, duly executed by Newco and Buyer.
- 3.5.5 *Assignment and Assumption of Acquisition Contracts.* Two (2) duplicate originals of each Acquisition Contract Assignment, duly executed by Newco and Buyer.
- 3.5.6 *Other Conveyance Documents.* Such other instruments of transfer or conveyance as may be necessary to evidence and effect the sale, assignment, transfer, conveyance and delivery of the Purchased Assets to Newco, in form and substance mutually acceptable to Buyer and the Sellers.
- 3.5.7 *Employment Agreement.* A copy of each of the Employment Agreements, duly executed by Buyer.
- 3.5.8 *Warranty Services Agreement.* A copy of the Warranty Services Agreement, duly executed by Buyer.
- 3.5.9 *Non-Competition Agreement.* A copy of the Non-Competition Agreement, duly executed by Buyer and/or affiliate of Buyer, as applicable.
- 3.5.10 *Land Purchase Option.* (a) A copy of the Land Purchase Option Agreement and the Subsequent Closing Escrow Agreement, each duly executed by Buyer, and (b) the Subsequent Closing Escrow amount.
- 3.5.11 *Buyer's Governing Documents.* A copy of the Governing Documents of Buyer, certified by Buyer's Secretary as of a recent date, and a good standing certificate for Buyer, certified as of a recent date by the Secretary of State of the State of Delaware and authorized to do business in the State of Texas.
- 3.5.12 *Buyer's Secretary's Certificate.* A certificate of the Secretary of Buyer, dated as of the Closing Date, confirming the non-existence of amendments to the Governing Documents of Buyer, the authority of Buyer to enter into and perform its obligations under this Agreement and the Buyer Closing Documents, and incumbency and signatures of the officers of Buyer that executed this Agreement and the Buyer Closing Documents on behalf of Buyer.
- 3.5.13 *Buyer's Compliance Certificate.* A certificate executed by Buyer as to the accuracy in all material respects of its representations and warranties as of the date of this Agreement and as of the Closing in accordance with Section 8.2.1 below and as to its compliance in all material respects with and performance in all material respects of its covenants and obligations to be performed or complied with at or before the Closing in accordance with Section 8.2.2 below.
- 3.5.14 *Shared Services Agreement.* A copy of the Shared Services Agreement duly executed by Buyer.
- 3.5.15 *Indemnity Escrow Agreement.* A copy of the Indemnity Escrow Agreement, duly executed by Buyer.
- 3.5.16 *Warranty Reserve Escrow Agreement.* A copy of the Warranty Reserve Escrow Agreement, duly executed by Buyer.

3.5.17 *True-Up Escrow Agreement.* A copy of the True-Up Escrow Agreement, duly executed by Buyer.

3.5.18 *General.* Such other documents, duly executed, and items as Sellers or Title Company may reasonably request.

3.6 Closing Procedures and Other Actions. Upon the Closing, the Sellers and the Buyer shall cause the Title Company to promptly undertake all of the following:

3.6.1 *Recordation of Deeds and Other Documents.* Cause the Deeds, any Declarant Assignments, and any other documents which the Sellers and Buyer may mutually direct to be recorded in the official records of the applicable counties and obtain conformed copies thereof for distribution to the Sellers and Buyer.

3.6.2 *Calculation and Disbursement.* Disburse all funds deposited with the Title Company by Buyer as follows:

(A) deduct all items chargeable to the account of the Sellers or to Buyer pursuant to this Agreement;

(B) disburse the balance of the Closing Cash Payment and any additional amounts owed to the Sellers under this Agreement to the Sellers, by wire transfers in accordance with instructions received from each Seller; and

(C) disburse any remaining balance of the funds to Buyer by wire transfer to the account from which said funds were received.

3.6.3 *Land Purchase Option.* If applicable (*see Section 3.8 below*), Title Company shall (a) execute a copy of the Subsequent Closing Escrow Agreement, and (b) establish the Subsequent Closing Escrow and deposit the amount provided by Buyer pursuant to Section 3.5.10 above.

3.6.4 *Deliveries to Buyer.* Deliver to Buyer a conformed copy of each Deed and each Declarant Assignment, the Bill of Sale, the Employment Agreements, the Warranty Services Agreement, an original of each Acquisition Contract Assignment, the Non-Competition Agreement, the original Non-Foreign Affidavits, an original of each Sale Assignment, an original Assignment and Assumption Agreement, the Land Purchase Option Agreement (if applicable), the Subsequent Closing Escrow Agreement (if applicable), and each of the other items described in Sections 3.4 and 3.5 that are not to be distributed to Sellers or retained by the Title Company.

3.6.5 *Deliveries to the Sellers.* Deliver to the Sellers a conformed copy of each Deed and each Declarant Assignment, the Employment Agreement(s), the Warranty Services Agreement, the New Acquisition Contracts, the Non-Competition Agreement, an original of each Sale Assignment, an original Assignment and Assumption Agreement, an original of each Acquisition Contract Assignment, the Land Purchase Option Agreement (if applicable), the Subsequent Closing Escrow Agreement (if applicable), and each of the other items described in Sections 3.4 and 3.5 that are not to be distributed to Buyer or retained by the Title Company.

3.7 Deliveries by the Sellers Upon Closing The Sellers shall deliver the Purchased Assets (excluding any Subsequent Parcels, *see Section 3.8.1 below*) to Buyer upon the Closing.

3.8 Subsequent Land Closings. Newco has the right to acquire any or all of the specific parcels of the Land to be agreed upon by Sellers and Buyer during the Inspection Period and listed on Schedule 3.8 (the "**Subsequent Parcels**") with a book value not to exceed \$100,000,000 provided the

closing of the purchase of the Subsequent Parcel occurs on or before twenty-four (24) months after the Closing Date ("**Subsequent Land Closings**"). The Subsequent Land Closings will be conducted pursuant to the "**Land Purchase Option Agreement**".

3.8.1 Schedule 3.8 (also attached to the Land Purchase Option Agreement) identifies each of the Subsequent Parcels along with the purchase price for each of the Subsequent Parcels (the "**Subsequent Parcels Purchase Price**").

3.8.2 The Subsequent Parcels are excluded from the Purchased Assets and shall not be conveyed to Buyer at Closing, and the Purchase Price and Closing Cash Payment do not include any amounts attributable to the Subsequent Parcels. At the time of closing of each Subsequent Parcel, amounts for taxes, homeowner association dues, and assessments and similar costs incurred by Sellers during the interim period from the Closing Date to the date of closing on the applicable Subsequent Parcel shall be paid to the applicable Seller. Buyer shall also pay interest to MHI Partnership, Ltd. on a quarterly basis at a rate of 10% per annum based on the per diem balance of the book value of any unpurchased Subsequent Parcel from the Closing Date.

3.8.3 At the Closing, the Buyer, Sellers and the Title Company shall execute and deliver the Subsequent Closing Escrow Agreement, and Buyer shall make an escrow deposit with the Title Company in the amount of 10% of the Subsequent Parcels Purchase Price (the "**Subsequent Closing Escrow**"), which shall be applied pro rata at each Subsequent Land Closing.

3.8.4 From time to time until twenty-four (24) months after the Closing Date, Buyer may purchase any of the Subsequent Parcels in accordance with the Land Purchase Option Agreement.

3.8.5 If Buyer does not purchase all of the Subsequent Parcels within twenty-four (24) months after the Closing Date, Buyer's right to purchase any of the remaining Subsequent Parcels shall automatically terminate and any remainder of the Subsequent Closing Escrow shall be delivered to Sellers.

**ARTICLE 4
REPRESENTATIONS AND WARRANTIES BY
THE SELLERS AND OWNER**

As of the Effective Date (except that to the extent that any Schedule specified in this ARTICLE 4 is furnished or supplemented after the Effective Date pursuant to the terms of this Agreement, then the representations and warranties of the Sellers and Owner with respect to the information in such subsequently furnished or supplemented Schedule is made as of the date such Schedule was furnished or supplemented), the Sellers and Owner jointly and severally represent and warrant to Buyer the following representations and warranties.

4.1 Organization and Good Standing. Each Seller has been duly formed and is validly existing and in good standing under the laws of the State of Texas or the State of Nevada and has full power to carry on its business as presently conducted and to own or lease and operate its properties and assets now owned or leased and operated by it. Each Seller is in good standing in each jurisdiction in which the property owned, leased or operated by it or the nature of the business conducted by such Seller makes such qualification necessary.

4.2 Authority and Enforceability. Each of the Sellers has the absolute and unrestricted right, power, authority and capacity to execute and deliver this Agreement and the various other agreements and documents contemplated herein to which it is a party (the "**Seller Closing Documents**"), to consummate the Contemplated Transactions and to perform all the terms and conditions hereof and thereof to be

performed by such Person. The execution and delivery by the Sellers of this Agreement and the Seller Closing Documents to which a Seller is a party, the performance by a Seller of its obligations hereunder and thereunder, and the consummation by the Seller Parties of the transactions contemplated hereby and thereby have been fully authorized by all requisite corporate and/or partnership action on the part of the Sellers. This Agreement constitutes, and each of the Seller Closing Documents when executed and delivered will constitute, the legal, valid and binding obligations of each Seller, to the extent such Person is a party thereto, enforceable in accordance with its and their terms.

4.3 Owners. **Schedule 4.3** lists the current holders of any shares, membership interests or other securities or ownership interests in any Seller and their respective interests in each Seller. Except as set forth in **Schedule 4.3**, there are no agreements relating to the issuance, sale or transfer of any shares, membership interests or other securities or ownership interests in any Seller. The execution and delivery and performance of this Agreement and the consummation by the Sellers of the Contemplated Transactions have been duly and validly approved by the Sellers' respective governing bodies and where and to the extent necessary, their respective equity holders.

4.4 No Conflict. Except as set forth on **Schedule 4.4**, neither the execution and delivery of this Agreement or the Seller Closing Documents nor the consummation or performance of any of the Contemplated Transactions will, directly or indirectly (with or without notice or lapse of time):

4.4.1 contravene, conflict with or result in a violation of (a) any provision of the Governing Documents of any Seller or (b) any resolution adopted by the management or equity holders of any Seller;

4.4.2 contravene, conflict with or result in a material violation of, or give any Governmental Body the right to challenge any of the Contemplated Transactions or to exercise any remedy or obtain any relief under any Legal Requirement or any Order to which any of the Sellers or any of the assets owned or used by any Seller may be subject;

4.4.3 contravene, conflict with or result in a violation of any of the terms or requirements of, or give any Governmental Body the right to revoke, withdraw, suspend, cancel, terminate or modify any Entitlement that is held by a Seller;

4.4.4 contravene, conflict with or result in a violation or breach of any provision of, or give any Person the right to declare a default or exercise any remedy under, or to accelerate the maturity or performance of, or to cancel, terminate or amend, any Assumed Contract, except where the violation, breach, default or remedy exercised would not result in a Material Adverse Change; or

4.4.5 result in the imposition or creation of any Encumbrance upon or with respect to any portion of the Real Property.

No Seller is or will be required to give any notice to or obtain any Consent from any Person in connection with the execution and delivery of this Agreement or any of the Seller Closing Documents or the consummation or performance of any material obligation of the Sellers or Interest Holders with respect to the Contemplated Transactions, except as set forth on **Schedule 4.4** or where the failure to give such notice or obtain such consent would not result in a Material Adverse Change; and provided further, no representation or warranty is made as to any notice or consent required with the transfer of Entitlements, Plans and Specifications or Marketing Property.

4.5 Compliance with Law. Each Seller is in material compliance with all Legal Requirements, Orders and Governmental Authorizations (including the Entitlements), and no Seller has received any notice alleging any such violation with respect to the Purchased Assets or otherwise that has not been cured.

4.6 Environmental Compliance.

4.6.1 To the Knowledge of each Seller, the Real Property is, and at all times has been, in compliance with, and has not been and is not in violation of, and no Seller is liable under, any Environmental Law. No Seller has received any actual or Threatened order, notice, citation, directive or inquiry or other communication from any Person (including any Governmental Body or private citizen acting in the public interest, or any prior owner or operator of any Real Property) relating to any alleged, actual or potential violation or failure to comply with any Environmental Law, or of any actual or Threatened obligation to undertake or bear the cost of any Environmental Liabilities with respect to any of the Real Property, or with respect to any property or facility at or to which Hazardous Materials were generated, manufactured, refined, transferred, produced, extracted, imported, used or processed by a Seller, or any other Person for whose conduct it is or may be held responsible, or from which Hazardous Materials have been transported, treated, stored, handled, transferred, disposed, recycled or received.

4.6.2 There are no pending or, to the Knowledge of each Seller, Threatened claims, Encumbrances or other restrictions of any nature resulting from any Environmental Liabilities or arising under or pursuant to any Environmental Law with respect to or affecting any of the Real Property.

4.6.3 No Seller or, to the Knowledge of each Seller, any other Person for whose conduct they are responsible has any Environmental Liabilities with respect to the Real Property.

4.6.4 To the Knowledge of each Seller, there are no Hazardous Materials present on or in the Environment at the Real Property, including any Hazardous Materials contained in barrels, above or underground storage tanks, landfills, land deposits, dumps, equipment (whether moveable or fixed) or other containers, either temporary or permanent, and deposited or located in land, water, sumps or any other part of the Real Property, or incorporated into any structure therein or thereon, except for Hazardous Materials in such quantities as are usually present at such Real Property for routine consumer use and that will not, or could not reasonably be expected to, give rise to any Environmental Liability, and no Seller has received any written notice regarding any of the foregoing, except as may be disclosed in any environmental reports. None of the Sellers or, to the Knowledge of each Seller, any Person for whose conduct they are or may be held responsible, has permitted or conducted, or is aware of, or has received any written notice regarding, any Hazardous Activity conducted with respect to the Real Property.

4.6.5 To the Knowledge of each Seller, there has been no Release or threat of Release of any Hazardous Materials at or from the Real Property or any other locations where any Hazardous Materials were generated, manufactured, refined, transferred, produced, extracted, imported, used or processed from or by the Real Property, whether by a Seller or any other Person, except for any Release which will not, or could not reasonably be expected to, give rise any Environmental Liability for a Seller.

4.6.6 The Sellers have provided Buyer with Access to true, complete and correct copies and results of any and all reports, studies, analyses, tests or monitoring possessed by a Seller pertaining to Hazardous Materials or Hazardous Activities in, on or under the Real Property, or concerning compliance by a Seller, or any other Person for whose conduct it is or may be held responsible, with Environmental Laws.

4.7 Assumed Contracts.

4.7.1 **Schedule 4.7.1(a)** lists each material Subcontract and **Schedule 4.7.1(b)** lists each Sale Contract (as defined in Section 2.1.4) and the amounts of all Sale Deposits for Lots or

residential units not yet conveyed to the purchasers thereunder. The Sellers have provided Buyer with Access to each Assumed Contract.

4.7.2 Each material Assumed Contract is in full force and effect in all material respects and is valid and enforceable in accordance with its terms, subject to applicable bankruptcy, insolvency or other similar laws relating to or affecting the enforcement of creditors' rights generally and to general principles of equity (regardless of whether enforcement is considered in a proceeding in equity or at law).

4.7.3 Each Seller is in compliance with all material terms and requirements of each Assumed Contract. To the Knowledge of each Seller, no event has occurred or circumstance exists that (with or without notice or lapse of time) may contravene, conflict with or result in a violation or breach of, or give any Person the right to declare a default or exercise any remedy under, or to accelerate the maturity or performance of, or to cancel, terminate or modify, any Assumed Contract, except in the ordinary course of business. No Seller has given to or received from any other Person any written notice regarding any actual, alleged, possible or potential violation or breach of, or default under, any Assumed Contract.

4.7.4 Except as set forth on **Schedule 4.7.4**, to the Knowledge of each Seller, except for modifications occurring in the ordinary course of business, there are no renegotiations of or attempts to renegotiate any material amounts paid or payable to a Seller under any material Assumed Contract.

4.8 Real Property.

4.8.1 *Title Matters.* Each applicable Seller is the sole owner in fee simple of the respective parcels of Real Property identified by correct parcel or lot (including plat lot number) listed next to it in **Schedule 4.8.1**. Each parcel of Real Property is owned by each applicable Seller free and clear of all Encumbrances other than Permitted Encumbrances. Seller has provided Buyer Access to true, complete and correct copies of all material deeds, title exceptions, mortgages, deeds of trust, Liens, environmental reports, certificates of occupancy, title insurance policies and surveys relating to the Real Property.

(A) Prior to the Effective Date, the Sellers shall provide Access to Buyer, at the Sellers' expense (which shall not include the reimbursement of any travel related expenses of Buyer of its representatives), to the existing policies of title insurance issued to the Sellers for each parcel, tract or subdivided land lot of Real Property (collectively, "**Sellers Existing Title Policies**");

(B) Promptly as reasonably possible following the Effective Date, the Sellers provided Access to Buyer, at the Sellers' expense (which shall not include the reimbursement of any travel related expenses of Buyer of its representatives), to (1) any preliminary title commitment(s) issued to Sellers to insure title to each parcel, tract or subdivided land lot that may be acquired pursuant to the Acquisition Contracts (each, a "**Title Report**") and (2) any other material documents requested by Buyer concerning such land provided by the other parties to the Acquisition Contracts. The Title Reports have been issued in the ordinary course of the applicable Seller's business and contain the Title Company's agreement to issue a Texas T-1 Owner's Policy of Title Insurance with respect to the Real Property covered thereby.

(C) Prior to the Effective Date, the Sellers provided Access to Buyer, at the Sellers' expense, to the survey of each Lot or parcel of Real Property and Acquired Contracts Land (each, a "**Survey**"), to the extent currently in their possession or a copy of the recorded plat if no survey is available, but shall not have any obligation to either update an existing survey nor obtain a new survey.

(D) Other than pursuant to this Agreement, no applicable Seller has alienated, encumbered, transferred, leased, assigned or otherwise conveyed its interest in the Real Property except for: (1) liens securing (i) purchase money mortgages (ii) loans received in connection with the acquisition of the applicable Real Property (iii) liens retained by the third party developer to secure purchase price adjustments and true ups in the lot purchase agreement between the applicable Seller and such third party developer, (iv) loans for construction of Improvements on the Real Property, (v) loans for the development of the Real Property, and (v) other loans incurred in the ordinary course of the applicable Sellers business; (2) Contracts to sell Real Property owned by the Sellers; and (3) leases between MHI Partnership and MHI Models; *provided, however*, that all items specified in Sections 4.8.1(D)(1)(i), (ii), (iv) and (v) with respect to Real Property are released, repaid or terminated at Closing from the Closing Cash Payment.

4.8.2 *Entitlements and Commitments.* To the Knowledge of the Sellers, the Entitlements are transferable and, all amounts due to the current date have been paid, and sufficient Entitlements are available for the Real Property to meet the requirements listed in Section 4.10 and include all Governmental Authorizations, Consents and other third party authorizations currently necessary for the ownership, maintenance, development and sale of the Real Property and the residential units on Finished Lots within the Real Property consistent with the construction plans for such residential units. The Sellers have met all material performance or similar standards, targets and deadlines required as of the Effective Date and no Seller has Knowledge of any fact or circumstance that could reasonably be expected to prevent the Sellers to continue to meet such standards or prevent Buyer from fully and timely meeting such standards, targets and deadlines after the Closing, in each case in accordance with the terms and conditions of the applicable Entitlement instrument. No Seller has made any commitment or representation to any Governmental Body or any other Person that would in any way be binding on Buyer unless it is evidenced by a document recorded in the real property records or Buyer has Knowledge thereof. No Seller has Knowledge of any fact that would preclude Buyer from developing the Real Property as residential developments or as Finished Lots.

4.8.3 *Zoning.* As of the Closing Date, the zoning of the residential portions of the Real Property subject to zoning will permit the use of the Real Property for the construction of residential units on each Lot, and to the Knowledge of the Sellers, is not subject to any initiative, referendum or other actual or Threatened Proceeding, or any attempt by any Person to change such zoning designation in a manner that would prevent residential construction.

4.8.4 *Governmental Matters.* To the Knowledge of each Seller, there is no policy or action or Threatened action of any Governmental Body precluding (a) issuance of grading, building or other permits with respect to the Real Property; (b) approval of precise engineering plans, environmental impact reports, or preliminary or final plat maps with respect to the Real Property or any other applicable Plans and Specifications; (c) issuance of certificates of occupancy for residential units on the Real Property; or (d) issuances of water use or access rights or permits, or water, sewer or other utility connection permits affecting the development of the Real Property.

4.8.5 *Permits.* Sellers maintain all material approvals, authorizations, certificates, consents, franchises, licenses and permits ("**Permits**") that are necessary for any of the Sellers for the lawful development of land and the construction of homes on the Real Property of such Seller in the ordinary course of Business, given the stage of development and construction on each such lot or parcel of Real Property as of the Effective Date.

4.8.6 *No Other Rights.* Except as set forth in the Other Contracts, there are no leases, subleases, licenses, concessions or other agreements granting to any party the right to use or occupy any portion of the Real Property, other than to another Seller. There are no outstanding options or rights of first refusal to purchase any of the Real Property or any portion thereof or interest therein,

except for any such rights granted in the ordinary course of business to other homebuilders with respect to the acquisition of lots or with another Seller.

4.8.7 *Taxes and Assessments.* The Sellers have paid all property taxes, levies, fees and assessments due and payable with respect to the Real Property, and have provided to Buyer true, complete and correct copies of all notices, certificates and receipts pertaining thereto for the last three (3) years or such lesser period any such Real Property was owned by the Sellers. There are no tax reduction proceedings pending in respect of the Real Property, other than annual property tax contests undertaken in the ordinary course of business.

4.8.8 *Performance Obligations.* Schedule 4.8.8 lists the Performance Obligations (including Bonds) maintained by each Seller with respect to the Purchased Assets. All Performance Obligations are in full force and effect, and no Seller is in default with respect to its material obligations under the Performance Obligations. To the Knowledge of the Sellers there is no material claim pending under any of the Performance Obligations under which coverage has been questioned, denied or disputed by the underwriters of the Performance Obligations.

4.8.9 *Homeowner Associations.* Schedule 4.8.9 sets forth a complete list of all homeowner associations (the "**Homeowner Associations**") in which any Seller has declarant rights with respect to the Real Property as of the date of this Agreement, and lists all amounts owing between the Homeowner Associations and any Seller. Unless otherwise delivered by a Seller as part of the Declarant Assignments, each Seller shall have delivered to Buyer an assignment of declarant rights with respect to the Homeowner Associations which such Seller has the authority to assign in form and substance reasonably acceptable to Buyer sufficient for recording.

4.8.10 *Seismic and Other Safety Problems.* To the Knowledge of each Seller, no seismic safety, soils, geologic or geotechnical problems relating to the Real Property would prevent or impair residential development thereon, except as may described in any soils or environmental reports with respect to which Buyer has Access as part of the Due Diligence Materials.

4.8.11 *Condemnation Proceedings.* No Seller has received any written notice of any condemnation or eminent domain Proceedings relating to any Real Property, or negotiations for the purchase of any Real Property in lieu of condemnation, and no condemnation or eminent domain Proceedings or negotiations have been commenced or Threatened in connection with any of the foregoing.

4.8.12 *Moratorium.* There are no pending or Threatened moratoriums (including, utility moratoriums) or other restrictions by Governmental Bodies or public utilities responsible for issuing approvals or according other entitlements with respect to any Real Property.

4.8.13 *Districts.* Except as set forth in Schedule 4.8.13, all of the Real Property is located in any Special District or similar designated area or is part of any other association, authority or district, which imposes which imposes ad valorem taxes or assessments or special requirements or limitations on development and/or construction in addition to those generally applicable in the localities in which such property is located. No Seller has made any unusual commitments or representations to any Governmental Body or other Person which would in any way be binding upon Buyer or would interfere with Buyer's ability to develop and improve as a residential development any of the Real Property.

4.8.14 *Sites.* To the Knowledge of each Seller, the Real Property does not contain any archaeologically, historically or culturally significant remains or artifacts the existence of which may delay or prevent the development of such Real Property.

4.8.15 *Municipal Utility Districts.* Except as set forth on Schedule 4.8.15, there are no outstanding reimbursement obligations owed to the Seller from any Municipal Utility Districts or other Special Districts.

4.8.16 *Endangered Species.* To the Knowledge of each Seller, the Real Property does not contain any endangered species or protected natural habitat, flora or fauna as defined by the Texas Parks and Wildlife or U.S. Fish and Wildlife Service and no portion of the Real Property is or could be currently designated as "wetlands" pursuant to 16 U.S.C. §3902(5). Further, to the Knowledge of each Seller, the Real Property is not subject to any conservation or environmental mitigation plan.

4.9 *Finished Lots.* Except as set forth in **Schedule 4.9**, all of the Land consists of Finished Lots. **Schedule 4.9(a)** is the most current development budget for the developments in process and owned by the Sellers. The budgets in **Schedule 4.9(a)** specify the current good faith estimates and projections of the remaining development costs, fees and permits to bring the Lots being developed by any of the Sellers into a Finished Lot condition.

4.10 Improvements.

4.10.1 To Sellers' Knowledge, except as set forth in **Schedule 4.10.1**, the vertical Improvements related to the Work-in-Process Units are located within the boundary lines of the described parcels of land, are not in violation of applicable setback requirements, building and development codes, zoning laws and ordinances (and except as disclosed on such Schedule, none of the Real Property or such Improvements are subject to "permitted non-conforming use" or "permitted non-conforming structure" classifications), and do not encroach on any Easement which may burden the Land that is not permissible under the terms of the Easement. Each Seller and, to the Knowledge of each Seller, each other Person performing construction work on the Real Property, has utilized sound construction practices with respect to such Improvements, and such Improvements have been constructed, in a good and workmanlike manner in conformity in all material respects with the construction plans and specifications therefor. No Seller has utilized any recalled products or materials, any products or materials that are not compliant with applicable building codes, ordinances or Orders or any products or materials subject to a Proceeding alleging that such product or material is dangerous, defective or a Hazardous Material.

4.10.2 Any material improvements and fixtures located on, under, over or within the Real Property, and all other material tangible aspects of each parcel of Real Property (i) were constructed in a good and workmanlike manner, are, to the knowledge of Seller, structurally sound and free of any material defects, and are in good repair (normal wear and tear and normal maintenance matters excepted), (ii) comply in all material respects with all Applicable Laws, without the benefit of any "grandfathering" or similar variance for their current use or Buyer's intended use, (iii) consist of sufficient land, parking areas, sidewalks, driveways and other improvements to permit the continued use of such facilities in the manner and or the purposes to which they are presently devoted; and (iv) do not encroach on real property not owned or leased by Sellers, and (v) are useful for their intended purposes and free of mold, asbestos, radon and radon's progeny. The mechanical, electrical, heating, air conditioning, drainage, sewer, water, telephone, communications, plumbing, and other facilities or utility systems of the improvements and fixtures owned by Sellers on the Real Property are, taken as a whole, in good operating condition, normal wear and tear excepted and subject to ongoing routine maintenance work as would be typical for such assets.. To the extent required by applicable laws, Sellers have been issued a certificate of occupancy, Permit or other approval or certificate as is required under applicable laws with respect to such improvements and fixtures, all of which remain in full force and effect and are displayed at the Real Property to the extent required by applicable laws.

4.10.3 Each Seller and, to the Knowledge of each Seller, each other Person performing construction work on the Real Property, has utilized sound construction practices with respect to the horizontal Improvements, and such Improvements have been and such Improvements have been constructed, in a good and workmanlike manner in conformity in all material respects with the construction plans and specifications therefor. To the best Knowledge of each Seller, none of the horizontal Improvements violate any easement or other agreement affecting the applicable Real Property on which such horizontal Improvements are located.

4.11 Tangible Personal Property and Marketing Property. Each item of Tangible Personal Property and Marketing Property is owned or licensed by a Seller, and to the Knowledge of the Sellers, there are no false or misleading statements in or associated with any Marketing Property, or omissions that make any statements in or associated with any Marketing Property false or misleading in any material respect. **Schedule 4.11** contains a list of all material Tangible Personal Property and Marketing Property owned by Sellers as of the date of this Agreement, as well as any Marketing Property used by Sellers but not owned by Sellers.

4.12 Plans and Specifications. Sellers have provided Access to Buyer of all material Plans and Specifications. The Plans and Specifications are owned and have been fully paid for by the Sellers, and Buyer will not be required to pay use, transfer or similar fees in order to use the Plans and Specifications. Except as set forth in **Schedule 4.12**, there are no restrictions on the ability of the Sellers to transfer the Plans and Specifications to Buyer free and clear of any and all Encumbrances other than Permitted Encumbrances. To the Knowledge of each Seller, there are no material errors in or omissions from the Plans and Specifications.

4.13 Intellectual Property Rights. **Schedule 4.13** lists the following Intellectual Property Rights owned or licensed by the Sellers (collectively, the "**Seller IP Rights**"): (i) registered and applied-for Intellectual Property Rights owned by the Sellers; (ii) unregistered trademarks owned by a Seller; (iii) registered and applied-for Intellectual Property owned by a Seller or an Affiliate of a Seller and used in the operation of the Business; and (iv) Intellectual Property Rights licensed by a Seller or an Affiliate of a Seller.

4.13.1 Except as disclosed in **Schedule 4.13**, the Sellers have taken all actions reasonably necessary to maintain the validity and enforceability of all Seller IP Rights.

4.13.2 To the Knowledge of Sellers, all Seller IP Rights are valid and enforceable, and no Person has alleged in writing to a Seller that any of the Seller IP Rights is not valid, is unenforceable or is owned in part or in full by any other Person. To Seller's Knowledge, no third party is infringing, misappropriating, diluting or otherwise violating any Seller IP Rights. No Seller IP Rights is subject to any Order that restricts the use, transfer or licensing by a Seller.

4.13.3 Except as set forth in in **Schedule 4.13**, the Sellers own all Intellectual Property Rights used in the Business as of the Closing created by or on behalf of the Sellers by their employees, and owns or is an authorized licensee of any Intellectual Property Rights used in the Business as of the Closing created by or on behalf of any Seller by consultants.

4.14 Insurance. Each Seller has provided Access to Buyer of each insurance policy set forth on **Schedule 4.14(a)** which contains a true and complete list of all material insurance policies currently in effect that insure the Seller and the Purchased Assets. Each such insurance policy is valid and binding, and no such Seller has received any notice of cancellation or termination in respect of any such policy or is in default thereunder in any material respect. No Seller has received any notice from any of Seller's insurance carriers of any defects or inadequacies in the Real Property or any portion thereof, which would adversely affect the insurability of such property or the cost of any such insurance. There are no pending

insurance claims asserted by a Seller with respect to any portion of the Real Property, except as set forth in **Schedule 4.14(b)**, which also lists all insurance claims asserted by a Seller with respect to any portion of the Real Property within the past three (3) years.

4.15 **Employees.** Sellers have provided to Buyer Access to a list of the names, current annual rates of salary and 2020 bonuses of all employees of each Seller. No employee of any Seller is presently a member of a collective bargaining unit, and to the Knowledge of each Seller, there are no Threatened or contemplated attempts to organize for collective bargaining purposes by any of the employees of any Seller. Each Seller is in material compliance with all applicable laws relating to the employment of labor, including, without limitation, those relating to wages, hours and collective bargaining. Except as set forth on **Schedule 4.15**, no Seller is a party to any employment contract that contains an obligation for severance payments upon the termination of an employee.

4.16 **Employee Plans.** **Schedule 4.16** contains a list and brief description of each Employee Plan. Sellers have made available to Buyer true, complete and correct copies of (i) each Employee Plan and (ii) the most recent summary plan description for each Employee Plan (if any such description was required).

4.17 **Encumbrances.** None of the Purchased Assets is subject to any Encumbrance except Permitted Encumbrances.

4.18 **Sufficiency of Property.** The Purchased Assets constitute all of the material assets and substantially all of the assets of the Sellers that are used in the operation of the Business, other than the Excluded Assets, Subsequent Parcels, and Lots being developed by Shared Services Affiliates.

4.19 **Audited and Unaudited Financial Statements.** Sellers have provided Access to Buyer a true, complete and correct copy of the Audited Financial Statements and the Unaudited Financial Statements, all prepared at Sellers' sole expense.

4.19.1 The Audited Financial Statements and the Unaudited Financial Statements are: (a) based upon the information contained in the books and records of the Sellers and (b) fairly present the financial position of the subjects thereof as of the dates thereof and the results of operations and cash flows for the periods then ended and were prepared in accordance with generally accepted accounting principles, except in the case of Unaudited Financial Statements for (i) the absence of footnote disclosures and other presentation items that, if presented, would not differ materially from those presented in the Audited Financial Statements, and (ii) changes resulting from normal year-end adjustments. To the Sellers' Knowledge, there are no material deficiencies in the internal controls of the Seller that limit the reliability of the Audited Financial Statements and the Unaudited Financial Statements. There has been no, and, to the Knowledge of each Seller, there is no basis for, a finding of fraud or improper payments on the part of the Sellers, and the Sellers have not taken any action nor is a party to any legal Proceeding that could reasonably be expected to give rise to any liability of fraud or improper payments on the part of the Sellers.

4.19.2 Since the date of the Audited Financial Statements, (a) the Sellers have conducted their Business consistent with past practices, and (b) to the Knowledge of each Seller, no Material Adverse Change has occurred.

4.20 **Proceedings.** To the Knowledge of each Seller, there is no pending Proceeding relating to or affecting the use or value of the Purchased Assets, and no Proceeding has been commenced by or served against a Seller relating to the Purchased Assets or the business of a Seller that challenges, or that may have the effect of preventing, delaying, making illegal or otherwise interfering with any of the Contemplated Transactions (in whole or in any material part).

4.21 Brokers. Except for Builders Advisor Group, no Seller has incurred any obligation or liability, contingent or otherwise, for brokerage or finder's fees or agent's commissions or other similar payment in connection with this Agreement. To the extent incurred, the Sellers are solely responsible for any and all such payments.

4.22 Certain Payments. No Seller or any other Person associated with or acting for or on behalf of a Seller or with respect to any Real Property, has directly or indirectly made any contribution, gift, bribe, rebate, payoff, influence payment, kickback or other payment to any Person, private or public, regardless of form, whether in money, property, or services intended (a) to obtain favorable treatment in securing business, (b) to pay for favorable treatment for business secured, or (c) to obtain special concessions or for special concessions already obtained, for or in respect of any Seller, any Related Person of any Seller, any Affiliate, or any Purchased Asset in violation of any Legal Requirement.

4.23 Relationships with Related Persons. Except as set forth on Schedule 4.23, no Related Person of a Seller has any interest in any Purchased Asset other than another Seller.

4.24 Tax Matters. The Sellers have filed all Tax Returns as required by Legal Requirements or obtained permitted extensions for any such filings. All such Tax Returns were true, complete and correct in all respects. The Sellers have paid all Taxes, whether or not shown as due on such Tax Returns required to be paid with respect to, or that could give rise to a lien on the assets of, a Seller.

4.24.1 Except as set forth in Schedule 4.24, other than as part of a combined or unitary audit of any Tax Return of a Seller or one of its Affiliates, none of the Sellers' Tax Returns have been audited by any Taxing Authority. No action or assessment or collection of Taxes of or against a Seller is currently in progress. All deficiencies proposed as a result of such audits have been paid, reserved against, settled or, as set forth in Schedule 4.24 are being contested in good faith by appropriate proceedings for which adequate reserves are maintained in accordance with GAAP.

4.24.2 There are no audits, examinations, disputes or proceedings pending or threatened in writing with respect to, or claims or assessments asserted or threatened in writing or, any material amount of Taxes upon any of the Sellers, and to the Knowledge of the Sellers, there is no basis upon which a Tax deficiency or assessment could reasonably be expected to be asserted against any Seller. No Seller has been informed by any jurisdiction that the jurisdiction believes that a Seller was required to file any Tax Return that was not filed or pay any Tax that was not paid. There is no waiver or extension of the application of any statute of limitations of any jurisdiction regarding the assessment or collection of any Tax with respect to any Seller, which waiver or extension is in effect.

4.24.3 There are no liens with respect to Taxes upon any of the assets, rights or properties of any Seller, other than with respect to Taxes not yet due and payable.

4.24.4 Each Seller has withheld or collected the amount of all Taxes withheld or collected, and has timely paid the same to the proper Taxing Authorities.

4.24.5 There is no tax sharing, allocation, indemnity or similar agreement that will require any payment by any Seller after the Closing Date for the Taxes of any other Person. Except as set forth in Schedule 4.24, no Seller has been included in any "consolidated," "unitary" or "combined" Tax Return under applicable Law with respect to Taxes or any taxable period for which the statute of limitations has not expired nor has any liability for the Taxes of another person as transferee or successor.

4.24.6 No Seller will be required to include any item of income in, or exclude any item of deduction from, taxable income for any taxable period (or portion thereof) ending after the Closing Date, as a result of any (a) change in method of accounting for a Taxable period ending on or prior to the Closing Date under Section 481 of the IRC (or any corresponding provision of state, local or foreign income Tax law), (b) installment sale or open transaction disposition made on or prior the Closing Date, or (c) prepaid amount received on or prior to

the Closing Date. No Seller has participated in a listed transaction within the meaning of Treasury Regulations Section 1.6011-4(c).

4.24.7 No Seller is subject to any closing agreement, private letter ruling or technical advice that could affect the liability for Taxes of such Seller following the Closing Date.

4.24.8 The representations and warranties contained in this Section 4.24 are the sole and exclusive representations made by Sellers relating to Taxes.

4.25 Solvency. No Seller is bankrupt or insolvent or will become insolvent as a result of the transaction contemplated by this Agreement under any applicable federal or state laws, and no such Person has filed for protection or relief under any applicable bankruptcy or creditor protection statute or has been Threatened by creditors with an involuntary application of any applicable bankruptcy or creditor protection statute. No Seller is entering into this Agreement or any of the Contemplated Transactions with the intent to hinder, delay or defraud any creditor or to prefer the rights of one creditor over any other. The Sellers and Buyer have negotiated this Agreement, in good faith, at arms-length and the consideration to be paid represents fair, present and reasonably equivalent value for the Purchased Assets to be transferred hereunder.

4.26 Shared Services Affiliates. All of the Shared Services Affiliates are listed on Schedule 4.26 and the Shared Services Affiliates are all of the entities in which the Sellers and the Interest Holders own equity interests that own any Lots or real property to be developed primarily into Lots. Schedule 4.26 lists the current holders of any shares, membership interests or other securities or ownership interests in any Shared Services Affiliates and their respective interests in each Shared Services Affiliates.

4.27 BHI; MHI Title Company; MHI Mortgage Company.

4.27.1 Schedule 4.27.1 to the best of Sellers' knowledge, contains the true, correct and complete copies of the articles of incorporation, bylaws, articles of formation and/or operating agreements, as applicable (collectively, the "**Organizational Documents**"), for MHI Title Company and MHI Mortgage Company (collectively, the "**Service Companies**"), together with any amendments thereto.

4.27.2 To the best of Sellers' knowledge, the Service Companies do not own, directly or indirectly, any capital stock, or other equity interest in any corporation, partnership, trust, limited liability company or other legal entity except as disclosed on Schedule 4.27.2,

4.27.3 The equity interests of each of the Service Companies (collectively, the "**Equity Interests**") are owned by MHI Partnership, Ltd., Frank McGuyer, Land Investment Management Corp., and McGuyer 2007 Partnership, LLP and contemplated to be sold to Buyer hereunder were, to the best of Seller's knowledge, issued in compliance with applicable Laws and Regulations and constitute the percentage ownership of the total issued and outstanding Equity Interests in the applicable Service Company indicated on Schedule 4.27.1. To the best of Seller's knowledge, the Equity Interests in MHI Title Company and MHI Mortgage Company were not issued in violation of the Organizational Documents of the applicable entity or any other agreement, arrangement, or commitment to which Seller or the applicable Service Company is a party and are not subject to or in violation of any preemptive or similar rights of any Person.

4.27.4 MHI Partnership, Ltd., Frank McGuyer, Land Investment Management Corp., and McGuyer 2007 Partnership, LLP own the Equity Interests free and clear of all Encumbrances. To

the best of Sellers' knowledge, the ownership interest of MHI Partnership, Ltd. in BHI represents 997,040 shares constituting approximately a 1.3576% ownership interest in the shares outstanding and is owned free and clear of all Encumbrances.

4.27.5 The Sellers have provided Access to the financial statements and income statements in the Sellers' possession that the Sellers have received from the general partner or manager (as applicable) of the Service Companies for fiscal years 2019, 2020 and 2021, and such financial statements and income statements are true, correct and complete copies of what the Sellers have received or what is in the Sellers' possession.

4.27.6 There are no outstanding or authorized options, warrants, convertible securities or other rights, agreements, arrangements or commitments of any character relating to any Equity Interests held by a Seller in the Service Companies or obligating any Seller to issue or sell any such Equity Interests in the Service Companies. Other than the Organizational Documents, there are no voting trusts, proxies, or other agreements or understandings in effect with respect to the voting or transfer of any of Seller's Equity Interests. To the Knowledge of each Seller, there are no outstanding obligations of the Service Companies to repurchase, redeem, or otherwise acquire any of Sellers' Equity Interests.

ARTICLE 5 REPRESENTATIONS AND WARRANTIES OF BUYER

Buyer represents and warrants to the Sellers as follows:

5.1 **Organization and Good Standing.** Buyer has been duly formed and is validly existing and in good standing under the laws of the State of Delaware and has full power to carry on its business as presently conducted and to own or lease and operate its properties and assets now owned or leased and operated by it.

5.2 **Authority.** Buyer has the absolute and unrestricted right, power, authority and capacity to execute and deliver this Agreement and the various other agreements and documents contemplated herein to which Buyer is a party (collectively, the "**Buyer Closing Documents**"), to consummate the Contemplated Transactions and to perform all the terms and conditions hereof and thereof to be performed by Buyer. Buyer's Board of Directors has approved the Contemplated Transactions. This Agreement constitutes, and each of the Buyer Closing Documents when executed and delivered will constitute, the legal, valid and binding obligations of Buyer enforceable against Buyer in accordance with its and their terms.

5.3 **No Conflict.** Neither the execution and delivery of this Agreement or any of the Buyer Closing Documents nor the consummation or performance of any of the Contemplated Transactions will, directly or indirectly (with or without notice or lapse of time):

5.3.1 contravene, conflict with or result in a material violation of (a) any provision of the Governing Documents of Buyer, or (b) any resolution adopted by the managing member of Buyer; or

5.3.2 contravene, conflict with or result in a violation of, or give any Governmental Body or other Person the right to challenge any of the Contemplated Transactions or to exercise any remedy or obtain any relief under, any Legal Requirement or any Order to which Buyer, or any of the assets owned or used by Buyer, may be subject.

Buyer is not and will not be required to give any notice to or obtain any Consent from any Person in connection with the execution and delivery of this Agreement or any of the Buyer Closing Documents or the consummation or performance of any of the Contemplated Transactions.

5.4 Brokers. Buyer has incurred no obligation or liability, contingent or otherwise, for brokerage or finder's fees or agent's commissions or other similar payment in connection with this Agreement.

5.5 Proceedings. To the Knowledge of Buyer, there is no pending Proceeding that has been commenced by or served against Buyer or that challenges, or that may have the effect of preventing, delaying, making illegal or otherwise interfering with, any of the Contemplated Transactions. To the Knowledge of Buyer, no such Proceeding has been Threatened and no event has occurred or circumstance exists that may give rise to or serve as a basis for the commencement of any such Proceeding.

5.6 Acknowledgement by Buyer. Buyer acknowledges that no Seller has made any representation or warranty, express or implied except as expressly stated in this Agreement and that it is not relying on any representations and warranties made by Sellers other than those specifically provided for in ARTICLE 4 and any such other representations are hereby expressly disclaimed for all purposes. Buyer further acknowledges that, except as set forth in this Agreement, the Property to be conveyed at Closing to Buyer in "as-is" condition with no other representations or warranties.

5.7 Sufficiency and Source of Funds. Buyer possesses the capital or viable financing sources sufficient to enable Buyer to consummate the transactions contemplated by this Agreement and to timely perform all of its obligations hereunder or thereunder and the source of such funds is in compliance with applicable OFAC and similar regulations.

ARTICLE 6 COVENANTS OF THE SELLERS

6.1 Conduct Prior to Closing. Between the Effective Date and the Closing Date, without the consent of Buyer, the Sellers shall be entitled to continue to conduct their Business consistent with past practices, and shall be able to (including, without limitation): incur debt, acquire Real Property, sell Real Property and enter into joint ventures, *provided however*, that no such action shall be undertaken for the purpose of materially and adversely affecting the Sellers' ability to perform its obligations hereunder. Between the Effective Date and the Closing Date, if the Buyer has not terminated this Agreement, except as set forth on Schedule 6.1, the Sellers shall:

6.1.1 use Reasonable Efforts to operate, manage, finance and maintain the Real Property only in the ordinary course of business consistent with past practices so that the representations and warranties of the Sellers contained herein shall continue to be true, correct, and complete, in all material respects, at all times prior to the Closing Date as if made on and as of such time;

6.1.2 except as required by their terms or in the ordinary course of business consistent with past practice, not amend, terminate or renegotiate any material Assumed Contract or enter into any material new contract that would have been an Assumed Contract if entered into prior to the date hereof (and any such contract entered into in compliance with the provisions of ARTICLE 6 shall constitute an Assumed Contract, including without limitation, those contracts addressed in

Sections 6.1.2, 6.1.3 or 6.1.4), or default (or take or omit to take any action that, with or without the giving of notice or the passage of time, would constitute a default) in any of its obligations under such contracts.

6.1.3 not enter into any Sale Contract (as defined in Section 2.1.4) of a residential unit, unless such Sale Contract is substantially in the form customarily used by Sellers and undertaken in the ordinary course of business consistent with past practices;

6.1.4 Not, except pursuant to existing Assumed Contracts: (a) sell, lease, transfer or dispose of, or make any Contract for the sale, lease, transfer or disposition of, any assets or properties that are included in the Purchased Assets, other than sales in the ordinary course of business; (b) incur, assume, guaranty or otherwise become liable in respect of any Indebtedness which would result in Buyer assuming such liability hereunder after the Closing; (c) delay the payment or discharge of any liability which, upon Closing, will be an Assumed Liability; or (d) encumber or voluntarily subject any of the Purchased Assets to any Encumbrance other than an Encumbrance to be released at Closing from the Closing Cash Payment. . Further, without the approval of Buyer, Sellers shall not dispose of or bulk sale any Land to be used for residential use having an aggregate value in excess of One Million Dollars (\$1,000,000.00) or enter into any contracts with respect thereto (commercial tracts are expressly excluded from this limit);

6.1.5 maintain in force and effect fire, casualty, extended coverage, property and personal liability insurance policies related to the Real Property in amounts and coverage which are customary and consistent with such Seller's past practice, pay all premiums due on such policies prior to the Closing Date, and in the event of any casualty to any of the Purchased Assets prior to the Closing Date, apply the insurance proceeds toward repair or replacement of the damaged Purchased Asset(s);

6.1.6 timely discharge any and all obligations relating to work performed on or conducted at or for materials delivered to the Real Property from time to time, in the ordinary course of business consistent with past practices;

6.1.7 use Reasonable Efforts to promptly make all filings with, provide notices to, obtain all consents, waivers, approvals, authorizations and permits, including, without limitation, (i) those to be made with, provided to or obtained from any governmental entity, agency or political subdivision, (ii) those required by Legal Requirements to be made by Sellers in order to consummate the Contemplated Transactions, and (iii) those to be made with, provided to or obtained from any party to any Assumed Contract, that is required or reasonably appropriate, in connection with the consummation of the transactions contemplated by this Agreement ("**Third Party Consents**"). Notwithstanding anything to the contrary set forth herein, in no event shall the provisions of this Section 6.1.7 require either Party to expend any funds in, or otherwise in connection with, the making, providing and/or obtaining of any such Third Party Consents. Buyer agrees that (a) Sellers shall not have any liability whatsoever to Buyer arising out of or relating to any failure to obtain any Third Party Consent or because of the termination of any Contract as a result of the transactions contemplated in this Agreement or because of the non-transfer of any Purchased Asset because a required consent was not obtained and (b) no representation, warranty or covenant of Sellers contained herein shall be breached or deemed breached as a result of (i) the failure to obtain any such Third Party Consent, (ii) any such termination, (iii) any such non-transfer, or (iv) any action commenced or threatened by or on behalf of any Person arising out of or relating to the failure to obtain any such Third Party Consent, any such termination or such non-transfer;

6.1.8 cooperate with Buyer with respect to all filings that Buyer is required by Legal Requirements to make in connection with the Contemplated Transactions and with respect to obtaining all the Required Consents;

6.1.9 use Reasonable Efforts to cause the conditions set forth in Section 8.1 to be satisfied and to consummate the transactions contemplated herein;

6.1.10 use Reasonable Efforts to notify Buyer about any opportunities relating to the Business that are offered or made available to Sellers (for example, options, rights of first refusal or similar rights);

6.1.11 shortly before the Closing Date, cooperate with Buyer to photograph each Lot on the Real Property, which photographs shall document the status of the Improvements on such Lots as of the date the photographs are taken; and

6.1.12 respond to Buyer's reasonable inquiries concerning the status of the operation, management, finance and maintenance of the Real Property.

6.2 Notification. Between the Effective Date and the Closing Date, the Sellers shall promptly notify Buyer in writing if any Seller becomes aware of any fact or condition that causes or constitutes a Breach of any of the representations and warranties contained in ARTICLE 4 as of the Effective Date, or if any Seller becomes aware of the occurrence after the Effective Date of any fact or condition that would (except as expressly contemplated by this Agreement) cause or constitute a Breach of any such representation or warranty had such representation or warranty been made as of the time of occurrence or discovery of such fact or condition. Should any such fact or condition require any change in the Schedules if the Schedules were dated the date of such occurrence or discovery, the Sellers shall promptly deliver to Buyer a supplement to the Schedules specifying such change. For purposes of supplementing the Schedules, any supplementation will be deemed promptly delivered if done so as soon as commercially reasonable after the generation in the ordinary course of business of such report(s) that relate to the change which requires supplementation of the Schedules. During the same period, the Sellers shall promptly notify Buyer of the occurrence of any Breach of any covenant of any Seller in this ARTICLE 6 known to any Seller or of the occurrence of any event known to any Seller that may make the satisfaction of the conditions in ARTICLE 8 impossible or unlikely. For all purposes of this Agreement (including Section 8.1.1 below), the Schedules shall be deemed to exclude all information contained in any supplement or modification thereto to the extent such information relates to periods prior to the Effective Date, but if the Closing shall occur, then all matters disclosed pursuant to any supplement or modification at or prior to Closing shall be taken into account and no Party shall be entitled to make a claim based thereon pursuant to the terms of this Agreement.

6.3 Removal of Encumbrances. Each Seller shall take all action necessary to cause any deeds of trust, mortgages, security interests, mechanic's liens, judgment liens and other Encumbrances encumbering the Real Property, except for Permitted Encumbrances to be released at Closing. In addition, from and after the Effective Date, including after the Closing, each Seller shall (a) pay any and all amounts due and owing under any Assumed Contract which are incurred or accrued on or prior to the Closing Date, (b) pay any other obligations, including obligations relating to work performed on or conducted at or for materials delivered to the Real Property, which are incurred or accrued on or before the Closing Date, and (c) cure any defaults or violations of law with respect to Assumed Contracts occurring prior to Closing and which such Seller has Knowledge of.

6.4 No Solicitation. Until such time, if any, as this Agreement is terminated pursuant to ARTICLE 9 or Section 2.10 no Seller or Owner shall, and none shall authorize any of its Representatives to, directly or indirectly solicit, initiate or encourage any inquiries or proposals from, discuss or negotiate with, provide any non-public information to, or consider the merits of any unsolicited inquiries or proposals from, any Person (other than Buyer) relating to any transaction involving the sale of all or a portion of the Purchased Assets (other than a sale of Lots to homebuyers, homebuilders and the sale of

commercial property in the ordinary course of business), or any of the ownership interests in a Seller, or any merger, consolidation, business combination or similar transaction involving a Seller.

6.5 Governmental Authorizations. The Sellers shall assist and cooperate with Buyer to obtain all Governmental Authorizations, subject to Section 7.5, such that consummation of the Contemplated Transactions will not interrupt or give any Governmental Body the right to terminate or interrupt the continuation of, or require any additional payment in respect of, the operation, management, development and maintenance of the Real Property in substantially the manner currently being conducted.

6.6 Non-Competition Agreement. At or prior to the Closing Date, each of the Sellers and Owner shall execute and deliver to Buyer the Non-Competition Agreement in the form attached as Exhibit L (the "**Non-Competition Agreement**").

6.7 Confidentiality. Between the Effective Date and the Closing Date, the Sellers shall maintain in confidence, and shall cause their Representatives to maintain in confidence, and not use to the knowing and intentional detriment of Buyer, any written, oral or other information obtained in confidence from Buyer or its Representatives in connection with this Agreement or the Contemplated Transactions, unless (a) such information is already known to a Seller without restriction on disclosure or to others not bound by a duty of confidentiality, (b) such information becomes publicly available through no fault of the Sellers or their Representatives, (c) the use of such information is solely as necessary or appropriate in making any filing or obtaining any Consent required for the consummation of the Contemplated Transactions, or (d) the disclosure of such information is required by a Legal Requirement or an Order in connection with a Proceeding. If the Contemplated Transactions are not consummated, the Sellers shall return or destroy all such written information. Buyer and Sellers acknowledge that the Confidentiality Agreement is superseded to the extent inconsistent with this Agreement and shall otherwise survive until the Closing, and the Parties shall remain subject to the confidentiality and other obligations set forth thereunder.

6.8 Warranty Services Agreement. At the Closing, the Sellers and Buyer shall enter into the Warranty Services Agreement pursuant to which Buyer will provide to the owners of residential units purchased from a Seller, at the Sellers' expense, certain warranty and repair services as set forth therein.

6.9 Special Districts. With respect to each board of directors of a Special District on which there is a Seller Board Member, the Sellers and Buyer have agreed upon the following method of transitioning the designees of Buyer to serve on such board(s) after Closing in accordance with applicable law. If requested by Buyer, the Sellers shall cause each board of each Special District to appoint Buyer's designated Person(s) to fill seats vacated by Seller Board Members within thirty (30) days after the Closing Date. No later than one (1) Business Day prior to the Closing Date, the Sellers shall, as applicable, deposit or cause to be deposited with the Title Company (a) letters of resignation from all but one of the Seller Board Members of each such board, which resignation(s) shall be effective not later than thirty (30) days after the Closing Date, (b) special warranty deeds from the Seller Board Members in the form attached as Schedule 6.9 effective not later than thirty (30) days after the Closing Date and sufficient to convey good and marketable title to all director lots related to any Special District, and free of any Encumbrance, each executed by the applicable Seller Board Member and acknowledged in recordable form (collectively, the "**Director Lot Deeds**"). At the Closing, the Sellers agree to cancel or terminate, or cause to be cancelled or terminated, any and all outstanding Contracts relating to the appointment, election or qualification of members to the board of directors of a Special District. At the Closing, the Title Company shall promptly cause the Director Lot Deeds and any documents furnished by Buyer to cause Buyer's designated Persons to be qualified to serve on the boards of such Special Districts to be recorded in the official records of the applicable counties and obtain confirmed copies thereof for distribution to the Sellers and Buyer. The provisions of this Section shall survive Closing.

6.10 Payment of All Taxes Resulting from Sale of Purchased Assets. All Taxes (other than Taxes based on or measured by income or gain of any Person) resulting from or payable in connection with the sale of the Purchased Assets pursuant to this Agreement, regardless of the Person on whom such Taxes are imposed by Legal Requirements (including, without limitation, all transfer, documentary, sales, use, stamp, registration and other Taxes) and fees (including any penalties, interest and additions) incurred in connection with this Agreement, including all expenses related to the filing of all necessary Tax Returns and other documentation, shall be borne equally by Sellers and Buyer.

ARTICLE 7 COVENANTS OF BUYER AND OTHER COVENANTS

7.1 Antitrust Filings. The Sellers and Buyer agree that no filings or other submissions are required by the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended (the "**HSR Act**"), or any other applicable antitrust or noncompetition applicable Laws or regulations ("**Antitrust Laws**"), or to obtain any required Consent of any Governmental Body with jurisdiction over the Contemplated Transactions.

7.2 Legal Requirements. As promptly as reasonably practicable after the Effective Date but prior to the Closing Date, Buyer shall make all filings required by Legal Requirements to be made by it in order to consummate the Contemplated Transactions other than those filings required by the Antitrust Laws. Between the Effective Date and the Closing Date, Buyer shall (a) cooperate with the Sellers with respect to all filings that a Seller is required by Legal Requirements to make in connection with the Contemplated Transactions and (b) cooperate with the Sellers in obtaining all the Required Consents.

7.3 Reasonable Efforts. Without limiting any obligations under any specific covenants of the Parties hereunder, between the Effective Date and the Closing Date, Sellers and Buyer shall use its respective Reasonable Efforts to cause the conditions in Section 8.2 to be satisfied.

7.4 Confidentiality. Between the Effective Date and the Closing Date, Buyer shall maintain in confidence, and shall cause its Representatives to maintain in confidence, and not use to the knowing and intentional detriment of a Seller, any written, oral or other information obtained in confidence from a Seller or a Representative of a Seller in connection with this Agreement or the Contemplated Transactions, unless or except for (a) such information is already known to Buyer without restriction on disclosure or to others not bound by a duty of confidentiality or is generally available from other sources, (b) such information is or becomes publicly available through no fault of Buyer or its Representatives, (c) the use of such information is necessary or appropriate in making any filing or obtaining any Consent required for the consummation of the Contemplated Transactions pursuant to the terms of this Agreement, (d) the disclosure of such information is required by a Legal Requirement or an Order in connection with a Proceeding, (e) the disclosure to its investors, prospective investors, prospective investors, lenders, prospective lenders, attorneys, consultants and accountants provided the Buyer has advised each such Person of the confidentiality obligations owed under this Agreement, and further provided that Buyer shall be obligated to cause each of such Person to comply with the confidentiality obligations under this Agreement, and (f) the disclosure to governmental authorities in connection with its due diligence investigations with the consent of the Sellers, which consent shall not be unreasonably withheld. Buyer and Sellers acknowledge that the Confidentiality Agreement is superseded to the extent inconsistent with this Agreement and shall otherwise survive until the Closing, and the Parties shall remain subject to the confidentiality and other obligations set forth thereunder.

7.5 Non-Assignment of Certain Contracts or Other Purchased Assets.

7.5.1 With respect to any Assumed Contracts (including any contract, purchase order, sales order, lease, instrument or other right which is a Purchased Asset) or any other Purchased Asset

that is subject to any restriction or prohibition on the transfer or assignment thereof or which provides that it may not be transferred or assigned without the consent of another Person (collectively, "**Restricted Assets**") and for which the appropriate consent to the transfer and assignment thereof has not been obtained by the Effective Date, Sellers will use Reasonable Efforts and take all reasonable actions that are within its power to obtain, prior to the Closing Date, the appropriate consent for the transfer and assignment of each of the Restricted Assets.

7.5.2 In any such event, the Sellers will, to the extent and only if reasonably necessary in order to provide the benefits thereof to Buyer, cooperate with Buyer in any reasonable arrangement ("**Seconding Arrangements**", including back-to-back closings, work around procedures, nominee arrangements or other strategies) designed to provide the benefits thereof to Buyer, and to the extent the Buyer receives such benefits with respect to any Restricted Assets, it shall indemnify the Sellers from any liability in connection therewith. It is the intention of the Parties that the Seconding Arrangements contemplated by this Section 7.5 will be utilized only when there is no reasonable alternative to such arrangement for Buyer, even if Sellers fail to assign any such contract, purchase order, sales order, lease or other instrument or other Restricted Asset. Provided, however, that such Seconding Arrangements will not be sufficient with respect to Land and/or Lots within Sale Communities and the master planned communities identified on Schedule 7.5.2.

7.5.3 Without limiting the generality of any provision elsewhere herein contained, the non-assignability and non-transferability of, and the failure of Sellers to assign and transfer, any of the Restricted Assets (or the assignment and transfer by Sellers thereof, despite the prohibition or restriction thereof or the failure to obtain the appropriate consent or to fulfill the conditions thereto) will not alter or in any manner affect its status as a Purchased Asset except as provided in Section 8.1.5.

7.5.4 The Sellers shall reasonably cooperate with Buyer in obtaining any consents or novations necessary to effect the transfer of any contract to Buyer.

7.5.5 Nothing contained in any transfer document required to be executed by a Seller in connection with the transfer of any such governmental contract will alter or in any manner affect the status of such contract as a Purchased Asset.

7.6 Retention of and Access to Records.

After the Closing Date, Buyer shall retain for a period consistent with Buyer's record-retention policies and practices, but not less than seven (7) years, Records, including litigation Records, of the Sellers. In addition, during normal business hours and on at least three (3) days' prior written notice, Buyer shall provide each Seller and its Representatives Access to such Records of the Seller, to enable them to prepare financial statements or tax returns or deal with tax audits, and address any liability other than an Assumed Liability, and Seller and its Representatives to the extent necessary to address any indemnification obligation or claim. After the Closing Date, Sellers shall provide Buyer and its Representatives Access to Records regarding or pertaining to the Excluded Assets, during normal business hours and on at least three (3) days' prior written notice, for any business purpose specified by Buyer in such notice.

7.7 Replacement of Performance Obligations. To the extent Buyer was unable, prior to the Closing through Reasonable Efforts, to obtain bonds or other credit support instruments in replacement of or in support of the Performance Obligations or to cause the Sellers and their Affiliates to be unconditionally released from any and all liabilities relating to the Performance Obligations, Buyer shall obtain such bonds or other credit support instruments and cause such Sellers and their Affiliates to be released from such liabilities within ninety (90) days after the Closing Date. To the extent that any of the Performance Obligations shall come up for renewal following the Closing Date but prior to the release of

the Sellers therefrom, the applicable Seller may elect to cause such renewal to occur; provided, that Buyer shall be responsible for all fees incurred with respect thereto. In the event that any amounts shall be paid with respect to the Performance Obligations resulting from conditions or events occurring after the Closing Date, then Buyer shall immediately reimburse such Seller for any amounts so paid, together with any costs incurred by such Seller in connection therewith.

7.8 Employees.

7.8.1 *Offer of Employment.* In regard to employees of the Business, except for those employees who will enter into Employment Agreements, on or prior to the Closing Date, Buyer shall offer employment, on an at-will basis, effective as of the Closing Date and conditioned on the Closing, to at least the applicable number of employees of Sellers ("**Continuing Employees**") to meet the exclusion requirements for compliance with the Worker Adjustment and Retraining Notification Act (codified at, 29 U.S.C. Sections 2101-2109), or any similar state or local law (collectively, the "**WARN Act**") or the applicable state equivalent that is applicable.

7.8.2 *Hiring of Continuing Employees by Buyer.* Following the Effective Date and after notice to the Sellers, Buyer may contact and interview any employees of a Seller, inspect their personnel records (upon receipt of permission from the employee), and solicit them to become employees of Buyer as of the Closing Date in accordance with Section 7.8.1. The Sellers shall cooperate with and assist Buyer in the interview and evaluation process by providing Access to or copies of such information, personnel records and evaluations concerning the employees as Buyer may reasonably request, provided that the subject employee has consented thereto, and by rescinding, waiving or terminating any non-compete agreements between any Seller and any such employees. Sellers will terminate their employment arrangement with each Continuing Employee effective as of the Closing Date, and will be responsible for all back vacation pay, accrued salary and benefits, severance pay and any other liability, regarding any matter, owed to them as of that date. Buyer will not terminate the employment of the Continuing Employees for a minimum period of sixty (60) days if such termination would expose Sellers to liability under the WARN Act (and the regulations promulgated thereunder), and Buyer will indemnify and hold harmless Sellers with respect to any liability incurred by the breach by Buyer of its obligations under this Section 7.8.

7.8.3 At and after the Closing, the Continuing Employees will cease to participate in any and all of the employee plans of Sellers. Buyer and its Affiliates shall pay, discharge and be responsible for all salary, wages, severance costs, benefits and claims (including workers compensation or other similar benefits and claims) arising out of the employment of the Continuing Employees commencing after the Closing, without exception.

7.8.4 To the extent service is relevant for the purpose of eligibility, participation, vesting, benefit contributions, benefit calculations or allowances (including, without limitation, entitlement to vacation and sick days) under any benefit plan, program or arrangement established or maintained by Buyer or its Affiliates for the benefit of the employees of Buyer or its Affiliates and in which the Continuing Employees are allowed to participate, such plan, program or arrangement shall credit the Continuing Employees for service on and prior to the Closing Date with Sellers to the extent permitted by any such plan, program or arrangement. In addition, Buyer shall give credit to Continuing Employees for any deductibles, co-payments, out of pocket payments or pre-existing condition waiting periods satisfied under Sellers' group health plan and such Continuing Employees shall not be subject to any eligibility waiting periods under Buyer's group health plan.

7.8.5 *Non-Solicitation of Buyer Employees.* For a period of thirty-six (36) months commencing on the Closing Date, the Sellers and Owner shall not, and shall not permit any of their Affiliates to, directly or indirectly, hire or solicit any employee of Buyer (including those employees listed on Schedule 4.15) or encourage any such employee to leave such employment or hire any

employee who has left such employment, except pursuant to general solicitation which is not directed specifically to any such employees. This provision shall survive Closing.

7.8.6 *No Rights for Seller Employees.* This Agreement is not intended to create and does not create any contractual or legal rights in or enforceable by any employee of a Seller.

7.9 *Affiliations with Other-Entities.* With respect to affiliations for operations relating to the Business (e.g., affiliate mortgage and title business operations) between a Seller and any entity in which the Sellers or Interest Holders hold equity interests ("**Other-Entities**"), if requested by Buyer, the Sellers shall cause such Other-Entities to enter into agreements with Buyer for an affiliation following the Closing Date on the same terms and conditions as the applicable Sellers for a period acceptable to Buyer.

7.10 *Owner Consulting Arrangement.* For a period of six (6) months following the Closing Date, the Owner (i.e., Frank B. McGuyer) shall, without compensation, make himself available to Buyer for up to fifteen (15) hours per month in connection with Newco's operation of the Purchased Assets.

7.11 *Governmental Authorizations.* Sellers shall use commercially reasonable efforts to obtain, prior to Closing, (i) all Governmental Authorizations referred to in Section 6.5 that are necessary for Buyer to legally continue operating the Business after Closing, (ii) all Governmental Authorizations necessary for the Sellers to assign or otherwise transfer all the Entitlements to Buyer and (iii) all consents or novations necessary to effect the transfer or assignment to Buyer of any contract of the Seller Parties with any governmental agency or instrumentality.

7.12 *Further Assurances.* The Parties shall reasonably cooperate with one another and with their respective Representatives in connection with any steps required to be taken as part of their respective obligations under this Agreement, and shall (a) furnish upon request to each other any necessary information; (b) execute and deliver to each other any necessary documents; and (c) do such other acts and things, all as the other Party may reasonably request, for the purpose of attempting to carry out the intent of this Agreement and the Contemplated Transactions.

ARTICLE 8 CONDITIONS TO CLOSING

8.1 *Conditions to Buyer's Obligations.* The obligation of Buyer to proceed with the Closing is subject to the satisfaction on or prior to the Closing Date of all of the following conditions, any one or more of which may be waived, in whole or in part, by Buyer:

8.1.1 *Accuracy of Representations.* The representations and warranties of the Sellers in this Agreement, considered individually and in the aggregate, must have been accurate in all material respects as of the date of this Agreement, and must be accurate in all material respects as of the Closing Date as if made on the Closing Date, without giving effect to any supplement to the Schedules delivered by the Sellers to Buyer after the date hereof, and provided that all materiality qualifiers (including Material Adverse Change) in such representations and warranties shall be disregarded for purposes of this Section 8.1.1 to prevent an unintended double materiality standard.

8.1.2 *Performance by the Sellers.* The covenants and obligations that the Sellers are required to perform or to comply with pursuant to this Agreement at or prior to the Closing, considered individually and in the aggregate, must have been duly performed and complied with in all material respects, provided that all materiality qualifiers (including Material Adverse Change) in such covenants and obligations shall be disregarded for purposes of this Section 8.1.2 to prevent an unintended double materiality standard.

8.1.3 *Document Deliveries.* The Sellers shall have delivered each of the documents and completed each of the actions in the manner specified in Section 3.4.

8.1.4 *Obtained Required Consents.* The Parties shall have received all of the Required Consents (*see Section 3.4.16 above*).

8.1.5 *Consents by Master Planned Communities.* The Sellers shall have obtained all consents necessary to transfer to Buyer all Land and/or Lots located within Sale Communities and master planned communities identified on Schedule 7.5.2, and for Buyer to succeed to the Sellers' rights under any declarations and covenants affecting the Land and/or Lots located in the master planned communities (*see Section 7.5.2 above*).

8.1.6 *No Proceedings.* Since the Effective Date, there must not have been commenced or Threatened any Proceeding (a) involving any challenge to, or seeking damages or other relief in connection with, any of the Contemplated Transactions, or (b) that may have the effect of preventing, delaying, making illegal or otherwise interfering with any of the Contemplated Transactions.

8.1.7 *No Prohibition.* Neither the consummation nor the performance of any of the Contemplated Transactions shall, directly or indirectly (with or without notice or lapse of time), materially contravene, or conflict with, or result in a material violation of, or cause Buyer to suffer any material adverse consequence under, (a) any applicable Legal Requirement or Order or (b) any Legal Requirement or Order that has been published, introduced or otherwise proposed or Threatened by or before any Governmental Body.

8.1.8 *Material Adverse Change.* There shall not have occurred any Material Adverse Change.

8.2 Conditions to the Sellers' Obligations. The obligations of the Sellers to proceed with the Closing are subject to the satisfaction on or prior to the Closing Date of all of the following conditions, any one or more of which may be waived, in whole or in part, by the Sellers:

8.2.1 *Accuracy of Representations.* The representations and warranties of Buyer in this Agreement, considered individually and in the aggregate, must have been accurate in all material respects as of the date of this Agreement, and must be accurate in all material respects as of the Closing Date as if made on the Closing Date, without giving effect to any supplement to the Schedules delivered by Buyer to the Sellers after the date hereof and provided that all materiality qualifiers (including Material Adverse Change) in such representations and warranties shall be disregarded for purposes of this Section 8.2.1 to prevent an unintended double materiality standard..

8.2.2 *Buyer's Performance.* The covenants and obligations that Buyer is required to perform or to comply with pursuant to this Agreement at or prior to the Closing, considered individually and in the aggregate, must have been performed and complied with in all material respects, provided that all materiality qualifiers (including Material Adverse Change) in such covenants and obligations shall be disregarded for purposes of this Section 8.2.2 to prevent an unintended double materiality standard.

8.2.3 *Document Deliveries and Closing Agreements.* Buyer shall have delivered each of the documents and completed each of the actions in the manner specified in Section 3.5 and the Closing Agreements shall have been agreed upon by the Parties.

8.2.4 *No Proceedings.* Since the Effective Date, there must not have been commenced or Threatened any Proceeding (a) involving any challenge to, or seeking damages or other relief in connection with, any of the Contemplated Transactions, or (b) that may have the effect of preventing, delaying, making illegal or otherwise interfering with any of the Contemplated Transactions.

8.2.5 *No Prohibition.* Neither the consummation nor the performance of any of the Contemplated Transactions shall, directly or indirectly (with or without notice or lapse of time), materially contravene, or conflict with, or result in a material violation of, or cause Sellers to suffer any material adverse consequence under, (a) any applicable Legal Requirement or Order or (b) any Legal Requirement or Order that has been published, introduced or otherwise proposed or Threatened by or before any Governmental Body, except to the extent that any such Legal Requirement or Order was in existence, and was known by the Sellers, as of the Effective Date.

ARTICLE 9 TERMINATION

9.1 Termination Events. This Agreement may, by notice given to the other party prior to or at the Closing, be terminated:

9.1.1 by Buyer if a material Breach of any provision of this Agreement has been committed by any Seller and remains uncured after the giving by Buyer to Sellers of not less than seven (7) days' prior written notice, and such Breach has not been waived;

9.1.2 by the Sellers if a material Breach of any provision of this Agreement has been committed by Buyer and remains uncured after the giving by Sellers to Buyer of not less than seven (7) days' prior written notice, and such Breach has not been waived, provided that the notice and cure period for failing to fund on the Closing Date shall be three (3) Business Days;

9.1.3 by Buyer if any of the conditions in Section 8.1 has not been satisfied as of the Outside Closing Date or if satisfaction of such a condition is or becomes impossible (other than through the failure of Buyer to comply with its obligations under this Agreement) and Buyer has not waived such condition on or before December 31, 2021 (the "**Outside Closing Date**");

9.1.4 by the Sellers, if any of the conditions in Section 8.2 has not been satisfied as of the Outside Closing Date or if satisfaction of such a condition is or becomes impossible (other than through the failure of Sellers to comply with its obligations under this Agreement) and the Sellers have not waived such condition on or before the Outside Closing Date;

9.1.5 by the Sellers, if the Closing Agreements are not in final form agreed to by the Parties prior to the expiration of the Inspection Period; or

9.1.6 by mutual consent of Buyer and the Sellers.

9.2 Effect of Termination. In the event of the termination of this Agreement in accordance with this ARTICLE 9, this Agreement shall forthwith become void and there shall be no liability on the part of any party hereto except:

9.2.1 as set forth in this ARTICLE 9, Section 7.4 and ARTICLE 11 hereof; and

9.2.2 that nothing herein shall relieve any party hereto from liability for any willful or intentional breach of any provision hereof.

9.3 Remedies. If this Agreement is terminated pursuant to Section 9.1 as a result of a material Breach of a Seller's obligation to close pursuant to this Agreement, then Buyer may, as its sole and exclusive remedy, either (i) terminate this Agreement and received an immediate return of the Deposit, or (ii) seek specific performance, provided such lawsuit shall be filed within ninety (90) days following termination or Buyer shall waive all rights to specific performance. In such event Buyer shall not be required to post a bond to obtain the remedy of specific performance except as provided elsewhere in this Agreement unless Texas law or the court in which the action for specific performance is pending

requires the posting of a bond in order to obtain the remedy of specific performance. If this Agreement is terminated pursuant to Section 9.1 as a result of a material Breach of this Agreement by Buyer, then Seller shall, as its sole and exclusive remedy, terminate this Agreement and retain the Deposit as liquidated damages; notwithstanding the foregoing, the Parties acknowledge and agree that if Sellers terminate this Agreement pursuant to Section 9.1.5, the Deposit shall be returned to Buyer.

Sellers and Buyer agree that neither party shall in any event be liable for any indirect, special, incidental, consequential, or punitive damages resulting or arising from or relating to any breach of this Agreement.

ARTICLE 10 INDEMNIFICATION

10.1 Survival. The representations and warranties in Sections 4.1, 4.2, 4.3, 4.21, 5.1, 5.2 and 5.4 (Sections 4.1, 4.2, 4.3 and 4.21 individually are a "**Seller Fundamental Representation**", and collectively are the "**Seller Fundamental Representations**") of this Agreement shall survive until the close of business on the fourth (4th) anniversary of the Closing Date, and all other representations and warranties contained herein shall survive until the close of business on the first (1st) anniversary of the Closing Date. The covenants and agreements contained in this Agreement and any agreements, certificates or other instruments delivered pursuant to this Agreement, shall survive the Closing and remain in full force and effect in accordance with its terms (the "**Post-Closing Covenants**"), other than the covenants of the Parties in ARTICLE 6 which shall not survive the Closing, except for the covenants in Sections 6.10, which shall survive for the time periods set forth therein, or if no time period is specified, then for a period of three (3) years.

10.2 Indemnification and Payment of Damages by Sellers. The Sellers and Interest Holders shall jointly and severally indemnify and hold harmless Buyer and its Representatives, controlling persons and affiliates (collectively, the "**Buyer Indemnified Persons**") for, and shall pay to the Buyer Indemnified Persons the amount of, any loss, liability, claim, damage, expense (including costs of investigation and defense and reasonable attorneys' fees), whether or not involving a third-party claim (collectively, "**Damages**"), arising from or in connection with:

10.2.1 any Breach of any representation or warranty made by any Seller in this Agreement, or in any certificate or document delivered by any Seller pursuant to this Agreement, without giving effect to any materiality, dollar or other threshold in determining the dollar amount of any Damages (and not when determining whether a representation is inaccurate or has been breached);

10.2.2 any Breach by any Seller of any covenant or obligation in this Agreement or in any Seller Closing Document;

10.2.3 any claim by any Person for brokerage or finder's fees or commissions or similar payments based upon any agreement or understanding alleged to have been made by any such Person with a Seller (or any Person acting on its behalf) in connection with any of the Contemplated Transactions;

10.2.4 any taxes imposed upon a Seller (other than taxes to be prorated pursuant to Section 3.3 above);

10.2.5 any Retained Liabilities; or

10.2.6 any Excluded Assets.

10.3 Indemnification and Payment of Damages by Buyer. Buyer shall indemnify and hold harmless the Sellers and their Representatives, controlling persons and affiliates (collectively, the "**Seller Indemnified Persons**"), and shall pay to the Seller Indemnified Persons the amount of any Damages arising, directly or indirectly, from or in connection with:

10.3.1 any Breach of any representation or warranty made by Buyer in this Agreement, or in any certificate or document delivered by Buyer pursuant to this Agreement, without giving effect to any materiality, dollar or other threshold;

10.3.2 any Breach by Buyer of any covenant or obligation of Buyer in this Agreement or in any Buyer Closing Document;

10.3.3 any claim by any Person for brokerage or finder's fees or commissions or similar payments based upon any agreement or understanding alleged to have been made by such Person with Buyer (or any Person acting on its behalf) in connection with any of the Contemplated Transactions;

10.3.4 any liabilities relating to the Performance Obligations under Section 7.7 above; or

10.3.5 any Assumed Liability.

10.4 Limitations on Indemnification. Notwithstanding anything to the contrary herein:

10.4.1 The maximum amount payable by the Sellers for Damages pursuant to Section 10.2 above shall not in the aggregate exceed an amount equal to Twenty-Five Million Dollars (\$25,000,000) (the "**Sellers Cap**"); provided however, the Sellers Cap shall not apply to any claims arising under Section 4.8.1 in the event the applicable Seller does not have a valid claim on an owners title insurance policy (or does not have an owners policy) covering applicable Real Property that is assumed by Newco, Sections 10.2.2 as it relates to a Post-Closing Covenant, Sections 10.2.3, 10.2.4, or 10.2.6 or relating to Fraud (as defined in Section 10.8 below).

10.4.2 No amount shall be payable pursuant to Section 10.2.1 (*i.e.*, any Breach of the Sellers' representations and warranties other than a Breach of any representation or warranty in Section 4.8) unless and until the aggregate amount of Damages indemnifiable thereunder exceeds an amount equal to SEVEN HUNDRED AND FIFTY THOUSAND DOLLARS (\$750,000.00) (the "**Deductible**"), in which event Sellers shall be liable for the amount in excess of the Deductible.

10.4.3 The maximum amount payable by the Buyer for Damages pursuant to Section 10.3 above shall not in the aggregate exceed an amount equal to One Million Dollars (\$1,000,000) (the "**Buyers Cap**"); provided however, the Buyers Cap shall not apply to any claims arising under Sections 10.3.3, Sections 10.3.4 or 10.3.5 or relating to Fraud.

10.5 Procedure for Indemnification.

10.5.1 *Notice of Third Party Claim.* Promptly after receipt by an indemnified party under Sections 10.2 or 10.3 of notice of the commencement of any Proceeding against it by a third party, such indemnified party shall, if a claim is to be made against an indemnifying party under such Section, give notice to the indemnifying party of the commencement of such claim; provided, however, that the failure to provide such notice shall not release the indemnifying party from any of its obligations under such Section, except to the extent that the indemnifying party demonstrates that the defense of such Proceeding has been materially prejudiced by such failure.

10.5.2 *Defense by Indemnifying Party.* If any Proceeding referred to in Section 10.5.1 is brought against an indemnified party, and such indemnified party gives notice to the indemnifying

party of the commencement of such Proceeding, the indemnifying party will be entitled to participate in such Proceeding and, to the extent that the indemnifying party wishes, assume the defense of such Proceeding with counsel reasonably satisfactory to the indemnified party. After notice from the indemnifying party to the indemnified party of its election to assume the defense of a Proceeding, the indemnifying party will not, as long as it diligently conducts such defense, be liable to the indemnified party under this ARTICLE 10 for any fees of other counsel or any other expenses with respect to the defense of such Proceeding, in each case subsequently incurred by the indemnified party in connection with the defense of such Proceeding, other than reasonable costs of investigation. No Third Party Claim may be settled or compromised (A) by the Indemnified Party without the prior written consent of the Indemnifying Party, which consent will not be unreasonably withheld or delayed or (B) by the Indemnifying Party without the prior written consent of the Indemnified Party, which consent will not be unreasonably withheld or delayed; provided, however, that the Indemnifying Party may settle any Third Party Claim without the consent of the Indemnified Party if such settlement contains an unconditional release by the Third Party of all liability (including any restriction on the Indemnified Party's business, operations or assets) of the Indemnified Party with respect to such Third Party Claim and the Indemnifying Party has agreed in writing that such Third Party Claim is the subject of indemnity under ARTICLE 10.

10.5.3 *Defense by Indemnified Party.* Notwithstanding the foregoing, if an indemnified party determines in good faith that there is a reasonable probability that a Proceeding may adversely affect it or its affiliates, the indemnified party may, by notice to the indemnifying party, assume the exclusive right to defend, compromise or settle such Proceeding, but the indemnifying party will not be bound by any determination of a Proceeding so defended or any compromise or settlement effected without its consent (which may not be unreasonably withheld).

10.5.4 *Direct Claims.* If any indemnified party should have a claim under Sections 10.2 or 10.3 against any indemnifying party that does not involve a third party claim, the indemnified party shall give notice with reasonable promptness to the indemnifying party, but in no event later than sixty (60) days after becoming aware of such claim; provided, however, that the failure to provide such notice shall not release the indemnifying party from any of its obligations under such Section, except to the extent that the indemnifying party demonstrates that the defense of such Proceeding has been materially prejudiced by such failure. If the indemnifying party notifies the indemnified party that it does not dispute the claim described in the notice or fails to notify the indemnified party within ten (10) Business Days that the indemnifying party disputes the claim, the Damages arising from the claim specified in the notice shall be conclusively deemed a liability of the indemnifying party, and the indemnifying party shall pay the amount of such Damages to the indemnified party on demand following the final determination thereof. If the indemnifying party has timely disputed its liability with respect to such claim, the indemnifying party and indemnified party will proceed in good faith to negotiate a resolution of such dispute, and if not resolved within sixty (60) days, such dispute shall be subject to resolution in accordance with Section 11.111.

10.5.5 *Indemnity Escrow Fund.*

(A) Except for claims pursuant to Section 10.2.5 related to Warranty Claims, any Damages payable to a Buyer Indemnified Persons pursuant to this Article 10 shall be satisfied: (i) from the Indemnity Escrow Fund; and (ii) to the extent the amount of Damages exceeds the amounts available in the Indemnity Escrow Fund, from Sellers, all in accordance with the Indemnity Escrow Agreement.

(B) Pursuant to the Indemnity Escrow Agreement, on the first business day following the one (1) year anniversary of the Closing, the Title Company shall, following written notice delivered by Sellers to the Title Company and Buyer, release to the Sellers from the Indemnity Escrow Fund any remaining amounts of the Indemnity Escrow Fund then held by the

Title Company (minus the amount of pending indemnification claims by a Buyer Indemnified Person; provided that in the event that any amount is withheld by the Title Company due to any pending claim, the portion of such amount that is not applied to a pending claim shall be released to Sellers as soon as practicable following resolution of such claim).

10.5.6 *Warranty Reserve Escrow Fund.*

(A) Any Damages payable to a Buyer Indemnified Persons pursuant Section 10.2.5 related to Warranty Claims shall be satisfied: (i) from the Warranty Reserve Escrow Fund; and (ii) to the extent the amount of Damages exceeds the Warranty Reserve Escrow Fund, from Sellers, all in accordance with the Warranty Service Agreement.

(B) As provided in the Warranty Services Agreement and pursuant to the Warranty Reserve Escrow Agreement, the Title Company shall, on the date 18 months following the Closing Date, pay to Sellers any remaining amounts of the Warranty Reserve Escrow Fund held by Buyer (minus the amount of pending warranty claims; provided that in the event that any amount is withheld due to any pending claim, the portion of such amount that is not applied to a pending claim shall be released to Sellers as soon as practicable following resolution of such claim).

10.6 Consequential Damage Exclusion. NONE OF THE PARTIES OR ANY OF THEIR AFFILIATES SHALL BE LIABLE FOR ANY CONSEQUENTIAL, INCIDENTAL, PUNITIVE, EXEMPLARY OR INDIRECT DAMAGES, LOST PROFITS, DAMAGES BASED ON A MULTIPLE OF EARNINGS OR OTHERWISE, DAMAGES FOR DIMINUTION IN VALUE OR OTHER BUSINESS INTERRUPTION DAMAGES, *PROVIDED, HOWEVER*, THAT THIS SECTION 10.6 SHALL NOT APPLY TO EXCLUDE OR LIMIT ANY OBLIGATION OF ANY PARTY TO INDEMNIFY ANY OTHER PERSON FOR DAMAGES PAYABLE TO THIRD PARTIES IN CONNECTION WITH THIRD PARTY CLAIMS.

10.7 Reduction for Third-Party Proceeds. The amount which an indemnifying party is required to pay to, for, or on behalf of an indemnified party pursuant to this ARTICLE 10 shall be reduced (including retroactively) by any proceeds recovered by or on behalf of the indemnified party from a third party for the related Damages, including insurance proceeds. If the indemnified party shall have received, or if the indemnifying party shall have paid on its behalf, an indemnity payment in respect of any Damages and shall subsequently receive, directly or indirectly, insurance proceeds or other third party proceeds (which duplicate in whole or in part, such indemnity payment) in respect of such Damages, then the indemnified party shall promptly pay to the indemnifying party the amount of such insurance or other third party proceeds to the extent of such duplication, or, if less, the amount of such indemnity payment. Each Party shall act in good faith and make Reasonable Efforts to mitigate any Damages it may suffer, including, without limitation, diligently seeking recovery from third parties, including by filing and pursuing all applicable insurance claims, with respect to such Damages under any contractual rights and other remedies. The Parties acknowledge that the foregoing shall not affect the subrogation rights of any insurance companies making payments hereunder.

10.8 Exclusive Remedy. Except for remedies that cannot be waived as a matter of Legal Requirement and absent Fraud, if Closing occurs, the indemnities set forth in this Agreement shall be the exclusive remedy for breach of any representation, warranty or covenant set forth in this Agreement; *provided, however*, nothing in this Section 10.8 shall be deemed to affect any Person's right to equitable relief (including specific performance in a court of law) for breach of a covenant set forth in this Agreement. Notwithstanding anything herein to the contrary, no breach of any representation, warranty, covenant or agreement contained in this Agreement shall give rise to any right on the part of Buyer, after Closing, to rescind this Agreement or any of the transactions contemplated hereby. For purposes of this

Agreement, the term "Fraud" shall mean intentional deceit involving a material fact and, for the avoidance of doubt, does not include negligent misrepresentation or omission.

ARTICLE 11
MISCELLANEOUS PROVISIONS

11.1 Notices. **Notices.** All notices and other communications in connection with this Agreement shall be in writing and deemed to have been received on the day of delivery if delivered by hand, overnight express or electronic mail (*provided*, that, in the event any notice or other communication is delivered by electronic mail, such delivery shall be followed by delivery of a hard copy via overnight express mail), or two Business Days after the date of posting if mailed by registered or certified mail, postage prepaid, addressed to each party at its address set forth below (or to such other address to which such party has notified each other party in accordance with this Section 11.1 to send such notices or communications).

If to Buyer:

Dream Finders Holdings LLC
14701 Philips Highway, Suite 300
Jacksonville, Florida 32256
Attn: Patrick Zalupski, President and Chief Executive Officer
patrick.zalupski@dreamfindershomes.com

and a copy to:

Dream Finders Homes LLC
14701 Philips Highway, Suite 300
Jacksonville, Florida 32256
Attn: Robert Riva, Esq., General Counsel and Vice President
robert.riva@dreamfindershomes.com

If to Sellers:

MHI Partnership, Ltd.
7676 Woodway, #104
Houston, Texas 77063
Attention: Frank McGuyer
Facsimile: 713-952-7351
Email: fmcguyer@mhinc.com

and a copy to:

Foley & Lardner LLP
1000 Louisiana, Suite 2000
Houston, Texas 77002
Attention: Robert W. Bramlette
Facsimile: 713-276-5555
Email: rbramlette@foley.com

11.2 Bulk Sales Laws. The Parties hereby waive compliance with the provisions of any bulk sales, bulk transfer or similar laws of any jurisdiction that may otherwise be applicable with respect to the sale of any or all of the Purchased Assets to Buyer; it being understood that any liabilities arising out of

the failure of any Seller to comply with the requirements and provisions of any bulk sales, bulk transfer or similar laws of any jurisdiction will be treated as Retained Liabilities.

11.3 Further Assurances. The Parties agree (a) to furnish such further information, (b) to execute and deliver such other documents, and (c) to do such other acts and things, all as another party may reasonably request for the purpose of carrying out the intent and purposes of this Agreement.

11.4 Waivers. The rights and remedies of the Parties to this Agreement are cumulative and not alternative. Neither the failure nor delay by any Party in exercising any right, power or privilege under this Agreement or the documents referred to in this Agreement will operate as a waiver of such right, power or privilege, and no single or partial exercise of any such right, power or privilege will preclude any other or further exercise of such right, power or privilege or the exercise of any other right, power or privilege. To the maximum extent permitted by applicable law: (a) no claim or right arising out of this Agreement or the documents referred to in this Agreement can be discharged by one party, in whole or in part, by a waiver or renunciation of the claim or right unless in writing signed by the other parties; (b) no waiver that may be given by a party will be applicable except in the specific instance for which it is given; and (c) no notice to or demand on one party will be deemed to be a waiver of any obligation of such party or of the right of the party giving such notice or demand to take further action without notice or demand as provided in this Agreement or the documents referred to in this Agreement.

11.5 Entire Agreement; Amendments. This Agreement, including the Schedules and Exhibits hereto, and together with any related agreements and documents referred to in this Agreement, constitutes the entire understanding and agreement of the Parties hereto with respect to the subject matter of this Agreement, and supersedes all prior covenants, agreements, understandings and representations (including the LOI). This Agreement may not be amended or modified except by a written agreement executed by each of the Parties hereto.

11.6 Schedules and Exhibits. To the extent applicable, if any matter set forth in one section of the Schedules relating to ARTICLE 4 and those in any supplement thereto, based solely on the substance of the disclosure itself, is patently clear that it would also be applicable to another section of the Schedules of the Sellers or to modify another representation or warranty on its face, such matter shall be deemed to be set forth in each other section of the Schedules and modify the representation and warranty to which it is applicable. Nothing in the Schedules of the Sellers constitutes an admission of any liability or obligation of Sellers to any third party or an admission of any liability to any third party against the interests of the Sellers. The fact that any item of information or references to dollar amounts is contained in the Schedules shall not be construed to mean that such information is (a) required to be disclosed by this Agreement or (b) a basis or standard for interpreting the terms "materiality," "materially," "material" or "material adverse effect" as used in this Agreement. If there is any inconsistency between the statements in the body of this Agreement and those in the Schedules (other than an exception expressly set forth as such in the Schedules with respect to a specifically identified representation or warranty), the statements in the body of this Agreement will control. All of the Exhibits and Schedules attached to this Agreement are incorporated into and are a part of this Agreement. Capitalized terms used but not defined in the Exhibits or Schedules attached to this Agreement shall have the meanings ascribed to such terms in the Agreement. To the extent any informational Schedule is not attached to this Agreement as of the Effective Date, Seller shall cause the Agreement to be amended no later than thirty-five (35) days after the Effective Date to include any remaining Schedules not then-attached.

11.7 Assignments, Successors and No Third Party Rights. Neither Party may assign any of its rights under this Agreement without the prior consent of the other Parties, except that Buyer may assign any of its rights under this Agreement to any of its subsidiaries or affiliates for which it is the controlling owner including, without limitation, Newco; provided however, no such assignment shall relieve Buyer

of any of its obligations under this Agreement. Subject to the preceding sentence, this Agreement shall apply to, be binding in all respects upon and inure to the benefit of the successors and permitted assigns of the Parties. Nothing expressed or referred to in this Agreement shall be construed to give any Person other than the Parties to this Agreement any legal or equitable right, remedy or claim under or with respect to this Agreement. This Agreement and all of its provisions and conditions are for the sole and exclusive benefit of the Parties to this Agreement and their successors and permitted assigns.

11.8 Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original copy of this Agreement and all of which, when taken together, shall be deemed to constitute one and the same agreement.

11.9 Severability. Wherever possible, each provision of this Agreement shall be interpreted in such a manner as to be valid under applicable law, but if any provision of this Agreement is invalid or prohibited thereunder, such invalidity or prohibition shall be construed as if such invalid or prohibited provision had not been inserted herein and shall not affect the remainder of such provision or the remaining provisions of this Agreement so long as such invalidity or prohibition does not deny either party of any material consideration to be received by it under this Agreement.

11.10 Publicity. The Sellers and Buyer shall coordinate all publicity relating to the Contemplated Transactions, and no Party shall issue any press release, publicity statement or other public notice (including on or through any Internet-based channel or means) relating to this Agreement or the Contemplated Transactions without the prior written approval of the other Party (which shall not be unreasonably withheld, conditioned or delayed), except to the extent that a particular disclosure is required by applicable law (in which event the party that seeks to make such disclosure shall, prior to making such disclosure, promptly advise and consult with the other party concerning the information proposed to be disclosed), provided, the parties acknowledge and agree that Buyer has disclosed to Seller that Buyer shall be required to disclose this Agreement in the event this Agreement becomes a material definitive agreement pursuant to applicable securities laws. The foregoing shall not limit Sellers' and Buyer's ability to pursue any and all Governmental Authorizations that may be contemplated by this Agreement or that may be necessary in connection with the Contemplated Transactions. The provisions of this Section shall survive the Closing or any earlier termination of this Agreement. Any public announcement, including any disclosure required for compliance with SEC requirements, prior to the end of the delivery of a Notice to Proceed from Buyer, shall be subject to joint prior reasonable approval, it being acknowledged by Buyer that the confidentiality of this transaction is critical to Sellers pending final commitment from Buyer, provided, further, that nothing in this Section 11.10 shall require Buyer to violate or fall out of compliance with any applicable rule or regulations.

11.11 Dispute Resolution. In the event of any controversy or claim arising from or in any manner relating to this Agreement or the documents executed and delivered pursuant hereto, the disputing parties will first endeavor, in good faith, to resolve the dispute through informal negotiation.

11.11.1 If the disputing parties are unable to resolve such dispute within a 30 day period (or within such extended period of time as the disputing parties shall agree upon in writing), the disputing parties will then submit the matters to mediation administered by the American Arbitration Association ("AAA") in Houston, Texas before a mediator appointed by the AAA.

11.11.2 If the matter is not resolved through mediation within in fifteen (15) days it will be referred to arbitration at the request of either Party in accordance with the following terms:

(A) The arbitration will be conducted by three (3) neutral arbitrators agreed upon by the Parties, or if agreement cannot be reached, a panel of three arbitrators in the city of Houston, Texas in accordance with the AAA Commercial Arbitration Rules (the "**Rules**")

effective as of the commencement of the arbitration except as such Rules may be modified as provided herein. Unless the Rules mandate otherwise, all arbitrators shall be attorneys at law, currently licensed to practice law in any state of the United States with a minimum of 15 years professional experience in litigation/arbitration of commercial disputes that are the subject of such arbitration.

(B) The arbitrators shall permit such discovery of documents as they shall determine is appropriate in the circumstances, taking into account the needs of the disputing parties and the desirability of making discovery expeditious and cost-effective. The arbitrators shall also permit the exchange of lists of exhibits and witnesses in advance of the hearing. The arbitrators shall not award any remedy or relief that includes consequential or punitive damages.

(C) The decision of the arbitrators shall be final, and judgment upon the award rendered by the arbitration may be entered in any court having jurisdiction thereof. The arbitrators shall have no power to waive, alter, amend, revoke or suspend any of the provisions of this Agreement, provided, however, that the arbitrator shall have the power to decide all questions with respect to the interpretation and validity of this Section 11.111.

11.11.3 Subject to and not in any way limiting this Section 11.111, each Party hereto irrevocably consents and submits to the jurisdiction in any action brought in connection with this Agreement in the United States District Court for the Southern District of Texas, Houston Division, including, but not limited to, any action to enforce an award rendered pursuant to this Section 11.111.

11.11.4 All fees and costs of any mediation or arbitration will be assessed and paid, in the absence of the disputing parties' agreement to the contrary, equally by all disputing parties.

11.11.5 Except to the extent required by law or court or administrative order, no party, mediator, arbitrator, representative, counsel or witness shall disclose or confirm to any Person not present at the negotiation, mediation or arbitration any information about the negotiation, mediation or arbitration proceeding or hearings, including the names of the parties and the mediators or arbitrators, the nature and amount of the claims, the financial condition of any party, the expected date of the hearing or the award made.

11.11.6 The failure of either party to timely pay all advance fees or charges of AAA or the arbitrators will constitute a waiver of arbitration and permit the other party to either proceed with arbitration or take the dispute to a court of law.

11.12 Governing Law; Consent to Jurisdiction. THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS, WITHOUT REGARD TO CONFLICTS-OF-LAWS PRINCIPLES THAT WOULD REQUIRE THE APPLICATION OF ANY OTHER LAW. THE PARTIES HEREBY WAIVE ANY RIGHT TO TRIAL BY JURY IN ANY PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OF THE CONTEMPLATED TRANSACTIONS, WHETHER NOW EXISTING OR HEREAFTER ARISING, AND WHETHER SOUNDING IN CONTRACT, TORT OR OTHERWISE. Each of the Parties hereto hereby irrevocably submits to the exclusive jurisdiction of the state courts located in Harris County, Texas and the federal courts located in the Southern District of Texas, Houston Division, in any Proceeding arising out of or relating to this Agreement.

11.13 Fees and Expenses. Except as otherwise provided in this Agreement, each Party will pay its own costs and expenses.

11.14 Attorneys' Fees. If any Party brings any action or suit against another Party by reason of any breach of or default under this Agreement by such other party, the prevailing Party shall be entitled to

recover from the other Party all costs and expenses, including its attorneys' fees and costs, in addition to any other relief to which it may be entitled.

11.15 Allocations for Tax Purposes. The Parties shall use the final Purchase Price allocations determined in accordance with Schedule 2.7 for purposes of any required tax returns or other filings made with the IRS.

11.16 Joint and Several Liability for Sellers and Interest Holders The liability and obligations of Sellers and Interest Holders hereunder are joint and several.

11.17 Performance on Business Days If any event or the expiration of any period provided for herein is scheduled to occur or expire on a day that is not a Business Day, such event shall occur or such period shall expire on the next succeeding day that is a Business Day.

[SIGNATURE PAGES FOLLOW]

IN WITNESS WHEREOF, the undersigned have executed this Purchase and Sale Agreement as of the date first written above.

BUYER:

DREAM FINDERS HOLDINGS LLC,
a Florida limited liability company

By: /s/ Patrick O. Zalupski
Name: Patrick O. Zalupski
Title: President and CEO

INTEREST HOLDERS:

/s/ Frank B. McGuyer
Frank B. McGuyer, an individual

McGuyer Interests, Ltd.,
a Texas limited partnership

By: /s/ Frank B. McGuyer
Name: Frank B. McGuyer
Title: Managing General Partner

SELLERS:

MHI Partnership, Ltd.,
a Texas limited partnership

By: /s/ Frank B. McGuyer
Name: Frank B. McGuyer
Title: Founder and Executive Chairman

MHI Models, Ltd., a Texas limited partnership

By: /s/ Frank B. McGuyer
Name: Frank B. McGuyer
Title: CEO and Chairman

McGuyer Homebuilders, Inc.
a Texas corporation

By: /s/ Frank B. McGuyer
Name: Frank B. McGuyer
Title: Founder and Executive Chairman

FMR IP, LLC
a Texas limited liability company

Signature Page: 1

FMR IP, LLC

By: /s/ Frank B. McGuyer

Name: Frank B. McGuyer

Title: CEO

HOMEKO PURCHASING COMPANY, Ltd.,

a Texas limited partnership

By: /s/ Frank B. McGuyer

Name: Frank B. McGuyer

Title: Founder and Executive Chairman

2019 Sonoma, LLC

a Texas limited liability company

By: /s/ Frank B. McGuyer

Name: Frank B. McGuyer

Title: CEO

Signature Page: 2

Exhibits

Exhibit A – Sellers
Exhibit BI – Definitions
Exhibit BII – Other Defined Terms
Exhibit BIII – Rules of Construction
Exhibit C – Deeds
Exhibit D – Bill of Sale
Exhibit E – Non-Foreign Affidavits
Exhibit F – Form of Sale Assignment
Exhibit G – Form of Assignment and Assumption Agreement
Exhibit H – Form of Owner’s Affidavit
Exhibit I – Form of Employment Agreement
Exhibit J – Form of Warranty Services Agreement
Exhibit K – Form of Assignment and Assumption Agreement for Acquisition Contracts
Exhibit L – Non-Competition Agreement
Exhibit M – Form of Land Purchase Option Agreement
Exhibit N – Subsequent Closing Escrow Agreement
Exhibit O – Form of Shared Services Agreement
Exhibit P – Indemnity Escrow Agreement
Exhibit Q – Warranty Reserve Escrow Agreement

EXHIBIT A

List of Sellers

Each of the following Persons is a "Seller" under the attached **PURCHASE AND SALE AGREEMENT** dated as of June 17, 2021:

Sellers: The Sellers, which own the assets identified in Sections 2.1.1 through 2.1.16, consist of:

MHI PARTNERSHIP, LTD., a Texas limited partnership ("**MHI Partnership**")

MHI MODELS, LTD., a Texas limited partnership ("**MHI Models**")

MCGUYER HOMEBUILDERS, INC., a Texas corporation ("**McGuyer Homebuilders**")

FMR IP, LLC, a Texas limited liability company ("**FMR**")

HOMECO PURCHASING COMPANY, LTD., a Texas limited partnership ("**Homeco**")

2019 SONOMA, LLC, a Texas limited liability company ("**Sonoma**")

EXHIBIT B

DEFINITIONS AND RULES OF CONSTRUCTION

I. DEFINITIONS

As used in this Exhibit and the Agreement to which this Exhibit is attached, the following terms have the meanings indicated below:

"**Access**" with respect to any document(s) means Sellers have delivered such document to Buyer, caused such document to be delivered to Buyer, or has made such document(s) to be readily available to Buyer either in one location on the Data Room in a reasonably organized manner or at the office of the applicable Seller where such document(s) are regularly maintained as requested by Buyer or available in the Data Room.

"**Affiliate**" means as to any Person, any other Person that directly or indirectly controls, is controlled by, or is under common control with such first Person. For the purposes of this Agreement, a Person shall be deemed to "control" another Person if such first Person possesses, directly or indirectly, the power to direct or cause the direction of the management, policies or decision making of such other Person, whether through the ownership of voting securities, by contract, or otherwise.

"**Assumed Warranty Claims**" means those Warranty Claims that will be assumed by Buyer as more particularly set forth in the Warranty Services Agreement.

"**Audited Financial Statements**" means the audited consolidated income statement, balance sheet, statement of cash flow, statement of members' equity and appropriate footnotes all prepared in accordance with GAAP of MHI Partnership, Ltd., Homeco Purchasing Company, Ltd., and 2019 Sonoma, LLC as of December 31, 2020, along with an unqualified opinion thereon issued by Pannell, Kerr, Forster of Texas, P.C.

"**BOYL Contracts**" means the "Build On Your Own Lot" home contracts of MHI Partnership.

"**Breach**" means, with respect to any representation, warranty, covenant, obligation or other provision of this Agreement or any instrument delivered pursuant to this Agreement, any inaccuracy in or breach of, or any failure to perform or comply with, such representation, warranty, covenant, obligation or other provision.

"**Business Day**" means any day other than a Saturday, Sunday, any day when the Federal Reserve Bank of Dallas, Texas, is closed or a day which is a legal holiday in the State of Texas.

"**Confidentiality Agreement**" means that certain Letter Agreement dated September 29, 2020, between Buyer and Sellers.

"**Consent**" means any approval, consent, ratification, and waiver, agreement to permit reliance or other authorization (including any Governmental Authorization).

"**Contemplated Transactions**" means all of the transactions contemplated by this Agreement, including (a) the sale of the Purchased Assets by the Sellers to Buyer; (b) the assumption by Buyer of the Assumed Liabilities; (c) the execution, delivery and performance of the Seller Closing Documents and the

Buyer Closing Documents; and (d) the performance by Buyer and the Sellers of their respective covenants and obligations under this Agreement.

"**Contract**" means any agreement, contract, option, obligation, promise, arrangement, understanding or undertaking (whether written or oral and whether express or implied) that is legally binding.

"**Cost of Goods Sold**" means (a) with respect to construction on clients' lots all direct material and labor costs and those costs related to acquisition and construction and are charged to work in progress (inventory); or (b) with respect to construction on the Newco's lots, all direct material and labor costs and those costs related to acquisition and construction, including interest on construction loans which are charged as work in progress (inventory), all as calculated in accordance with GAAP.

"**COVID-19**" means SARS-CoV-2 or COVID-19, and any evolutions or mutations thereof or related or associated epidemics, pandemic or disease outbreaks.

"**COVID-19 Measures**" means any Seller's compliance with any quarantine, "shelter in place," "stay at home," work force reduction, social distancing, shut down, closure, sequester, safety or similar Legal Requirement, policies, guidelines or recommendations promulgated by any governmental entity or the Centers for Disease Control and Prevention, in each case, in connection with, related to, or in response to COVID-19.

"**Data Room**" means the DealRoom site with url: <https://project-marble.dealroom.net/#/documents/folder/317452> and all of the files and subfiles found therein, as such files and subfiles may be updated and uploaded from time to time.

"**Earn Out**" means an annual amount to be paid to MHI Partnership by the Buyer calculated pursuant to Section 2.8 of this Agreement for each of the following periods: (1) the period beginning on the Closing Date through December 31, 2021, (2) calendar year 2022, (3) calendar year 2023, (4) calendar year 2024, and (5) the period beginning January 1, 2025 through the date which is forty-eight (48) months from the Closing Date, inclusive, subject to certain adjustments as set forth in the Agreement for each respective year of the calculation, each being individually referred to hereinafter as "Earn Out Year" and collectively as the "Earn Out Years". Without limiting the generality of the foregoing, other than Newco, no Pre-Tax Income of Buyer or its affiliates and subsidiaries shall be included for purposes of the Earn Out calculation after Closing.

"**Earn Out Hurdle**" means mean seventy-five percent (75%) of the applicable Minimum Budget Pre-Tax Income Threshold.

"**Earn Out Payment**" means any one of the five (5) payments made by Buyer to Seller as part of the Purchase Price in payment of the Earn Out and more fully described in this Agreement.

"**Easements**" means all easements, hereditaments, rights, privileges and appurtenances on, in favor of, or benefiting any part of, the Land, including all of each Seller's right, title and interest in and to all streets, water rights of any kind or nature, water courses or water bodies adjacent to, abutting or serving the Land or any part thereof.

"**Employee Plan**" means each "employee benefit plan" as defined by Section 3(3) of ERISA and each other material bonus, incentive-compensation, deferred-compensation, profit-sharing, option, appreciation-right, employee stock purchase, severance, change-in-control, salary-continuation, retirement, health, life-insurance, disability, accident, group-insurance, vacation, holiday, sick-leave,

fringe-benefit, or welfare plan, and any other material employee compensation or benefit plan, agreement, policy or Contract (whether qualified or nonqualified, currently effective or terminated, written or unwritten) that (i) is maintained or contributed to by any Seller or with respect to which any Seller has any liability, and (ii) provides benefits, or describes policies or procedures applicable to any current manager, officer, employee or service provider of any Seller.

"Encumbrance" means any deed of trust lien, mortgage, security interest or pledge.

"Environment" means soil, land surface or subsurface strata, surface waters (including navigable waters, ocean waters, streams, ponds, drainage basins and wetlands), groundwaters, drinking water supplies, stream sediments, ambient air (including indoor air), plant and animal life and any other environmental medium or natural resource.

"Environmental Law" means any Legal Requirement that provides for or relates to: (i) pollution (or the cleanup thereof) or the protection of natural resources, endangered or threatened species, human health or safety, or the environment (including ambient air, soil, surface water or groundwater, or subsurface strata); or (ii) concerning the presence of, exposure to, or the management, manufacture, use, containment, storage, recycling, reclamation, reuse, treatment, generation, discharge, transportation, processing, production, disposal or remediation of any Hazardous Materials. Without limiting the generality of the foregoing, the term "Environmental Law" includes the following statutes and the regulations promulgated thereunder: (a) the Comprehensive Environmental Response, Compensation and Liability Act of 1980 (codified in scattered sections of 26 U.S.C., 33 U.S.C., 42 U.S.C. and 42 U.S.C. § 9601 et seq.); (b) the Resource Conservation and Recovery Act of 1976 (42 U.S.C. § 6901 et seq.); (c) the Hazardous Materials Transportation Act (49 U.S.C. § 1801 et seq.); (d) the Toxic Substances Control Act (15 U.S.C. § 2061 et seq.); (e) the Clean Water Act (33 U.S.C. § 1251 et seq.); (f) the Clean Air Act and Amendments (42 U.S.C. § 7401 et seq.); (g) the Safe Drinking Water Act (21 U.S.C. § 349); 42 U.S.C. § 201 and § 300 et seq.); (h) the National Environmental Policy Act of 1969 (42 U.S.C. § 4321); (i) the Superfund Amendment and Reauthorization Act of 1986 (codified in scattered sections of 10 U.S.C., 29 U.S.C., 33 U.S.C. and 42 U.S.C.); and (j) Title III of the Superfund Amendment and Reauthorization Act (42 U.S.C. § 11,001 et seq.).

"Environmental Liabilities" means any costs, damages, expenses, liabilities, obligations or other responsibilities arising from or under Environmental Law or Occupational Safety and Health Law and consisting of or relating to (a) any environmental matters or conditions (including on-site or off-site contamination); (b) fines, penalties, judgments, awards, settlements, legal or administrative Proceedings, damages, losses, claims, demands and response, investigative, remedial or inspection costs and expenses arising under Environmental Law or Occupational Safety and Health Law; (c) financial responsibility under Environmental Law or Occupational Safety and Health Law for cleanup costs or corrective action, including any investigation, cleanup, removal, containment or other remediation or response actions (collectively, "**Cleanup**"), required by applicable Environmental Law or Occupational Safety and Health Law (whether or not such Cleanup has been required or requested by any Governmental Body or any other Person) and for any natural resource or property damages or damages to persons or animals; or (d) any other compliance, corrective, investigative or remedial measures required under Environmental Law or Occupational Safety and Health Law. The terms "removal," "remedial" and "response action" include the types of activities covered by the United States Comprehensive Environmental Response, Compensation, and Liability Act, 42 U.S.C. § 9601 et seq., as amended.

"Executive Team" means the current executive team as of the Effective Date consisting of Gary R. Tesch, David Bruning, William D. McKinnie, IV and Keith Faseler.

"**Finished Lot**" means a Lot on which a building permit for a residential unit can be obtained upon the payment of the ordinary building permit fee (to the extent applicable), so that Buyer shall be able to commence construction of its contemplated residential unit.

A "Finished Lot" shall constitute a lot in which the following items have been substantially accomplished and completed:

- (1) County has preliminarily accepted the streets in the subdivision adjacent to the lots, subject to any punch list items provided to seller by county.
- (2) Sanitary sewer and water mains have been installed and water and sewer service lines have been stubbed out at the boundary line of each of the Lots and are available for connection by purchaser.
- (3) Rough grading of the lots has been completed per seller's grading plan to be delivered to purchaser during the inspection period and attached to the completion notice (the "**Grading Plan**"),
- (4) Seller shall set iron pins at all lot corners upon completion of all electric and gas franchise utilities. Seller shall pin lot corners on an "as needed" basis for any models or spec homes prior to completion of such franchise utilities if requested by purchaser.
- (5) For lots that have been filled, seller has delivered to purchaser a letter from an engineer that certifies the compliance of such lots with HUD Data Sheet 79-G or its successor and that includes a complete set of the final compaction reports for such lots.
- (6) Buyer has been furnished evidence from a registered professional engineer that none of the building pads of any of the Lots are located within the 100 year flood plain.

"**Governing Documents**" means, with respect to any particular entity, (a) if a corporation, the articles or certificate of incorporation and the bylaws; (b) if a general partnership, the partnership agreement and any statement of partnership; (c) if a limited partnership, the limited partnership agreement and the certificate of limited partnership; (d) if a limited liability company, the articles of organization and operating agreement; (e) if another type of Person, any other charter or similar document adopted or filed in connection with the creation, formation or organization of the Person; and (f) any amendment or supplement to any of the foregoing.

"**Governmental Authorization**" means any approval, consent, license, permit, waiver or other authorization issued, granted, given or otherwise made available by or under the authority of any Governmental Body or pursuant to any Legal Requirement.

"**Governmental Body**" means any" (a) nation, state, county, city, town, village, district or other governmental jurisdiction of any nature; (b) federal, state, local, municipal, foreign or other government; (c) governmental or quasi-governmental authority of any nature (including any governmental agency, branch, department, official or entity and any court or other tribunal); or (d) body exercising, or entitled to exercise, any administrative, executive, judicial, legislative, police, regulatory or taxing authority or power of any nature.

"**Hazardous Activity**" means the distribution, generation, handling, importing, management, manufacturing, processing, production, extraction, refinement, Release, storage, transfer, transportation, treatment or use (including any withdrawal or other use of groundwater) of Hazardous Materials in, on, under, about or from the Real Property or any part thereof into the Environment, and any other act, business, operation or thing that increases the danger, or risk of danger, or poses an unreasonable risk of harm to persons or property on or off the Real Property, or that may adversely affect the value of the Real Property.

"Hazardous Materials" means any waste or other substance that is listed, defined, designated or classified as, or otherwise determined to be, hazardous, radioactive or toxic or a pollutant or a contaminant under or pursuant to any Environmental Law, including any admixture or solution thereof, and specifically including petroleum and all precursors or derivatives thereof or synthetic substitutes therefor and asbestos or asbestos-containing materials, or any other item that is dangerous or harmful to the health of humans or wildlife.

"Improvements" mean all on-site and off-site improvements, including completed residential units, incomplete residential units (including Work-in-Process Units), other work-in-process, model homes, grading and soils compaction, landscaping and such other similar improvements, whether relating to horizontal or vertical construction, located on or connected with any residential units.

"Indebtedness" means all obligations for borrowed money and accounts payable, however evidenced, including purchase money and seller financing and principal and interest.

"Intellectual Property Rights" means (a) inventions, whether or not patentable, reduced to practice or made the subject of one or more pending patent applications, (b) patents and patent applications (including all reissues, divisions, continuations, continuations-in-part, extensions and reexaminations thereof) registered or applied for in the United States and all other nations throughout the world, all improvements to the inventions disclosed in each such registration, patent or patent application, (c) trademarks, service marks, trade dress, logos, domain names, trade names and corporate names (whether or not registered) in the United States and all other nations throughout the world, including all variations, derivations, combinations, registrations and applications for registration of the foregoing and all goodwill associated therewith, (d) copyrights (whether or not registered) and registrations and applications for registration thereof in the United States and all other nations throughout the world (including copyrights in any "architectural work" as such term is defined in 17 U.S.C. Section 101), including all derivative works, moral rights, renewals, extensions, reversions or restorations associated with such copyrights, now or hereafter provided by law, regardless of the medium of fixation or means of expression, (e) computer software, (including source code, object code, firmware, operating systems and specifications), (f) trade secrets and, whether or not confidential, business information (including pricing and cost information, business and marketing plans and customer and supplier lists) and know-how (including manufacturing and production processes and techniques and research and development information), (g) databases and data collections, (h) any other similar type of proprietary intellectual property right, (i) copies and tangible embodiments of any of the foregoing, in whatever form or medium, and (j) all rights to sue or recover and retain damages and costs and attorneys' fees for past, present and future infringement or misappropriation of any of the foregoing.

"Interest Expense" means the expense incurred during the period of construction and is included in work in progress (inventory).

"IRC" means the Internal Revenue Code of 1986, as amended, or any successor law, and any regulations issued by the IRS pursuant to the IRC or any successor law.

"IRS" means the United States Internal Revenue Service or any successor agency, and, to the extent relevant, the United States Department of the Treasury.

"Knowledge" means, whether capitalized or not, the actual or conscious knowledge, without investigation, of the individuals listed for such Party on **Schedule B1**.

"**Legal Requirement**" means any federal, state, local, county, municipal, foreign, international, multinational or other administrative order, constitution, law, ordinance, principle of common law, regulation, statute or treaty.

"**Lots**" means the platted residential lots within the Real Property, including the lots generally described on Schedule 2.1.2.

"**Material Adverse Change**" means any change, or any development involving a prospective change, that will or that would reasonably be expected to, (a) with respect to the Purchased Assets, result in a material adverse effect on the value of the Purchased Assets, the Business and the operation thereof, taken as a whole and (b) with respect to a Seller, result in a material adverse effect on the ability of that Seller to consummate the Contemplated Transactions. "Material Adverse Change" includes, solely for the purpose of determining if the condition set forth in Section 8.1.8 is satisfied, any supplement or update to a Schedule hereto which is provided to Buyer after the Feasibility Period if Buyer reasonably objects to such supplement or update by notice to Sellers on the basis that such supplement reflects a Material Adverse Change. "Material Adverse Change" shall not be deemed to include any event occurrence, fact, condition or change, directly or indirectly, resulting from general economic, regulatory or political conditions, changes in foreign currency exchange rates, seasonal changes in the Business or circumstances that affect the home developing and building industry in general (*i.e.*, not just the Business), any matter of which Buyer has Knowledge on the Effective Date, any changes in applicable laws or accounting rules, any natural or man-made disaster or acts of God or epidemic, pandemic or similar health outbreak (including but not limited to COVID-19 or the effects of COVID-19) or any escalation or worsening thereof whether or not occurring or commencing before or after the date of this Agreement, and any actions taken in response to any of the foregoing, any action required to be taken under any Law (including any COVID-19 Measures) or order by which the Sellers are bound or the announcement or pendency of the transactions provided for in this Agreement.

"**Minimum Budget Pre-Tax Income Threshold**" means the Newco's Pre-Tax Income of at least the following amounts for the respective Earn Out Years: Earn Out Year 2021 (Closing Date to 12/31/2021 - \$TBD;¹ Earn Out Year 2022 - \$88,000,000; Earn Out Year 2023 - \$97,000,000; Earn Out Year 2024 - \$106,000,000; and Earn Out Year 2025 - \$TBD (January 1, 2025 to the end of the 48th month from Closing Date) as may be adjusted pursuant to Section 2.8.1 herein.

"**Newco**" means one (1) or more entities wholly owned by Buyer which will take title to the Purchased Assets and carry our operations in accordance with Section 2.8.5.

"**Occupational Safety and Health Law**" means any Legal Requirement designed to provide safe and healthful working conditions and to reduce occupational safety and health hazards, and any program, whether governmental or private (including those promulgated or sponsored by industry associations and insurance companies), designed to provide safe and healthful working conditions.

"**Operating Expenses**" means the sum of general and administrative expenses, supervision and field expenses, and sales and marketing expenses as used in the Buyer's certified public accountants review report, all as calculated in accordance with GAAP.

"**Order**" means any award, decision, injunction, judgment, order, ruling, subpoena or verdict entered, issued, made or rendered by any court, administrative agency or other Governmental Body or by any arbitrator.

¹ Will be calculated depending on Closing since partial year.

"Performance Obligations" means all letters of credit, payment and performance bonds, surety agreements, guarantees, indemnities and other similar undertakings given by any Seller and any Affiliates of Sellers in connection with the Purchased Assets.

"Permitted Encumbrances" means: (a) Encumbrances securing general real property taxes which are not yet delinquent; (b) Taxes imposed with respect to the Purchased Assets which are not yet due and payable as of the Closing Date or which are being contested by appropriate Proceedings; (c) liens held by lenders and second lien deeds of trust in connection with lot acquisitions to the extent they are denoted as Assumed Liabilities; (d) matters disclosed in the Survey, plats, or Sellers Existing Title Policies; (e) statutory liens of landlords, carriers, warehousemen, mechanics and materialmen or other similar liens incurred in the ordinary course of business consistent with past practices for sums not yet due; (f) liens incurred or deposits made in the ordinary course of business consistent with past practices in connection with workers' compensation, unemployment insurance and other types of social security, (g) rights of other parties to the Assumed Contracts, (h) easements, rights-of-way, restrictions and other similar charges and encumbrances not interfering with the ordinary course of business of Sellers; (i) Encumbrances securing Assumed Liabilities; (j) Encumbrances to be discharged at Closing; (k) liens secured by the Subsequent Parcels. However, "Permitted Encumbrances" exclude liens encumbrances, charges, mortgages or security interests which shall be released and discharged at or prior to the Closing.

"Person" means any individual, corporation, general or limited partnership, limited liability company, joint venture, estate, trust, association, organization, labor union or other entity or Governmental Body.

"Pre-Tax Income" means Revenue plus other income less, with respect to Newco, (i) Cost of Goods Sold (ii) Operating Expenses, (iii) Interest Expense, and (iv) overhead expenses of Buyer (subject to the limitations on such expenses set forth in Section 2.8 of this Agreement) less an amount equal to the total of all (x) rebates, (y) purchase discounts savings received by Newco, and (z) any other expenses under GAAP, but excluding any other charges that would result in double counting expenses will also be deducted from Revenue.

"Proceeding" means any action, arbitration, audit, hearing, investigation, litigation or suit (whether civil, criminal, administrative, investigative or informal) commenced, brought, conducted or heard by or before, or otherwise involving, any Governmental Body, private judge, mediator or arbitrator.

"Reasonable Efforts" means efforts that are reasonably within the contemplation of the Parties as of the Effective Date and that do not require the performing Party which is acting in good faith to take any extraordinary action (including to commence a Proceeding, other than filing a claim with an insurer to collect on title or other insurance policy or as contemplated by the Warranty Services Agreement) or expend any funds or assume any liabilities other than expenditures and liabilities that are customary and reasonable in transactions of the kind and nature contemplated by this Agreement in order for the performing party to diligently pursue and timely satisfy a condition to, or otherwise assist in the consummation of, the transactions contemplated hereby, or to perform its obligations under this Agreement.

"Records" means information that is inscribed on a tangible medium or that is stored in an electronic or other medium and is retrievable in perceivable form.

"Related Person" means with respect to a particular individual: (a) each other member of such individual's Family; (b) any Person that is directly or indirectly controlled by such individual or one or more members of such individual's Family; (c) any Person in which such individual or members of such individual's Family hold (individually or in the aggregate) a Material Interest; and (d) any Person with

respect to which such individual or one or more members of such individual's Family serves as a director, officer, partner, executor or trustee (or in a similar capacity). With respect to a specified Person other than an individual: (a) any Person that directly or indirectly controls, is directly or indirectly controlled by, or is directly or indirectly under common control with such specified Person; (b) any Person that holds a Material Interest in such specified Person; (c) any Person in which such specified Person holds a Material Interest; and (d) any Person with respect to which such specified Person serves as a general partner or a trustee (or in a similar capacity). For purposes of this definition, (a) the "**Family**" of an individual includes (i) the individual, (ii) the individual's spouse, (iii) any other natural person who is related to the individual or the individual's spouse within the second degree, and (iv) any other natural person who resides with such individual, and (b) "**Material Interest**" means direct or indirect beneficial ownership (as defined in Rule 13d-3 under the Securities Exchange Act of 1934) of voting securities or other voting interests representing at least five percent (5%) of the outstanding voting power of a Person or equity securities or other equity interests representing at least five percent (5%) of the outstanding equity securities or equity interests in a Person.

"**Release**" means any spilling, leaking, emitting, discharging, depositing, escaping, leaching, dumping or other releasing into the Environment, whether intentional or unintentional, including through or in connection with stormwater runoff.

"**Representative**" means, with respect to a particular Person, any director, officer, general partner, manager, member, employee, agent, consultant, advisor or other representative of such Person, including legal counsel, accountants and financial advisors.

"**Revenue**" means the revenue of Newco related to homebuilding activities on lots owned by clients using the completed-contract method and revenue of Newco related to homebuilding activities on lots owned by Newco using the deposit method.

"**Sale Communities**" means those certain residential communities identified on Schedule 2.1.2 attached hereto as owned by a Seller of the Real Property in the State of Texas and used in connection with Seller's Business.

"**SEC**" means the United States Securities and Exchange Commission.

"**Seller Board Member**" means, with respect to a board of directors or any similar representative or advisory body, any Seller, Related Person of a Seller or Representative of a Seller that has been elected or appointed as a member of such board or body.

"**Special District**" means any municipal utility district, water control and improvement district, drainage district, public improvement district, emergency services district or other governmental or quasi-governmental entity having jurisdiction over any portion of the Real Property, whether created or operating pursuant to an enabling statute, or under Article XVI, Section 59 of the Texas Constitution, or under Chapters 49 or 54 of the Texas Water Code, or otherwise.

"**Tax**" means any income, gross receipts, gross margins, license, payroll, employment, excise, severance, stamp, occupation, premium, real or personal property, rollback, environmental, windfall profit, customs, vehicle, airplane, boat, vessel or other title or registration, franchise, employees' income withholding, foreign or domestic withholding, social security, unemployment, disability, sales, use, transfer, value added, alternative, add-on minimum and other tax, fee, assessment, levy, tariff, charge, or duty of any kind whatsoever and any interest, penalty, addition or additional amount thereon imposed, assessed, or collected by or under the authority of any Governmental Body or payable under any tax-sharing agreement or any other Contract.

"**Tax Return**" means any return (including any information return), report, statement, schedule, notice, form, declaration, claim for refund, or other document or information filed with or submitted to, or required to be filed with or submitted to, any Governmental Body in connection with any Tax (including, without limitation, the payment, reporting, determination, assessment, or collection thereof) or in connection with the administration, implementation or enforcement of or compliance with any Legal Requirement relating to any Tax.

"**Threatened**" means, with respect to a claim, Proceeding, dispute, action, obligation or other matter or item, that a written demand or written statement has been made or a notice has been given to one of the Designated Officers that would lead a prudent Person to conclude that such a claim, Proceeding, dispute, action, obligation or other matter or item is likely to be asserted, commenced, taken or otherwise pursued in the future.

"**Title Company**" means Stewart Title Guaranty Company, 10720 W. Sam Houston Pkwy. N. #200, Houston, Texas 77064, telephone (713) 625-8672, Attn. Mr. Monroe Ashworth, Sr. Vice President; monroe.ashworth@stewart.com; and Mrs. Kelly Ford; kelly.ford@stewart.com.

"**True Up**" means the computation of the Closing Net Value pursuant to Section 2.6 above and the payment of all amounts required by Section 2.6.3 above.

"**Unaudited Financial Statements**" means the unaudited consolidated balance sheets and income statements of MHI Partnership, Ltd. as of April 30, 2021, the unaudited balance sheet and income statement of MHI Models, Ltd. as of April 30, 2021, the unaudited balance sheet and income statement of McGuyer Homebuilders, Inc. as of April 30, 2021, the unaudited balance sheet and income statement of FMR IP, LLC. as of April 30, 2021, and the unaudited balance sheet and income statements of MHI Title Company and MHI Mortgage Company as of April 30, 2021.

"**Work-in-Process Unit**" means a residential unit for which vertical construction has started but the closing of a sale has not occurred, or for which a sales contract(s) has been executed but vertical construction has not yet started.

II. OTHER DEFINED TERMS

The following terms are defined in the Sections indicated below. Unless otherwise indicated, the Sections refer to Sections of the Agreement.

| <u>Term</u> | <u>Section</u> |
|-------------------------------------|----------------|
| 2021 Tax Proration | §3.3.1 |
| AAA | §11.12.1 |
| Accounting Referee | §2.6.2 |
| Acquisition Contract Assignments | §3.4.11 |
| Acquisition Contracts | §2.1.7 |
| Agreement | Preamble |
| Antitrust Laws | §7.1 |
| Assignment and Assumption Agreement | §3.4.6 |
| Assumed Contracts | §2.1 |
| Assumed Liabilities | §2.3 |
| Basket | §10.4.2 |
| Bill of Sale | §3.4.3 |
| Bonds | §2.1.12 |
| Books and Records | §2.1.14 |
| Business | Recitals |

| | |
|--------------------------------|-----------------|
| Buyer | Preamble |
| Buyer Closing Documents | §5.2 |
| Buyer Indemnified Persons | §10.2 |
| Buyer's Objection Notice | §2.6.1 |
| Buyers Cap | §10.4.3 |
| Claims | §2.1.13 |
| Closing | §3.1 |
| Closing Adjusted Schedules | §2.5.2 |
| Closing Cash Payment | §2.5.3(B) |
| Closing Date | §3.1 |
| Closing NAV Schedule | §2.5.2 |
| Closing Net Asset Value | §2.5.2 |
| Closing Purchase Price | §2.5.2 |
| Continuing Employees | §7.8.1 |
| Damages | §10.2 |
| Declarant Assignments | §3.4.5, §3.4.2 |
| Deeds | §3.4.1 |
| Director Lot Deeds | §6.9 |
| Effective Date | Preamble |
| Effective Time | §3.1 |
| Employment Agreements | §3.4.9 |
| Entitlements | §2.1.9 |
| Excluded Assets | §2.2 |
| Final Adjusted Schedules | §2.6 |
| Final NAV Schedule | §2.6 |
| Final Net Asset Value | §2.6.3(A), §2.6 |
| Final Supporting Information | §2.6 |
| Fraud | §10.8 |
| GAAP | §2.5.1(A)(1) |
| Homeowner Associations | §4.8.9 |
| HSR Act | §7.1 |
| Indemnity Escrow | §2.5.3(A) |
| Indemnity Escrow Fund | §2.5.3(B) |
| Interest Holders | Preamble |
| Land | §2.1.2 |
| Land Purchase Option Agreement | 3.8 |
| LOI | Recitals |
| Marketing IP | §2.1.11 |
| Marketing Property | §2.1.11 |
| McGuyer Interests | Preamble |
| Model Homes | §2.1.6 |
| NAV Schedule | §2.1.1 |
| Net Asset Value | §2.5.1(A) |
| Non-Competition Agreement | §6.6 |
| Non-Foreign Affidavits | §3.4.4 |
| Offer Notice | §6.12 |
| Offered Property | §6.12 |
| Offered Terms | §6.12 |
| Other Contracts | §2.1.8 |
| Other Property | §2.1.15 |
| Other-Entities | §7.9 |

| | |
|--------------------------------------|-------------|
| Outside Closing Date | §3.1 |
| Owner | Preamble |
| Party, Parties | Preamble |
| Permits | §4.8.5 |
| Plans and Specifications | §2.1.10 |
| Post-Closing Covenants | §10.1 |
| Premium | §2.5.1(B) |
| Property | §2.1 |
| Purchase Price | §2.5.1 |
| Purchased Assets | §2.1 |
| Real Property | §2.1.2 |
| Required Consents | §3.4.16 |
| Response Notice | §6.12 |
| Restricted Assets | §7.5.1 |
| Retained Liabilities | §2.4 |
| Right of First Offer Basis | §6.12 |
| Rules | §11.12.2(A) |
| Sale Contracts | §2.1.4 |
| Sale Deposits | §2.1.4 |
| Seconding Arrangements | §7.5.2 |
| Seller Closing Documents | §4.2 |
| Seller Fundamental Representation(s) | §10.1 |
| Seller Indemnified Parties | §10.3 |
| Seller IP Rights | §4.13 |
| Seller, Sellers | Preamble |
| Sellers Cap | §10.4.1 |
| Sellers Existing Title Policies | §4.8.1(A) |
| Shared Services Affiliates | §3.4.21 |
| Shared Services Agreement | §3.4.21 |
| Subcontracts | §2.1.5 |
| Subsequent Closing Escrow | 3.8.3 |
| Subsequent Closing Escrow Agreement | 3.4.13 |
| Subsequent Land Closings | 3.8 |
| Subsequent Parcels | 3.8 |
| Subsequent Parcels Purchase Price | 3.8.1 |
| Survey | §4.8.1(C) |
| Tangible Personal Property | §2.1.3 |
| Third Party Consents | §6.1.7 |
| Title Report | §4.8.1(B) |
| True-Up | §2.6.3 |
| True-Up Amount | §2.6.3(B) |
| True-Up Date | §2.6 |
| True-Up Escrow | §2.5.3(B) |
| True-Up Escrow Agreement | §2.5.3(B) |
| True-Up Escrow Fund | §2.5.3(B) |
| True-Up Payment Date | §2.6.4 |
| WARN Act | §7.8.1 |
| Warranty Claims | §2.4 |
| Warranty Reserve Escrow | §2.5.3(C) |
| Warranty Reserve Escrow Agreement | §2.5.3(C) |
| Warranty Reserve Escrow Fund | §2.5.3(C) |

III. RULES OF CONSTRUCTION

1. Interpretation. The language in all parts of this Agreement shall be in all cases construed simply according to its fair meaning and not strictly for or against any of the Parties hereto. Article and Section headings of this Agreement are solely for convenience of reference and shall not govern the interpretation of any of the provisions of this Agreement. References to "Articles" and "Sections" are to articles and sections of this Agreement, unless otherwise specifically provided.
2. Business Day. If any of the dates specified in this Agreement falls on a day that is not a Business Day, then the date of such action shall be deemed to be extended to the next Business Day.
3. Certain Terms. Unless expressly indicated to the contrary, the terms "include," "includes," "including" and similar terms shall be construed as if followed by the phrase "without limitation." The term "amend" includes modify, supplement, renew, extend, replace, restate and substitute, and the term "amendment" includes modification, supplement, renewal, extension, replacement, restatement and substitution.
4. Singular and Plural; Gender. The singular of any word includes the plural, and vice-versa. The use of any gender includes all genders.
5. Laws and Agreements. A reference to any specific law, regulation, code, document or agreement includes any future amendments of the law, regulation, code, document or agreement, as the case may be.

EXHIBIT R

Form of True-Up Escrow Agreement

Schedule 2.1.1

Schedule of Net Asset Value (i.e., NAV Schedule)

Schedule 2.1.2

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Schedule 2.1.6

Model Homes

Schedule 2.1.7

Existing Land and Lot Acquisition Contracts

Schedule 2.1.8

Other Contracts

Schedule 2.2

Excluded Assets

Schedule 2.3

Assumed Liabilities

Schedule 2.5.1(A)(1)

Target Purchase Price Schedule

Schedule 2.7

Allocation of Purchase Price

Schedule 3.4.16

Required Seller Consents

Schedule 3.8

Subsequent Parcels

Schedule 4.3

Owners

Schedule 4.4

No Conflict

Schedule 4.7.1(a)

Material Subcontracts

Schedule 4.7.1(b)

Sale Contracts and Sale Deposits

Schedule 4.7.4

Renegotiations

Schedule 4.8.1

Real Property

Schedule 4.8.8

Performance Obligations

Schedule 4.8.9

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Schedule 4.8.13

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Schedule 4.8.15

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Schedule 4.9

(Un)Finished Lots

Schedule 4.9(a)

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Schedule 4.10.1

Improvements

Schedule 4.11

Tangible Personal Property and Marketing Property

Schedule 4.12

Plans and Specifications – Transfer Restrictions

Schedule 4.13

Intellectual Property Rights of Sellers

Schedule 4.14(a)

Insurance Policies

Schedule 4.14(b)

Insurance Claims

Schedule 4.15

Employee Contracts with Severance Payments

Schedule 4.16

Employee Plans

Schedule 4.23

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Schedule 4.24

Tax Return Audits/Contests

Schedule 4.26

Ownership Interest in Shared Services Agreements

Schedule 4.27.1

MHI Title Company and Mortgage Company Organizational Documents

Schedule 4.27.2

Service Companies Equity Ownership

Schedule 6.1

Conduct Prior to Closing

Schedule 6.9

Special Warranty Deeds for MUD Director Lots

Schedule 7.5.2

Seconding Arrangements for Sale & Master Planned Communities

Schedule B1

Individuals Deemed to have "Knowledge" for each Party

FIRST AMENDMENT TO PURCHASE AND SALE AGREEMENT

THIS FIRST AMENDMENT TO PURCHASE AND SALE AGREEMENT (this "**Amendment**") is entered into as of August 31, 2021 by and among (i) each of the Persons identified as a "Seller" on the signature page hereto (each is a "**Seller**" and collectively are the "**Sellers**"); (ii) FRANK B. MCGUYER ("**Owner**"), MCGUYER INTERESTS, LTD., a Texas limited partnership ("**McGuyer Interests**"), and together with Owner, the "**Interest Holders**"; (iii) DREAM FINDERS HOLDINGS LLC, a Florida limited liability company ("**Buyer**"), Sellers, Interest Holders, and Buyer are referred herein collectively as the "**Parties**" and individually as a "**Party**".

RECITALS

- A. Sellers, Owner, McGuyer Interests, and Buyer are parties to that certain Purchase and Sale Agreement dated June 17, 2021 (the "**Agreement**").
- B. The Parties desire to amend the Agreement as set forth below.

AGREEMENT

NOW, THEREFORE, for and in consideration of the premises and the mutual agreements herein set forth, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Seller and Buyer hereby agree as follows:

- 1. Capitalized terms not otherwise defined herein shall have the meaning given to such terms in the Agreement.
- 2. The first sentence of Section 2.10 of the Agreement is amended to read as follows:

Buyer shall have a period, commencing on the Effective Date through September 7, 2021 (the "**Inspection Period**"), to perform, during normal business hours and upon at least three days advance notice to Seller, due diligence with respect to the Purchased Assets (including conducting such tests, studies, surveys, and/or other physical inspections of the Property as Buyer deems necessary or appropriate) and all information relating thereto. Buyer's inspections may encompass such matters as, without limitation, title and survey, environmental conditions, soil conditions, siting, access, traffic patterns, competition, financing, economic feasibility, platting, zoning, leasing status, and matters involving governmental cooperation.

- 3. Seller and Buyer acknowledge and agree that, except as amended herein, the Agreement is in full force and effect and is hereby ratified and confirmed.
 - 4. Any and all terms and provisions of the Agreement are amended and modified wherever necessary, and even though not specifically addressed herein, so as to conform to the amendments set forth in the preceding paragraphs of this Amendment. If there is any conflict or inconsistency between the terms and conditions of this Amendment and the terms and conditions of the Agreement, the terms and conditions of this Amendment will control and govern.
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5. This Amendment may be executed by exchanging signatures by facsimile or e-mail and in several counterparts, and each counterpart when so executed and delivered shall constitute an original of this Amendment, and all such separate counterparts shall constitute but one and the same Amendment.

EXECUTED to be effective as of the date first above written.

SELLER:

MHI PARTNERSHIP, LTD., a Texas limited partnership

By: /s/ Frank B. McGuyer

Name: Frank B. McGuyer

Title: Founder and Executive Chairman

MHI MODELS, LTD., a Texas limited partnership

By: /s/ Frank B. McGuyer

Name: Frank B. McGuyer

Title: CEO and Chairman

MCGUYER HOMEBUILDERS, INC., a Texas corporation

By: /s/ Frank B. McGuyer

Name: Frank B. McGuyer

Title: Founder and Executive Chairman

FMR IP, LLC, a Texas liability company

By: /s/ Frank B. McGuyer

Name: Frank B. McGuyer

Title: Founder and Executive Chairman

HOMEKO PURCHASING COMPANY, LTD., a Texas limited partnership

By: /s/ Frank B. McGuyer
Name: Frank B. McGuyer
Title: Founder and Executive Chairman

2019 SONOMA, LLC, a Texas limited liability company

By: /s/ Frank B. McGuyer
Name: Frank B. McGuyer
Title: CEO

BUYER:

DREAM FINDERS HOLDINGS LLC, a Florida limited liability company

By: /s/ Robert E. Riva, Jr.
Name: Robert E. Riva, Jr., Esq.
Title: General Counsel and Vice President

INTEREST HOLDERS:

/s/ Frank B. McGuyer
FRANK B. MCGUYER, an individual

MCGUYER INTERESTS, LTD., a Texas limited partnership

By: /s/ Frank B. McGuyer
Name: Frank B. McGuyer
Title: Managing General Partner

Signature Page to First Amendment to
Purchase and Sale Agreement

SECOND AMENDMENT TO PURCHASE AND SALE AGREEMENT

THIS SECOND AMENDMENT TO PURCHASE AND SALE AGREEMENT (this "**Amendment**") is made as of the 7th day of September, 2021 by and among (i) each of the Persons identified as a "Seller" on the signature page hereto (each is a "**Seller**", and collectively are the "**Sellers**"); (ii) FRANK B. MCGUYER ("**Owner**"), MCGUYER INTERESTS, LTD., a Texas limited partnership ("**McGuyer Interests**", and together with Owner, the "**Interest Holders**"); (iii) DREAM FINDERS HOLDINGS LLC, a Florida limited liability company ("**Buyer**") and (iv) DFH COVENTRY, LLC, a Florida limited liability company ("**Buyer Assignee**"). Sellers, Interest Holders, Buyer Assignee and Buyer are referred herein collectively as the "**Parties**" and individually as a "**Party**".

RECITALS

WHEREAS, the Parties have entered into that certain Purchase and Sale Agreement dated as of June 17, 2021 (the "**Agreement**") for the purchase and sale of the Purchased Assets as more particularly described in the Agreement; and

WHEREAS, Parties entered into that certain First Amendment to Purchase and Sale Agreement dated August 31, 2021 (the "**First Amendment**"). Sellers and Buyer mutually desire to amend the Agreement, as amended, on the terms and conditions set forth in this Amendment; and

WHEREAS, except as otherwise defined herein, all capitalized terms shall have the meaning ascribed in the Agreement.

NOW, THEREFORE, in consideration of the mutual agreements set forth herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

1. **Assignment of the Agreement by Buyer; Newco**

(a) Pursuant to Section 11.7 of the Agreement, Buyer has assigned its rights thereunder to its affiliate, DFH Coventry, LLC, and Buyer acknowledges and agrees that, as provided in Section 11.7 of the Agreement, such assignment does not relieve Buyer of any of its obligations under the Agreement. The Parties agree that the notice provisions in the Agreement for Buyer shall remain unchanged.

(b) The definition of Newco in Exhibit B of the Agreement is hereby deleted in its entirety and replaced with the following:

"**Newco**" means DFH Coventry, LLC, a Florida limited liability company.

2. **Notice to Proceed**. Pursuant to Section 2.10 of the Agreement, Buyer is hereby providing Buyer's Notice to Proceed to Seller by providing its written notice to Seller from a Buyer named notice party expressly stating Buyer's election to proceed beyond the Inspection Period.

3. **Removal of Draft Header.** The Parties agree that the header that reads "Foley Draft 6/15/21" on the first two pages of the Agreement is hereby deleted, with the Parties further acknowledging and agreeing that the execution version of the Agreement inadvertently included the draft header.

4. **Final Form of Exhibits.**

- (a) Attached hereto as Appendix A1 is the form of Deed which the Parties agree shall serve as Exhibit C to the Agreement.
 - (b) Attached hereto as Appendix A2 is the form of Bill of Sale which the Parties agree shall serve as Exhibit D to the Agreement.
 - (c) Attached hereto as Appendix A3 is the form of Non-Foreign Affidavit which the Parties agree shall serve as Exhibit E to the Agreement.
 - (d) Attached hereto as Appendix A4 is the form of Sale Assignment which the Parties agree shall serve as Exhibit F to the Agreement.
 - (e) Attached hereto as Appendix A5 is the form of Assignment and Assumption Agreement which the Parties agree shall serve as Exhibit G to the Agreement.
 - (f) Attached hereto as Appendix A6 is the form of Owner's Affidavit which the Parties agree shall serve as Exhibit H to the Agreement.
 - (g) The Parties agree that the form of Employment Agreement to which the Parties agree shall be attached hereto pursuant to an amendment, no later than the Closing Date and serve as Exhibit I to the Agreement.
 - (h) Attached hereto as Appendix A8 is the form of form Warranty Services Agreement which the Parties agree shall serve as Exhibit J to the Agreement.
 - (i) Attached hereto as Appendix A9 is the form of Assignment and Assumption Agreement for Acquisition Contracts which the Parties agree shall serve as Exhibit K to the Agreement.
 - (j) The Parties agree that the form of Non-Competition Agreement to which the Parties agree shall be attached hereto pursuant to an amendment, no later than the Closing Date and serve as Exhibit L to the Agreement.
 - (k) Attached hereto as Appendix A11 is the form of Land Purchase Option Agreement which the Parties agree shall serve as Exhibit M to the Agreement.
 - (l) Attached hereto as Appendix A12 is the form of Subsequent Closing Escrow Agreement which the Parties agree shall serve as Exhibit N to the Agreement.
 - (m) Attached hereto as Appendix A13 is the form of Shared Services Agreement which the Parties agree shall serve as Exhibit O to the Agreement.
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- (n) Attached hereto as Appendix A14 is the form of Indemnity Escrow Agreement which the Parties agree shall serve as Exhibit P to the Agreement.
- (o) Attached hereto as Appendix A15 is the form of Warranty Reserve Escrow Agreement which the Parties agree shall serve as Exhibit Q to the Agreement.
- (p) Attached hereto as Appendix A16 is the form of True-Up Escrow Agreement which the Parties agree shall serve as Exhibit R to the Agreement.
- (q) Attached hereto as Appendix A17 is the form of Waiver and Release Agreement which the Parties agree shall serve as Exhibit S to the Agreement.
- (r) Attached hereto as Appendix A18 is the form of the Membership Interest Powers and the Limited Partnership Interest Powers (referenced in Sections 2.1.17 and 2.1.18 of the Agreement, as hereby amended which the Parties agree shall serve as Exhibit T to the Agreement.
- (s) Attached hereto as Appendix A19 is the form of Domain Name Assignment Agreement which the Parties agree shall serve as Exhibit U to the Agreement.
- (t) Attached hereto as Appendix A20 is the form of Social Media Assignment Agreement which the Parties agree shall serve as Exhibit V to the Agreement.

5. **Schedule 2.1.1 Net Asset Value.** Attached hereto as Appendix B is an updated Schedule 2.1.1 (including use of June 30, 2021 data and including the MHI Title Company and the MHI Mortgage Company valuations) which shall restate Schedule 2.1.1 in its entirety.

6. **Builder Homesite.** The Agreement is hereby amended as follows:

(a) Section 2.1.16 is restated in its entirety to read as follows:

"all ownership interests in FMR, IP, LLC, a Texas limited liability company."

(b) the following is added to Schedule 2.2 as an Excluded Asset:

"all ownership interest in Builder Homesite, Inc. ("**BHI**")."

(c) Section VI(c)(i) of Schedule 2.1.8 is hereby deleted in its entirety.

(d) "Builder Homesite, Inc. – Consent of shareholders" is hereby deleted from Schedule 3.4.16.

(e) "Builder Homesite, Inc. Consent will be needed to sell/transfer all ownership interest in the Builder Homesite, Inc. stock if acquired as part of the Agreement." is hereby deleted from Schedule 4.4.

7. **Sections 2.1.17 and 2.1.18.** The Agreement is hereby amended by restating Section 2.1.17 and 2.1.18 thereof in their entirety as follows:

"2.1.17 the 60% membership interests owned by MHI Partnership, Ltd. in WKMM, LLC and the 49% membership interest owned by Frank McGuyer in Millennium Title of Texas, L.C. (collectively "**MHI Title Company**"), it being understood that the acquisition of the membership interests of the MHI Title Company shall be evidenced by providing a Membership Interest Power in the form attached hereto as **Exhibit T** (the "**Membership Interest Powers**"). and for the purchase price of amount of investment for the MHI Title Company set forth on Schedule 2.1.1 (the "**Title Company Purchase Price**").

"2.1.18 the 75% limited partnership interest owned by Land Investment Management Corp. in FC Lending, Ltd. and the 65% limited partnership interest owned by McGuyer 2007 Partnership, LLP in Cornerstone Mortgage Partners of Texas, LP (collectively "**MHI Mortgage Company**"), it being understood that the acquisition of the ownership interest in the MHI Mortgage Company shall be evidenced by providing a Limited Partnership Interest Power in the form attached hereto as **Exhibit T** (the "**Limited Partnership Interest Powers**") and for the purchase price as the amount of investment in the MHI Mortgage Company set forth on Schedule 2.1.1 (the "**Mortgage Company Purchase Price**" and collectively with the Title Company Purchase Price the "**MHI Entities Purchase Price**").

8. **Section 2.3 Assumed Liabilities.** The Agreement is hereby amended by restating Section 2.3 thereof in its entirety as follows:

"On the Closing Date, effective as of the Effective Time, Buyer shall assume and agree to discharge or otherwise perform when due those liabilities of the Sellers set forth on **Schedule 2.3** and liabilities arising from and after the Closing under the Assumed Contracts (the "**Assumed Liabilities**")."

9. **Schedule 2.3 Assumed Liabilities.** This Schedule is the amounts of Accrued Liabilities and Trade Accounts Payable set forth on Schedule 2.1.1

10. **Schedule 2.5.1 Purchase Price Updates.**

(a) **Schedule 2.5.1(A)(1) Net Asset Value Calculation.** Attached hereto as **Appendix D** is an updated Schedule 2.5.1(A)(1) which shall restate Schedule 2.5.1(A)(1) in its entirety.

(b) **Section 2.5.1 2.5.2 and 2.5.3 are** amended and restated as follows:

2.5.1 Purchase Price. The purchase price to be paid by Buyer for the Purchased Assets (the "**Purchase Price**"), shall be the sum of:

(A) the aggregate book value of the Purchased Assets (excluding amounts attributable to goodwill and other intangibles, if any, and adjusted as necessary to comply with GAAP) *less* the amount of the Assumed Liabilities (the "**Net Asset Value**");

(1) The Net Asset Value will be calculated using generally accepted accounting principles as consistently applied by the Sellers ("**GAAP**") and in a manner consistent with the Net Asset Value calculation set forth on Schedule 2.1.1 utilized in calculating the target purchase price (the "**Target Purchase Price Schedule**").

(2) Based on the NAV Schedule attached as Schedule 2.1.1 the aggregate book value of the Purchased Assets is \$515,955,936, (b) the Assumed Liabilities are \$90,387,843, and (c) resulting in a Net Asset Value of \$425,568,093.

(3) The aggregate book values of the Purchased Assets, the amount of the Assumed Liabilities, the Net Asset Value and the Purchase Price will be calculated at Closing and adjusted pursuant to Section 2.6 below (*i.e.*, the True-Up);

(4) For the avoidance of doubt, any Subsequent Parcels (*see* Section 3.8), but not MHI Models, have been excluded from the Net Asset Value.

plus an amount equal to Fifty Million Dollars (\$50,000,000.00) (the **Premium**). The Premium shall be a fixed value and shall not be adjusted pursuant to Section 2.6 below.

Based on the NAV Schedule attached as Schedule 2.1.1, target Purchase Price would be \$475,568,093, the sum of the Net Asset Value of \$425,568,093 and the Premium of \$50,000,000.

(c) Attached hereto as Appendix B is an updated Schedule 2.1.1 which shall restate Schedule 2.1.1 in its entirety.

2.5.2 Closing Purchase Price. On or before seven (7) days prior to Closing, Sellers shall submit to Buyer updated versions of all applicable Schedules using financial information as of August 31, 2021 (unless the Closing Date is extended) (the "**Closing Adjusted Schedules**") calculated using GAAP as consistently applied by the Sellers and in a manner consistent with the Net Asset Value calculation set forth on the Target Purchase Price Schedule. Based on the Closing Adjusted Schedules, Buyer shall prepare and deliver to Sellers, within five (5) days after Buyer's receipt of the Closing Adjusted Schedules, the Closing Schedule of Net Asset Value ("**Closing NAV Schedule**"), with updated aggregate book values for the Purchased Assets to be purchased at the initial Closing, adjusted (up or down, as applicable) to reflect increases or decreases in the amount of the aggregate book value of the Purchased Assets (*e.g.*, the exclusion of any Subsequent Parcels) and updated amounts for the Assumed Liabilities. The Net Asset Value and the Purchase Price for the Purchased Assets to be purchased at Closing shall be calculated based on the Closing NAV Schedule. The Net Asset Value, as calculated based on the Closing NAV

Schedule, shall be the "**Closing Net Asset Value**", and the Purchase Price for the assets to be purchased at the initial Closing, as calculated based on the Closing NAV Schedule, plus the Premium shall be the "**Closing Purchase Price**".

2.5.3 Payment of Closing Purchase Price On the Closing Date, the Closing Purchase Price shall be paid by Buyer to Sellers as follows:

Buyer shall deposit with the Title Company the amount of Five Million Dollars (\$5,000,000.00) of the Closing Purchase Price (the "**Indemnity Escrow**" and such amount, including any interest or other amounts earned thereon and less any disbursements therefrom in accordance with the Indemnity Escrow Agreement, the "**Indemnity Escrow Fund**"), which shall be used to indemnify Buyer for any Damages as more fully described in Section 10.2 and pursuant to the Indemnity Escrow Agreement.

Buyer shall deposit with the Title Company the amount of Ten Million Dollars (\$10,000,000.00) of the Closing Purchase Price (the "**True-Up Escrow**" and such amount, including any interest or other amounts earned thereon and less any disbursements therefrom in accordance with the True-Up Escrow Agreement, the "**True-Up Escrow Fund**"), which shall be used to indemnify Buyer for any Damages as more fully described in Section 2.6 below, Section 3.1 (regarding reconciliation to pay off debt secured by any of the Initial Closing Assets), and pursuant to the True-Up Escrow Agreement in the form attached as Exhibit R (the "**True-Up Escrow Agreement**").

Buyer shall deposit with the Title Company the amount of Three Millions Dollars (\$3,000,000.00) of the Closing Purchase Price (the "**Warranty Reserve Escrow**" and such amount, including any interest or other amounts earned thereon and less any disbursements therefrom in accordance with the Warranty Reserve Escrow Agreement, the "**Warranty Reserve Escrow Fund**"), which shall be applied or returned to Sellers as provided in the Warranty Service Agreement (*see Section 6.8*) and pursuant to the Warranty Reserve Escrow Agreement in the form attached as Exhibit Q (the "**Warranty Reserve Escrow Agreement**").

Buyer shall pay the remainder of the Closing Purchase Price and the amount required to release the mortgage liens on the Real Property being purchased at the Initial Closing ("**Closing Cash Payment**") to the order of Sellers by wire transfer of immediately available funds, in accordance with written instructions provided by Sellers. For avoidance of doubt, the Closing Purchase Price shall not include the amounts set forth on the NAV Schedule related to assets owned by MHI Models (other than the San Antonio office building owned by Models which shall be acquired at the initial Closing) to be acquired pursuant to Section 3.9 and paid at the contemplated closings thereby.

11. Schedule 2.7 Allocation of Purchase Price Attached hereto as Appendix E is Schedule 2.7 to the Agreement, which shall be determined after the date of this Amendment, but prior to closing pursuant to an amendment to this Agreement.

Section 3.1 Closing Date The Agreement is hereby amended by restating Section 3.1 thereof in its entirety as follows:

"**Closing Date.** The closing of the purchase and sale of the Purchased Assets to be purchased at the initial Closing as provided in this Agreement (the "Closing") shall be held as an escrow closing coordinated by the Title Company on October 1, 2021 (which may be extended by Buyer for up to thirty (30) additional days by written notice to Sellers given at least five (5) Business Days prior to the Closing Date), or such other mutually agreed to time and place, provided the satisfaction or waiver of all conditions to Closing set forth in ARTICLE 8 below have been met. In the event that all conditions to Closing have not been satisfied or waived on or prior to October 1, 2021 (as may have been extended), then the Closing shall be held on the next immediate month end date following the date on which all conditions to Closing set forth in ARTICLE 8 below have been met. For all purposes of this Agreement, the Closing occur on the last day of a month and shall be effective as of 12.01 a.m., Houston, Texas time, on the Closing Date (the "**Effective Time**"). The date of the Closing is referred to herein as the "**Closing Date.**"

The Purchased Assets to be purchased at the initial Closing shall be as follows: (1) All finished homes, (2) all Work-in-Progress Units, (3) all Finished Lots other than the Lots and/or Land designated as Subsequent Parcels or subject to Section 3.9(b), and (4) the San Antonio office building in the name of MHI Models (collectively, the "**Initial Closing Assets**"). Buyer and Sellers agree that at Closing, Buyer may elect to utilize amounts from the True-Up Escrow Fund with the Title Company for the Closing Cash Payment being used to pay off debt secured by any of the Initial Closing Assets, provided, however, no later than thirty (30) days after Closing, Buyer and Sellers agree to use good faith efforts to make a final reconciliation with respect to the correct pay off any debt secured by such Initial Closing Assets. The provisions of this Section 11 of this Amendment shall survive Closing.

12. **Bill of Sale.** The Agreement is hereby amended by restating Section 3.4.3 thereof in its entirety as follows:

"An Assignment and Bill of Sale and Assumption Agreement in the form attached as **Exhibit D** (the "**Bill of Sale**"), duly executed by each Seller."

13. **Employment Agreements.** The Agreement is hereby amended by restating Section 3.4.9 thereof in its entirety as follows:

"A copy of an employment agreement duly executed by the Executive Team of Sellers in the form to be agreed upon after the end of the Inspection Period and added to this Agreement by an amendment after the date of this Second Amendment, but as a condition to Closing."

14. **Non- Competition Agreements.** The Agreement is hereby amended by restating Section 3.4.12 thereof in its entirety as follows:

"A copy of the Non-Competition Agreement, duly executed by each Seller and Interest Holders in the form to be agreed upon after the end of the Inspection

Period and added to this Agreement by an amendment after the date of this Second Amendment, but as a condition to Closing.”

15. **Schedule 3.4.16 Required Consents.** Attached hereto as Appendix F is an updated Schedule 3.4.16 to the Agreement which shall restate Schedule 3.4.16 in its entirety.
 16. **New Section 3.4.26 IP Assignments.** The Agreement is hereby amended by adding a new Section 3.4.26 as follows:

"IP Assignment Documents. A Domain Name Assignment Agreement in the form as set forth on Exhibit U, and a Social Media Assignment in the form as set forth on Exhibit V (collectively, the **"IP Assignment Agreements"**), each duly executed by the applicable Seller other than FMR."
 17. **New Section 3.4.27 Equity Transfer Documents.** The Agreement is hereby amended by adding a new Section 3.4.27 as follows:

"Equity Transfer Documents. The Membership Interest Powers and the Limited Partnership Interest Powers, each duly executed by the applicable owner of the equity interest."
 18. **New Section 3.5.19 IP Assignments.** The Agreement is hereby amended by adding a new Section 3.5.19 as follows:

"IP Assignment Documents. The IP Assignment Agreements, each duly executed by Buyer."
 19. **Schedule 3.8 Subsequent Parcels.** Pursuant to an amendment prior to Closing, attached hereto as Appendix F is an updated Schedule 3.8 which shall restate Schedule 3.8 in its entirety.
 20. **Section 3.9 Closings after the Initial Closing.** Section 3.9 is added to the Agreement as follows;
 - (a) MHI Models Closing.
 - (i) Newco shall acquire all of the Model Homes set forth on **Schedule 2.1.6** that are owned by MHI Models together with any Model Homes acquired by MHI Models in the interim period between the date of that Schedule and the closing date set forth below for an amount to be calculated as to the assets being acquired in accordance with the provisions of Section 2.5.1 applied to the assets of MHI Models and shall pay all amounts owed by MHI Models to lenders secured by such Model Homes. Newco shall close the purchase of the Model Homes on or before December 17, 2021. The MHI Models closing will be conducted pursuant to the terms of this Agreement. Unless otherwise agreed by MHI Models, the closing shall include all Model Homes in a single closing.
-

(ii) The Model Homes are excluded from the Purchased Assets to be purchased on the Closing Date and shall not be conveyed to Buyer at Closing, and the Purchase Price and Closing Cash Payment do not include any amounts attributable to the Model Homes. At the time of closing of the Model Homes, amounts for taxes, homeowner association dues, and assessments and similar costs incurred by Sellers during the interim period from the Closing Date to the date of closing on the Model Homes shall be paid to MHI Models. The Model Homes will be conveyed by a Deed in substantially the form attached to this Agreement.

(iii) On the Closing Date, the Buyer shall execute a Lease Assumption Agreement in the form attached hereto as **Schedule 3.9** assuming all of MHI Partnership's obligations pursuant to the Master Lease Agreement between MHI Models and MHI Partnership for the period from the Closing Date until Buyer's acquisition of the Model Homes.

(b) **MHI Partnership Developments**. MHI Partnership has acquired certain development tracts and it is contemplated by the parties that Newco shall acquire lots developed by MHI Partnership in such developments. The parties contemplate entering into mutually acceptable arrangements pursuant to which MHI Partnership will "land bank" such development tracts but such agreements are not a condition to Closing.

21. **Section 4.27** is amended and restated as follows:

(a) **MHI Title Company: MHI Mortgage Company**

(i) **Schedule 4.27.1** to the best of Sellers' knowledge, contains the true, correct and complete copies of the articles of incorporation, bylaws, articles of formation and/or operating agreements, as applicable (collectively, the "**Organizational Documents**"), for MHI Title Company and MHI Mortgage Company (collectively, the "**Service Companies**"), together with any amendments thereto.

(ii) To the best of Sellers' knowledge, the Service Companies do not own, directly or indirectly, any capital stock, or other equity interest in any corporation, partnership, trust, limited liability company or other legal entity except as disclosed on **Schedule 4.27.2** .

(iii) The equity interests of each of the Service Companies (collectively, the "**Equity Interests**") are owned by MHI Partnership, Ltd., Frank McGuyer, Land Investment Management Corp., and McGuyer 2007 Partnership, LLP and contemplated to be sold to Buyer hereunder were, to the best of Seller's knowledge, issued in compliance with applicable Laws and Regulations and constitute the percentage ownership of the total issued and outstanding Equity Interests in the applicable Service Company indicated on Schedule 4.27.1. To the best of Seller's knowledge, the Equity Interests in MHI Title Company and MHI Mortgage Company were not issued in violation of the Organizational Documents of the applicable entity or any other agreement, arrangement, or commitment to which

Seller or the applicable Service Company is a party and are not subject to or in violation of any preemptive or similar rights of any Person.

(iv) MHI Partnership, Ltd., Frank McGuyer, Land Investment Management Corp., and McGuyer 2007 Partnership, LLP own the Equity Interests free and clear of all Encumbrances.

(v) The Sellers have provided Access to the financial statements and income statements in the Sellers' possession that the Sellers have received from the general partner or manager (as applicable) of the Service Companies for fiscal years 2019, 2020 and 2021, and such financial statements and income statements are true, correct and complete copies of what the Sellers have received or what is in the Sellers' possession.

(vi) There are no outstanding or authorized options, warrants, convertible securities or other rights, agreements, arrangements or commitments of any character relating to any Equity Interests held by a Seller in the Service Companies or obligating any Seller to issue or sell any such Equity Interests in the Service Companies. Other than the Organizational Documents, there are no voting trusts, proxies, or other agreements or understandings in effect with respect to the voting or transfer of any of Seller's Equity Interests. To the Knowledge of each Seller, there are no outstanding obligations of the Service Companies to repurchase, redeem, or otherwise acquire any of Sellers' Equity Interests.

22. **Section 4.28** is added to the Agreement as follows: **4.28 FMR.**

(a) FMR does not own, directly or indirectly, any capital stock, or other equity interest in any corporation, partnership, trust, limited liability company or other legal entity,

(b) The equity interests in FMR are owned 87% by Frank McGuyer, and 13% by the Estate of Ralph S. O'Connor. The membership interests in FMR were not issued in violation of the organizational documents of FMR or any other agreement, arrangement, or commitment to which Frank McGuyer, the Estate of Ralph S. O'Connor or FMR is a party and are not subject to or in violation of any preemptive or similar rights of any Person.

(c) Frank McGuyer, and the Estate of Ralph S. O'Connor own the membership interests in FMR free and clear of all Encumbrances.

(d) The Sellers have provided Access to the financial statements of FMR in the Sellers' possession.

(e) There are no outstanding or authorized options, warrants, convertible securities or other rights, agreements, arrangements or commitments of any character relating to any membership interests in FMR. There are no voting trusts, proxies, or other

agreements or understandings in effect with respect to the voting or transfer of any of the membership interests in FMR.

23. **Schedule 7.8.** Section 7.8 is amended and restated as follows:

(a) Employees.

(i) *Offer of Employment.* In regard to employees of the Business, except for those employees who will enter into Employment Agreements, on or prior to the Closing Date, Buyer shall offer employment, on an at-will basis, effective as of the Employee Transfer Date (January 1, 2022) and conditioned on the Closing, to at least the applicable number of employees of Sellers ("**Continuing Employees**") to meet the exclusion requirements for compliance with the Worker Adjustment and Retraining Notification Act (codified at, 29 U.S.C. Sections 2101-2109), or any similar state or local law (collectively, the "**WARN Act**") or the applicable state equivalent that is applicable.

(ii) *Hiring of Continuing Employees by Buyer.* Following the Effective Date and after notice to the Sellers, Buyer may contact and interview any employees of a Seller, inspect their personnel records (upon receipt of permission from the employee), and solicit them to become employees of Buyer as of the Employee Transfer Date in accordance with Section 7.8, (as amended and set forth herein). The Sellers shall cooperate with and assist Buyer in the interview and evaluation process by providing Access to or copies of such information, personnel records and evaluations concerning the employees as Buyer may reasonably request, provided that the subject employee has consented thereto, and by rescinding, waiving or terminating any non-compete agreements between any Seller and any such employees. Sellers will terminate their employment arrangement with each Continuing Employee effective as of the Employee Transfer Date, and will be responsible for all back vacation pay, accrued salary and benefits, severance pay and any other liability, regarding any matter, owed to them as of that date. Buyer will not terminate the employment of the Continuing Employees for a minimum period of sixty (60) days if such termination would expose Sellers to liability under the WARN Act (and the regulations promulgated thereunder), and Buyer will indemnify and hold harmless Sellers with respect to any liability incurred by the breach by Buyer of its obligations under this Section 7.8.

(iii) From the Closing Date until the Employee Transfer Date, employees shall remain the employee of the applicable Seller. At and after the Employee Transfer Date, the Continuing Employees will cease to participate in any and all of the employee plans of Sellers. Buyer and its Affiliates shall pay, discharge and be responsible for all salary, wages, severance costs, benefits and claims (including workers compensation or other similar benefits and claims) arising out of the employment of the Continuing Employees commencing after the Closing, without exception.

(iv) To the extent service is relevant for the purpose of eligibility, participation, vesting, benefit contributions, benefit calculations or allowances (including, without limitation, entitlement to vacation and sick days) under any benefit plan, program or arrangement established or maintained by Buyer or its Affiliates for the benefit of the employees of Buyer or its Affiliates and in which the Continuing Employees are allowed to participate, such plan, program or arrangement shall credit the Continuing Employees for service on and prior to the Employee Transfer Date with Sellers to the extent permitted by any such plan, program or arrangement. In addition, Buyer shall give credit to Continuing Employees for any deductibles, co-payments, out of pocket payments or pre-existing condition waiting periods satisfied under Sellers' group health plan and such Continuing Employees shall not be subject to any eligibility waiting periods under Buyer's group health plan.

(v) *Non-Solicitation of Buyer Employees.* For a period of thirty-six (36) months commencing on the Closing Date, the Sellers and Owner shall not, and shall not permit any of their Affiliates to, directly or indirectly, hire or solicit any employee of Buyer (including those employees listed on Schedule 4.15) or encourage any such employee to leave such employment or hire any employee who has left such employment, except pursuant to general solicitation which is not directed specifically to any such employees. This provision shall survive Closing.

(vi) *No Rights for Seller Employees.* This Agreement is not intended to create and does not create any contractual or legal rights in or enforceable by any employee of a Seller.

Employee Costs during interim period from Closing Date until Employee Transfer Date. Buyer shall either pay or reimburse the applicable Seller for all employee costs for the period from the Closing Date to the Employee Transfer Date.

24. **Builders Advisor Group.**

(a) The Agreement is hereby amended by restating Section 10.2.3 thereof in its entirety as follows:

" any claim by any Person for brokerage or finder's fees or commissions or similar payments based upon any agreement or understanding alleged to have been made by any such Person with a Seller (or any Person acting on its behalf) in connection with any of the Contemplated Transactions, except as set forth in Section 3.2 (concerning the Buyer's agreement to pay 1/2 of the commission payable when such amounts are due to Builders Advisor Group.

(b) The Agreement is hereby amended by restating Section 10.3.3 thereof in its entirety as follows:

"any claim by any Person for brokerage or finder's fees or commissions or similar payments based upon any agreement or understanding alleged to have been made by such Person with Buyer (or any Person acting on its behalf) in connection with any of the Contemplated Transactions, except as set forth in Section 3.2 (concerning the Sellers' agreement to pay ½ of the commission payable when such amounts are due to Builders Advisor Group.

25. **Closing Adjusted Schedules Date.** The first sentence of Section 2.5.2 is hereby deleted in its entirety and replaced with the following:

"On or before seven (7) days prior to the Closing, Sellers shall submit to Buyer updated versions of all Article 2 Schedules using financial information as of August 31, 2021, unless the Closing Date is extended, in which case it would be as of September 30, 2021 (the "**Closing Adjusted Schedules**") calculated using GAAP as consistently applied by the Sellers and in a manner consistent with the Net Asset Value calculation set forth on the Target Purchase Price Schedule. Based on the Closing Adjusted Schedules, Buyer shall prepare and deliver to Sellers, within five (5) days after Buyer's receipt of the Closing Adjusted Schedules, the Closing Schedule of Net Asset Value ("**Closing NAV Schedule**"), with updated aggregate book values for the Purchased Assets being purchased at the initial Closing adjusted (up or down, as applicable) to reflect increases or decreases in the amount of the aggregate book value of the applicable Purchased Assets (e.g., the exclusion of any Subsequent Parcels) and updated amounts for the Assumed Liabilities."

26. **Update to Section 10.3.5.** The Agreement is hereby amended by restating Section 10.3.5 thereof in its entirety as follows:

"any Assumed Liability and the indemnification obligations of Buyer set forth in Section 7.5.2."

27. **Minimum Budget Pre-Tax Income Threshold Definition.**

- (a) The definition of Minimum Budget Pre-Tax Income Threshold in Exhibit B of the Agreement is hereby deleted in its entirety and replaced with the following:

"**Minimum Budget Pre-Tax Income Threshold**" means the Newco's Pre-Tax Income of at least the following amounts for the respective Earn Out Years: Earn Out Year 2021 (Closing Date to 12/31/2021) – \$25,000,000; Earn Out Year 2022 - \$88,000,000; Earn Out Year 2023 – \$97,000,000; Earn Out Year 2024 - \$106,000,000; and Earn Out Year 2025 – \$84,000,000 (January 1, 2025 to the end of the 48th month from Closing Date) as may be adjusted pursuant to Section 2.8.1 herein and assuming an October 1, 2021 Closing Date.

"**MHI Business Plan**" means the 2021 MHI Partnership Business Plan posted in the Data Room file numbers 1.6.1.5, named 12 31 21 MHI Plan v6.xlsx.

By way of example and illustration only, and not limitation, the following are examples of three scenarios an Earn Out calculations for a hypothetical year in 2022:

Scenario 1 - Missed Earnings:

| | | |
|---|-----------|------------|
| Minimum Budget Pre-Tax Income Threshold | \$ | 88,000,000 |
| Earn Out Hurdle | \$ | 66,000,000 |
| MHI Pre-Tax Net Income | \$ | 59,000,000 |
| Earn Out \$66m-\$88m (\$1 for \$1) | \$ | - |
| Earn Split > \$88M (25% of \$1 > \$88m) | \$ | - |
| Total Earn Out Payable | \$ | - |

Scenario 2 - Missed Earnings Cleared Hurdle:

| | | |
|---|-----------|----------------------|
| Minimum Budget Pre-Tax Income Threshold | \$ | 88,000,000 |
| Earn Out Hurdle | \$ | 66,000,000 |
| MHI Pre-Tax Net Income | \$ | 76,000,000 |
| Earn Out \$66m-\$88m (\$1 for \$1) | \$ | 10,000,000.00 |
| Earn Split > \$88M (25% of \$1 > \$88m) | \$ | - |
| Total Earn Out Payable | \$ | 10,000,000.00 |

Scenario 3 - Surpassed Earnings:

| | | |
|---|-----------|----------------------|
| Minimum Budget Pre-Tax Income Threshold | \$ | 88,000,000 |
| Earn Out Hurdle | \$ | 66,000,000 |
| MHI Pre-Tax Net Income | \$ | 98,000,000 |
| Earn Out \$66m-\$88m (\$1 for \$1) | \$ | 22,000,000.00 |
| Earn Split > \$88M (25% of \$1 > \$88m) | \$ | 2,500,000.00 |
| Total Earn Out Payable | \$ | 24,500,000.00 |

28. **Revenue Definition.**

- (a) The definition of Revenue in Exhibit B of the Agreement is hereby deleted in its entirety and replaced with the following:

"Revenue" means the revenue of Newco related to homebuilding activities on lots owned by clients using the completed-contract method and revenue of Newco related to homebuilding activities on lots owned by Newco using the deposit method. For the avoidance of doubt, when calculating Pre-Tax Income following Closing under the Agreement, "Revenue" shall include Newco's share of the income from the MHI Mortgage Company and MHI Title Company and is intended to be the Business as operated by Newco in accordance with the requirements of Section 2.8.

29. **Permitted Encumbrances Definition.**

- (a) The definition of Permitted Encumbrances in Exhibit B of the Agreement is hereby deleted in its entirety and replaced with the following:
-

"Permitted Encumbrances" means: (a) Encumbrances securing general real property taxes which are not yet delinquent; (b) Taxes imposed with respect to the Purchased Assets which are not yet due and payable as of the Closing Date or which are being contested by appropriate Proceedings; (c) liens held by lenders and second lien deeds of trust in connection with lot acquisitions to the extent they are denoted as Assumed Liabilities; (d) matters disclosed in the Survey, plats, or Sellers Existing Title Policies; (e) statutory liens of landlords, carriers, warehousemen, mechanics and materialmen or other similar liens incurred in the ordinary course of business consistent with past practices for sums not yet due; (f) liens incurred or deposits made in the ordinary course of business consistent with past practices in connection with workers' compensation, unemployment insurance and other types of social security, (g) rights of other parties to the Assumed Contracts, (h) easements, rights-of-way, restrictions and other similar charges and encumbrances not interfering with the ordinary course of business of Sellers; (i) Encumbrances securing Assumed Liabilities; (j) Encumbrances to be discharged at Closing or as otherwise permitted by this Agreement (in connection with reconciliations with the Agreement); (k) liens secured by the Subsequent Parcels. However, "Permitted Encumbrances" exclude liens encumbrances, charges, mortgages or security interests which shall be released and discharged at or prior to the Closing.

30. **List of Exhibits.** "Exhibit R – Form of True-Up Escrow Agreement," Exhibit S – Form of Waiver and Release Agreement; Exhibit T – Master Lease Assumption Agreement; Exhibit U – Domain Name Assignment Agreement; and Exhibit V – Social Media Assignment Agreement; are added to the list of Exhibits on page A-1 of the Agreement.

31. **MHI Online.**

(a) The definition of Access in Exhibit B of the Agreement is hereby deleted in its entirety and replaced with the following:

"Access" with respect to any document(s) means: (i) Sellers have delivered such document to Buyer, (ii) caused such document to be delivered to Buyer, (iii) has made such document(s) to be readily available to Buyer either in one location on the Data Room in a reasonably organized manner or at the office of the applicable Seller where such document(s) are regularly maintained as requested by Buyer or available in the Data Room, or (iv) has made such document(s) available to Buyer thru access granted to "MHI-Online" intranet portal at <https://mhionline.mhinc.com/>."

32. **Master Waiver and Release Agreement.** The Parties agree that the Master Waiver and Release Agreement attached hereto as Appendix A17 (Exhibit S) shall be added as a "Closing Agreement" under the Agreement and each applicable Party thereto shall deliver executed copies of the same at Closing.

33. **Effect of Amendment.** To the extent any provisions contained herein conflict with the Agreement or any other agreements between Seller and Purchaser, oral or otherwise, the provisions contained herein shall supersede such conflicting provisions contained in the Agreement or other agreements. Except as specifically modified by this Amendment, the Agreement remains in full force and effect and is in all events ratified, confirmed and approved.

34. **Counterparts.** This Amendment may be executed in multiple counterparts, each of which shall be deemed to be an original, but all of which, together, shall constitute one and the same instrument. Delivery of signatures by e-mail or facsimile shall be valid and binding.

[signature page follows]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed and delivered as of the day and year first above written.

BUYER:

DREAM FINDERS HOLDINGS LLC,

a Florida limited liability company

By: /s/ Doug Moran

Name: Doug Moran

Title: COO

BUYER ASSIGNEE:

DFH Coventry LLC,

a Florida limited liability company

By: /s/ Doug Moran

Name: Doug Moran

Title: COO

INTEREST HOLDERS:

/s/ Frank B. McGuyer

Frank B. McGuyer, an individual

McGuyer Interests, Ltd.,

a Texas limited partnership

By: /s/ Frank B. McGuyer

Name: Frank B. McGuyer

Title: Managing General Partner

SELLERS:

MHI Partnership, Ltd.,

a Texas limited partnership

By: /s/ Frank B. McGuyer

Name: Frank B. McGuyer

Title: Founder and Executive Chairman

Signature Page for Second Amendment
to Purchase and Sale Agreement

MHI Models, Ltd., a Texas limited partnership

By: /s/ Frank B. McGuyer

Name: Frank B. McGuyer

Title: CEO and Chairman

McGuyer Homebuilders, Inc.

a Texas corporation

By: /s/ Frank B. McGuyer

Name: Frank B. McGuyer

Title: Founder and Executive Chairman

HOMEKO PURCHASING COMPANY, Ltd.

a Texas limited partnership

By: /s/ Frank B. McGuyer

Name: Frank B. McGuyer

Title: Founder and Executive Chairman

2019 Sonoma, LLC

a Texas limited liability company

By: /s/ Frank B. McGuyer

Name: Frank B. McGuyer

Title: CEO

Appendix A1

Form of Deed

Appendix A2

Form of Bill of Sale and Assumption

Appendix A3

Form of Non-Foreign Affidavit

Appendix A4
Form of Sale Assignment

Appendix A5

Form of Assignment and Assumption Agreement

Appendix A6

Form of Owner's Affidavit

Appendix A7

Form of Employment Agreement

Appendix A8

Form of Warranty Services Agreement

Appendix A9

Form of Assignment and Assumption Agreement for Acquisition Contracts

Appendix A10

Form of Non-Competition Agreement

Appendix A11

Form of Land Purchase Option Agreement

Appendix A12

Form of Subsequent Closing Escrow Agreement

Appendix A13

Form of Shared Services Agreement

Appendix A14

Form of Indemnity Escrow Agreement

Appendix A15

Form of Warranty Reserve Escrow Agreement

Appendix A16

Exhibit R: Form of True-Up Escrow Agreement

Appendix A17

Exhibit S: Form of Waiver and Release Agreement

Appendix A18

Exhibit T: Form of Membership Interest Powers & Limited Partnership Interest Powers

Appendix A19

Exhibit U: Form of Domain Name Assignment Agreement

Appendix A20

Exhibit V: Form of Social Media Assignment

Appendix B

Schedule 2.1.1

Appendix C

Schedule 2.3

Appendix D
Schedule 2.5.1(A)(1)

Appendix E

Schedule 2.7

Appendix F
Schedule 3.4.16

Appendix G

Schedule 3.8

FIRST AMENDMENT AND COMMITMENT INCREASE AGREEMENT

Dated as of September 8, 2021

among

DREAM FINDERS HOMES, INC.,
as Borrower,

BANK OF AMERICA, N.A.,
as Administrative Agent
and
an L/C Issuer,

The Other L/C Issuers Party Hereto,

and

The Other Lenders Party Hereto

U.S. BANK NATIONAL ASSOCIATION
D/B/A HOUSING CAPITAL COMPANY,

and

FLAGSTAR BANK, FSB,

as

Syndication Agents

BMO HARRIS BANK N.A.,

as

Documentation Agent

BOFA SECURITIES, INC.,

as

Sole Bookrunner

BOFA SECURITIES, INC.,
U.S. BANK NATIONAL ASSOCIATION
D/B/A HOUSING CAPITAL COMPANY,

and

FLAGSTAR BANK, FSB,

as

Joint Lead Arrangers

FIRST AMENDMENT AND COMMITMENT INCREASE AGREEMENT

THIS FIRST AMENDMENT AND COMMITMENT INCREASE AGREEMENT (this "*Amendment*") is dated as of September 8, 2021, by and among DREAM FINDERS HOMES, INC., a Delaware corporation ("*Borrower*"), BANK OF AMERICA, N.A., as administrative agent for the lenders (in such capacity, "*Administrative Agent*"), and the Lenders (defined below) party hereto.

WITNESSETH

A. Reference is made to the Credit Agreement, dated as of January 25, 2021, by and among Borrower, each of the Lenders defined therein (collectively, together with the New Lenders defined below, "*Lenders*"), Administrative Agent and the other parties thereto (as renewed, extended, modified, and amended from time to time prior to the date hereof, the "*Credit Agreement*"). Terms defined in the Credit Agreement and not otherwise defined herein are used herein as therein defined.

B. Pursuant to *Section 2.14* of the Credit Agreement, Borrower has requested an increase in the Aggregate Commitments.

C. Each New Lender identified on the signature pages hereof (each, a "*New Lender*" and collectively, "*New Lenders*") has agreed to join the Credit Agreement as a Lender and provide a Commitment thereunder, and certain Lenders identified on the signature pages hereof (each, an "*Increasing Lender*" and collectively, the "*Increasing Lenders*") have agreed to increase their existing Commitments under the Credit Agreement, in each case, to accommodate Borrower's request.

D. The parties hereto have also agreed to amend certain terms and provisions of the Credit Agreement as more particularly described herein.

NOW, THEREFORE, the parties hereto agree as follows:

1. **Amendments.** On and after the Effective Date (defined below):

(a) The following definitions are hereby added to *Section 1.01* of the Credit Agreement in appropriate alphabetical order:

"*Acquisition*" means a transaction or series of transactions resulting in acquisition of a business, division, or all or substantially all of the assets of a Person, acquisition of record or beneficial ownership of the equity interests of a Person, or merger, consolidation or combination of a Person with or into another Person.

"*Credit Party*" has the meaning set forth in *Section 9.12*.

"*Debt to Capitalization Surge Period*" has the meaning set forth in *Section 7.13(a)*.

"*Earnout Obligations*" means contingent earnout obligations payable to one or more sellers incurred in connection with an Acquisition.

"*MHI Acquisition*" means the Acquisition by the Loan Parties of the assets of McGuyer Homebuilders, Inc.

"*Rescindable Amount*" has the meaning set forth in *Section 2.11(b)(ii)*.

(b) The definitions of “*Indebtedness*,” “*Interest Period*” and “*Tangible Net Worth*” in *Section 1.01* of the Credit Agreement are hereby deleted in their entireties and replaced with the following:

“*Indebtedness*” means, as to any Person at a particular time, without duplication, all of the following, whether or not included as indebtedness or liabilities in accordance with GAAP:

(a) all obligations of such Person for borrowed money and all obligations of such Person evidenced by bonds, debentures, notes, loan agreements or other similar instruments;

(b) all direct or contingent obligations of such Person arising under letters of credit (including standby and commercial), bankers’ acceptances, bank guaranties, surety bonds, comfort letters, keep-well agreements, capital maintenances agreements and similar instruments, to the extent such instruments and agreements support financial, rather than performance, obligations;

(c) net obligations of such Person under any Swap Contract;

(d) all obligations of such Person to pay the deferred purchase price of property or services (other than (i) trade accounts payable in the ordinary course of business and, in each case, not past due for more than 60 days after the date on which such trade account payable was created and (ii) Earnout Obligations);

(e) indebtedness (excluding prepaid interest thereon) secured by a Lien on property owned or being purchased by such Person (including indebtedness arising under conditional sales or other title retention agreements), whether or not such indebtedness shall have been assumed by such Person or is limited in recourse;

(f) Capital Leases and Synthetic Lease Obligations;

(g) all obligations of such Person to purchase, redeem, retire, defease or otherwise make any payment in respect of any Disqualified Stock or other equity interest in such Person or any other Person, valued, in the case of a redeemable preferred interest, at the greater of its voluntary or involuntary liquidation preference *plus* accrued and unpaid dividends; and

(h) all Guarantees of such Person in respect of any of the foregoing.

For all purposes hereof, the Indebtedness of any Person shall include the Indebtedness of any partnership or joint venture (other than a joint venture that is itself a corporation or limited liability company) in which such Person is a general partner or a joint venturer, unless such Indebtedness is expressly made non-recourse to such Person. The amount of any net obligation under any Swap Contract on any date shall be deemed to be the Swap Termination Value thereof as of such date. The amount of any Capital Lease or Synthetic Lease Obligation as of any date shall be deemed to be the amount of Attributable Indebtedness in respect thereof as of such date.

“*Interest Period*” means, as to each Eurodollar Rate Loan, the period commencing on the date such Eurodollar Rate Loan is disbursed or converted to or continued as a

Eurodollar Rate Loan and ending on the date one, three or six months thereafter (in each case, subject to availability), as selected by Borrower in its Loan Notice; *provided* that:

(a) any Interest Period that would otherwise end on a day that is not a Business Day shall be extended to the next succeeding Business Day unless, in the case of a Eurodollar Rate Loan, such Business Day falls in another calendar month, in which case such Interest Period shall end on the next preceding Business Day;

(b) any Interest Period pertaining to a Eurodollar Rate Loan that begins on the last Business Day of a calendar month (or on a day for which there is no numerically corresponding day in the calendar month at the end of such Interest Period) shall end on the last Business Day of the calendar month at the end of such Interest Period; and

(c) no Interest Period shall extend beyond the Maturity Date.

“**Tangible Net Worth**” means, for the Consolidated Group as of any date of determination, (a) total equity on a consolidated basis determined in accordance with GAAP, *minus* (b) all intangible assets on a consolidated basis determined in accordance with GAAP, excluding the portion of goodwill attributable to Earnout Obligations, *plus* (c) all depreciation determined in accordance with GAAP.

(c) **Section 2.11(b)(ii)** of the Credit Agreement is hereby deleted in its entirety and replaced with the following:

(ii) **Payments by Borrower; Presumptions by Administrative Agent** Unless Administrative Agent shall have received notice from Borrower prior to the date on which any payment is due to Administrative Agent for the account of the Lenders or any L/C Issuer hereunder that Borrower will not make such payment, Administrative Agent may assume that Borrower has made such payment on such date in accordance herewith and may, in reliance upon such assumption, distribute to the Lenders or the applicable L/C Issuer, as the case may be, the amount due. With respect to any payment that Administrative Agent makes for the account of the Lenders or any L/C Issuer hereunder as to which Administrative Agent determines (which determination shall be conclusive absent manifest error) that any of the following applies (such payment referred to as the “**Rescindable Amount**”): (1) Borrower has not in fact made such payment; (2) Administrative Agent has made a payment in excess of the amount so paid by Borrower (whether or not then owed); or (3) Administrative agent has for any reason otherwise erroneously made such payment; then each of the Lenders or the applicable L/C Issuers, as the case may be, severally agrees to repay to Administrative Agent forthwith on demand the Rescindable Amount so distributed to such Lender or such L/C Issuer, in immediately available funds with interest thereon, for each day from and including the date such amount is distributed to it to but excluding the date of payment to Administrative Agent, at the greater of the Federal Funds Rate and a rate determined by Administrative Agent in accordance with banking industry rules on interbank compensation.

(d) **Section 2.14(a)** of the Credit Agreement is hereby deleted in its entirety and replaced with the following:

(a) **Request for Increase.** Provided there exists no Default, upon notice to Administrative Agent (which shall promptly notify the Lenders), Borrower may from time to time, request an increase in the Aggregate Commitments (which increase may take the form of additional Commitments, new revolving loan tranches, new term loan tranches or any combination of the foregoing) to an amount (for all such requests) not exceeding \$1,050,000,000; *provided* that any such request for an increase shall be in a minimum amount of \$25,000,000 (or such lesser amount approved by Administrative Agent in writing). At the time of sending such notice, Borrower (in consultation with Administrative Agent) shall specify the time period within which each Lender is requested to respond (which shall in no event be less than ten Business Days from the date of delivery of such notice to the Lenders).

(e) The hanging paragraph following **Section 3.03(c)** of the Credit Agreement is hereby deleted in its entirety and replaced with the following:

then, in the case of **clauses (i)-(iii)** above, on a date and time determined by Administrative Agent (any such date, the “**LIBOR Replacement Date**”), which date shall be at the end of an Interest Period or on the relevant interest payment date, as applicable, for interest calculated and shall occur within a reasonable period of time after the occurrence of any of the events or circumstances under **clauses (i), (ii) or (iii)** above and, solely with respect to **clause (ii)** above, no later than the Scheduled Unavailability Date, LIBOR will be replaced hereunder and under any Loan Document with, subject to the proviso below, the first available alternative set forth in the order below for any payment period for interest calculated that can be determined by Administrative Agent, in each case, without any amendment to, or further action or consent of any other party to, this Agreement or any other Loan Document (the “**LIBOR Successor Rate**”; and any such rate before giving effect to the Related Adjustment, the “**Pre-Adjustment Successor Rate**”):

(f) **Section 7.03** of the Credit Agreement is hereby amended to (i) delete “and” in **clause (h)** thereof; (ii) replace “.” with “; and” in **clause (i)** thereof; and (iii) add a new **clause (j)** in appropriate alphabetical order to read in its entirety as follows:

(j) obligations under contracts to purchase real property in the ordinary course of business so long as such obligations are not evidenced by a promissory note and are not secured by a Lien on any property or other assets of any member of the Consolidated Group.

(g) **Section 7.13(a)** of the Credit Agreement is hereby deleted in its entirety and replaced with the following:

(a) **Maximum Debt to Capitalization Ratio.** Permit the Debt to Capitalization Ratio as of the last day of any fiscal quarter of Borrower to be greater than the ratio set forth below opposite such fiscal quarter, *provided* that, as of the last day of the fiscal quarter in which the MHI Acquisition occurred and the fiscal quarter immediately following such fiscal quarter (such period, a “**Debt to Capitalization Surge Period**”), the Debt to Capitalization Ratio may not be greater than the applicable ratio set forth below in the “**Debt to Capitalization Surge Period Ratio**” column:

| Four Fiscal Quarters Ending | Maximum Debt to Capitalization Ratio | Debt to Capitalization Surge Period Ratio |
|------------------------------------|--------------------------------------|---|
| Closing Date through December 2021 | 65.00% | 70.00% |

January 2022 through December 2022
January 2023 and each fiscal quarter thereafter

62.50%
60.00%

67.50%
65.00%

(h) *Article IX* of the Credit Agreement is hereby amended to add the following new *Section 9.12* in appropriate numerical order:

9.12 **Recovery of Erroneous Payments.** Without limitation of any other provision in this Agreement, if at any time Administrative Agent makes a payment hereunder in error to any Lender or any L/C Issuer (the “*Credit Party*”), whether or not in respect of an Obligation due and owing by Borrower at such time, where such payment is a Rescindable Amount, then in any such event, each Credit Party receiving a Rescindable Amount severally agrees to repay to Administrative Agent forthwith on demand the Rescindable Amount received by such Credit Party in immediately available funds in the currency so received, with interest thereon, for each day from and including the date such Rescindable Amount is received by it to but excluding the date of payment to Administrative Agent, at the greater of the Federal Funds Rate and a rate determined by Administrative Agent in accordance with banking industry rules on interbank compensation. Each Credit Party irrevocably waives any and all defenses, including any “discharge for value” (under which a creditor might otherwise claim a right to retain funds mistakenly paid by a third party in respect of a debt owed by another) or similar defense to its obligation to return any Rescindable Amount. Administrative Agent shall inform each Credit Party promptly upon determining that any payment made to such Credit Party comprised, in whole or in part, a Rescindable Amount.

(i) *Exhibit A* of the Credit Agreement is hereby replaced with *Exhibit A* attached hereto.

(j) All references in the Loan Documents to the Credit Agreement shall henceforth include references to the Credit Agreement, as modified and amended hereby, and as may, from time to time, be further amended, modified, extended, renewed, and/or increased.

(k) Any and all of the terms and provisions of the Loan Documents are hereby amended and modified wherever necessary, even though not specifically addressed herein, so as to conform to the amendments and modifications set forth herein.

2. **Lender Joinders.** Subject to the terms and conditions set forth herein,

(a) Each New Lender hereby (i) agrees to become a “*Lender*” under the Credit Agreement; (ii) joins in, becomes a party to, and agrees to comply with and be bound by the terms and conditions of the Credit Agreement, to the same extent as if such New Lender were an original signatory thereto; and (iii) agrees to provide a Commitment to Borrower under the Credit Agreement on the Effective Date in the amount set forth opposite such New Lender’s name on *Schedule 2.01A* attached hereto; and

(b) Each New Lender hereby (i) represents and warrants that it has full power and authority, and has taken all action necessary, to execute and deliver this Amendment and to consummate the transactions contemplated hereby; and (ii) agrees that it will (A) independently and without reliance on Administrative Agent or any other Lender, and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under the Loan Documents, and (B) perform in accordance with their terms all of the obligations which by the terms of the Loan Documents are required to be performed by it as a Lender.

3. **Increasing Lenders.** Subject to the terms and conditions set forth herein, each Increasing Lender hereby agrees to increase its Commitment on the Effective Date to equal the amount set forth opposite such Increasing Lender's name on *Schedule 2.01A* attached hereto. Each Increasing Lender hereby represents and warrants that it has full power and authority, and has taken all action necessary, to execute and deliver this Amendment and to consummate the transactions contemplated hereby.

4. **Commitment Schedule; Reallocations.** Upon the effectiveness of this Amendment, Borrower, Administrative Agent and Lenders shall make such reallocations, sales, assignments and other relevant actions in respect of each Lender's Loans as are necessary in order that such Lender's Loans reflect such Lender's Applicable Percentage of the outstanding Aggregate Commitments on the Effective Date, and (unless otherwise waived by a Lender in its sole discretion) Borrower agrees to compensate each Lender for any loss, cost or expense incurred by such Lender in connection with the reallocation described above, in each case on the terms and in the manner set forth in *Section 3.05* of the Credit Agreement.

5. **Representations and Warranties.** Borrower hereby represents and warrants that:

(a) Borrower has the power to execute and deliver this Amendment and to perform its obligations hereunder; and Borrower has duly authorized such execution, delivery and performance.

(b) This Amendment constitutes a legal, valid and binding obligation of Borrower, enforceable against Borrower in accordance with its terms, except as limited by Debtor Relief Laws and the applicable of general principles of equity (regardless of whether such enforceability is considered in proceedings in equity or at law).

(c) The representations and warranties of Borrower in the representations and warranties contained in *Article V* of the Credit Agreement and the other Loan Documents are true and correct on and as of this Amendment, except to the extent that such representations and warranties specifically refer to an earlier date, in which case they are true and correct as of such earlier date and except that for purposes of this paragraph, the representations and warranties contained in *subsections (a) and (b)* of *Section 5.05* of the Credit Agreement shall be deemed to refer to the most recent statements furnished pursuant to *subsections (a) and (b)*, respectively, of *Section 6.01* of the Credit Agreement.

(d) No Default has occurred and is continuing or would result from giving effect to this Amendment.

(e) The conditions set forth in *Section 2.14* of the Credit Agreement have been satisfied as of the date hereof.

6. **Conditions Precedent.** The effectiveness of this Amendment (such date of effectiveness, the "*Effective Date*") is subject to satisfaction of the following conditions precedent:

(a) Administrative Agent shall have received this Amendment, duly executed and delivered by each New Lender, each Increasing Lender, and other Lenders constituting Required Lenders, the L/C Issuers, Administrative Agent, and Borrower;

(b) A Note for each New Lender (to the extent requested by such Lender);

(c) Administrative Agent shall have received a certificate of each Loan Party dated as of the date hereof (in sufficient copies for each Lender) signed by a Responsible Officer of such Loan Party (i) certifying and attaching the resolutions adopted by such Loan Party approving or consenting to this Amendment, and (ii) in the case of Borrower, certifying that, before and after giving effect to this

Amendment, (A) the representations and warranties contained in *Article V* of the Credit Agreement and the other Loan Documents are true and correct on and as of the date hereof, except to the extent that such representations and warranties specifically refer to an earlier date, in which case they are true and correct as of such earlier date, and except that for purposes of this paragraph, the representations and warranties contained in *subsections (a) and (b) of Section 5.05* of the Credit Agreement shall be deemed to refer to the most recent statements furnished pursuant to *subsections (a) and (b)*, respectively, of *Section 6.01* of the Credit Agreement, and (B) no Default exists or would result from giving effect to this Amendment;

(d) (x) upon the reasonable request of any Lender made at least fifteen days prior to the date hereof, Borrower shall have provided to such Lender, and such Lender shall be reasonably satisfied with, the documentation and other information so requested in connection with applicable “know your customer” and anti-money-laundering rules and regulations, including the PATRIOT Act, in each case at least ten (10) days prior to the date hereof and (y) at least ten (10) days prior to the date hereof, any Loan Party that qualifies as a “legal entity customer” under the Beneficial Ownership Regulation shall have delivered, to each Lender that so requests, a Beneficial Ownership Certification in relation to such Loan Party;

(e) the representations and warranties set forth herein shall be true and correct;

(f) no Default shall have occurred and be continuing or would result from giving effect to this Amendment;

(g) payment by Borrower of all fees and other amounts due and payable on or prior to the date hereof, including, without limitation, any applicable fees set forth in any applicable Fee Letter or any other Loan Document, and reimbursement or payment of all costs and expenses required to be reimbursed or paid by Borrower hereunder, including all fees, charges and disbursements of counsel to Administrative Agent (directly to such counsel if requested by Administrative Agent); and

(h) receipt by Administrative Agent of such other documents or instruments as Administrative Agent may reasonably require to evidence the increase in the Commitment of any Lender and to ratify each Loan Party’s continuing obligations under the Credit Agreement and under the other Loan Documents.

7. Miscellaneous.

(a) Borrower hereby ratifies, confirms and agrees that, following the effectiveness of this Amendment: (i) the Loan Documents shall remain in full force and effect; and (ii) all guaranties and assurances granted, conveyed, assigned or otherwise in favor of Administrative Agent under the Loan Documents are not released, reduced, or otherwise adversely affected by this Amendment and continue to guarantee and assure full payment and performance of the present and future Obligations.

(b) This Amendment shall constitute one of the Loan Documents.

(c) This Amendment shall be binding upon, and inure to the benefit of, the parties hereto and their respective successors and assigns. This Amendment may be executed in any number of counterparts, which together shall constitute one instrument. Delivery of an executed counterpart of a signature page of this Amendment by telecopy shall be effective as delivery of a manually executed counterpart of this Amendment. This Amendment shall be governed by, and construed in accordance with, the laws of the State of New York. This Amendment, together with the Credit Agreement and the other Loan Documents, embodies the entire agreement and understanding relating to the subject matter hereof.

(d) Unless stated otherwise (i) the singular number includes the plural and *vice versa* and words of any gender include each other gender, in each case, as appropriate, (ii) headings and captions may

not be construed in interpreting provisions, and (iii) if any part of this Amendment is for any reason found to be unenforceable, all other portions of it nevertheless remain enforceable.

(e) The amendments set forth herein are limited precisely as written and shall not be deemed: (i) to be a consent under or waiver of any other term or condition in the Credit Agreement or any of the other Loan Documents; or (ii) to prejudice any right or rights which Administrative Agent and Lenders now have or may have in the future under, or in connection with the Credit Agreement, as amended hereby, the other Loan Documents or any of the other documents referred to herein or therein.

(f) This Amendment may be in the form of an Electronic Record (and may be delivered by e-mail or facsimile) and may be executed using Electronic Signatures (including, without limitation, facsimile and .pdf) and shall be considered an original, and shall have the same legal effect, validity and enforceability as a paper record. This Amendment may be executed in as many counterparts as necessary or convenient, including both paper and electronic counterparts, but all such counterparts are one and the same letter agreement. For the avoidance of doubt, the authorization under this paragraph may include, without limitation, use or acceptance by Bank of America, N.A. of a manually signed paper Communication which has been converted into electronic form (such as scanned into pdf format), or an electronically signed Communication converted into another format, for transmission, delivery and/or retention. For purposes hereof, (a) "**Electronic Record**" and "**Electronic Signature**" shall have the meanings assigned to them, respectively, by 15 USC §7006, as it may be amended from time to time and (b) "**Communication**" shall mean this Amendment and any document, amendment, approval, consent, information, notice, certificate, request, statement, disclosure or authorization related to this Amendment.

[Signature Pages Follow.]

IN WITNESS WHEREOF, the undersigned has executed this Amendment as of the date first stated above.

BORROWER:

DREAM FINDERS HOMES, INC.

By: /s/ Patrick O. Zalupski
Name: Patrick O. Zalupski
Title: President

Signature Page to
First Amendment and Commitment Increase Agreement

ADMINISTRATIVE AGENT:

BANK OF AMERICA, N.A., as Administrative Agent

By: /s/ William Campano
Name: William Campano
Title: Senior Vice President

Signature Page to
First Amendment and Commitment Increase Agreement

LENDERS:

BANK OF AMERICA, N.A., as an Increasing Lender and an L/C Issuer

By: /s/ William Campano
Name: William Campano
Title: Senior Vice President

Signature Page to
First Amendment and Commitment Increase Agreement

**U.S. BANK NATIONAL ASSOCIATION, d/b/a HOUSING CAPITAL COMPANY, as a
Lender and an L/C Issuer**

By: /s/ Jamie Miller
Name: Jamie Miller
Title: Senior Vice President

Signature Page to
First Amendment and Commitment Increase Agreement

AMERIS BANK, as an Increasing Lender

By: /s/ Steve Felske
Name: Steve Felske
Title: VP

Signature Page to
First Amendment and Commitment Increase Agreement

ZIONS BANCORPORATION, N.A. DBA VECTRA BANK COLORADO, as an
Increasing Lender

By: /s/ Shane Frazier
Name: Shane Frazier
Title: VP

Signature Page to
First Amendment and Commitment Increase Agreement

BMO HARRIS BANK N.A., as an Increasing Lender

By: /s/ Michael M. Mattick
Name: Michael M. Mattick
Title: Vice President

Signature Page to
First Amendment and Commitment Increase Agreement

ROYAL BANK OF CANADA, as a Lender

By: /s/ Edward McKenna
Name: Edward McKenna
Title: Authorized Signatory

Signature Page to
First Amendment and Commitment Increase Agreement

SYNOVUS BANK, as an Increasing Lender

By: /s/ Michael Sawicki
Name: Michael Sawicki
Title: Director Corporate Banking

Signature Page to
First Amendment and Commitment Increase Agreement

FLAGSTAR BANK, FSB, as an Increasing Lender

By: /s/ Drew Szilagyi
Name: Drew Szilagyi
Title: Vice President

Signature Page to
First Amendment and Commitment Increase Agreement

TEXAS CAPITAL BANK, NATIONAL ASSOCIATION, as an Increasing Lender

By: /s/ Misty Lieb-Banatyne
Name: Misty Lieb-Banatyne
Title: Senior Vice President

Signature Page to
First Amendment and Commitment Increase Agreement

FIRST NATIONAL BANK OF PENNSYLVANIA, as a New Lender

By: /s/ Jay Hall
Name: Jay Hall
Title: Senior Vice President

Signature Page to
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HOMETRUST, as a New Lender

By: /s/ Justin Dunn
Name: Justin Dunn
Title: SVP

Signature Page to
First Amendment and Commitment Increase Agreement

HANCOCK WHITNEY, as a New Lender

By: /s/ Elizabeth L. Spangle
Name: Elizabeth L. Spangle
Title: Vice President

Signature Page to
First Amendment and Commitment Increase Agreement

To induce Administrative Agent, Lenders, and L/C Issuers to enter into this Amendment, the undersigned hereby (a) consent and agree to its execution and delivery and the terms and conditions thereof, (b) agree that this document in no way releases, diminishes, impairs, reduces, or otherwise adversely affects any guaranties, assurances, or other obligations or undertakings of any of the undersigned under any Loan Documents, (c) confirms and ratifies its continuing unconditional obligations as a Guarantor under the Guaranty, as it may be amended or otherwise modified hereby, with respect to all of the Guaranteed Obligations (as defined therein), and (d) waive notice of acceptance of this Amendment, which Amendment binds each of the undersigned and their respective successors and permitted assigns and inures to the benefit of Administrative Agent, the L/C Issuers and Lenders and their respective successors and permitted assigns.

GUARANTORS:

DREAM FINDERS HOMES, LLC
H&H CONSTRUCTORS OF FAYETTEVILLE, LLC
VILLAGE PARK HOMES, LLC
DFH LAND, LLC
DFH WILDWOOD, LLC
DFH MANDARIN, LLC

By: /s/ Robert E. Riva, Jr.
Name: Robert E. Riva, Jr., Esq.
Title: General Counsel and Vice President

DREAM FINDERS HOLDINGS LLC

By: /s/ Robert E. Riva, Jr.
Name: Robert E. Riva, Jr., Esq.
Title: General Counsel and Vice President

Signature Page to
First Amendment and Commitment Increase Agreement

COMMITMENTS AND APPLICABLE PERCENTAGES

FORM OF LOAN NOTICE

SUBSCRIPTION AGREEMENT
BY AND BETWEEN
DREAM FINDERS HOMES, INC.
AND
THE PURCHASERS PARTY HERETO
Dated as of September 8, 2021

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SUBSCRIPTION AGREEMENT

This SUBSCRIPTION AGREEMENT, dated as of September 8, 2021 (this "Agreement"), is by and between Dream Finders Homes, Inc., a Delaware corporation (the "Company"), and each of the purchasers set forth Exhibit E (each, a "Purchaser," and together, the "Purchasers"). Capitalized terms used but not defined herein have the meanings assigned to them in Exhibit A.

Each Purchaser desires to purchase from the Company, and the Company desires to issue and sell to each Purchaser, the number of shares of the Company's Series A Convertible Preferred Stock, par value \$0.01 per share (the "Preferred Stock") set forth opposite such Purchaser's name on Exhibit E (the "Purchased Shares"), on the terms and subject to the conditions hereinafter set forth.

In consideration of the premises and the mutual representations, warranties, covenants and agreements contained herein, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

ARTICLE I

PURCHASE AND SALE OF PURCHASED SHARES

Section 1.1 Purchase and Sale. On the terms and subject to the satisfaction or waiver of the conditions set forth in this Agreement, at the Closing, each Purchaser shall purchase, and the Company shall issue and sell to each Purchaser, the number of Purchased Shares set forth opposite such Purchaser's name on Exhibit E, free and clear of any liens (other than liens incurred by such Purchaser or its Affiliates, restrictions arising under applicable securities laws, or restrictions imposed by the this Agreement, the Certificate of Designations or the Registration Rights Agreement) for an aggregate purchase price of \$150,000,000. The Preferred Stock shall have the rights, powers, preferences, and privileges set forth in the Certificate of Designations (the "Certificate of Designations") in the form attached hereto as Exhibit B.

Section 1.2 Closing. On the terms and subject to the satisfaction or waiver of the conditions set forth in this Agreement, the closing of the issuance, sale and purchase of the Purchased Shares (the "Closing") shall take place remotely via the exchange of final documents and signature pages, on the third Business Day following the satisfaction or waiver of all of the conditions set forth in Article V (other than the closing conditions that by their nature are to be satisfied at the Closing, but subject to the satisfaction or waiver of such conditions), or such other time and place as the Company and each Purchaser may agree. The date on which the Closing is to occur is herein referred to as the "Closing Date." At the Closing, upon receipt by the Company of payment of the full purchase price to be paid at the Closing therefor by or on behalf of each Purchaser to the Company by wire transfer of immediately available funds to an account designated in writing by the Company, the Company will deliver to each Purchaser evidence reasonably satisfactory to such Purchaser of the issuance of the number of Purchased Shares set forth opposite such Purchaser's name on Exhibit E in the name of such Purchaser by book-entry on the books and records of the Company. At the Closing, each Purchaser shall deliver to the Company a duly executed, valid, accurate, and properly completed Internal Revenue Service Form W-9 certifying that each Purchaser is a U.S. person and that such Purchaser is not subject to backup withholding.

Section 1.3 Commitment Fee. At the Closing, the Company shall pay to the Purchasers an aggregate commitment fee equal to \$1,500,000, representing 1% of the aggregate purchase price for the Purchased Shares.

Section 1.4 DVP Closing. For the avoidance of doubt, notwithstanding anything to the contrary in this Agreement, the Purchasers will own the Purchased Shares on the Closing Date, contingent on and against payment of the purchase price relating thereto by each Purchaser to the Company pursuant to this Agreement.

ARTICLE II

REPRESENTATIONS AND WARRANTIES OF THE COMPANY

The Company represents and warrants to each Purchaser that, except (a) as set forth in the SEC Documents filed by the Company with the SEC on or after January 1, 2021 (other than disclosures in the “Risk Factors” or “Forward-Looking Statements” sections or similarly captioned sections of any such filings) and (b) as set forth on Exhibit D (the “Disclosure Schedule”) (all such exceptions disclosed in the Disclosure Schedule being numbered to correspond to the applicable Section of this Article II; provided, however, that any such exception shall be deemed to be disclosed with respect to each other representation or warranty to which the relevance of such exception is reasonably apparent on the face of such disclosure):

Section 2.1 Organization and Power. The Company and each of its Subsidiaries is a corporation, limited liability company, partnership, or other entity validly existing and in good standing under the laws of the jurisdiction of its incorporation or formation (as applicable) and has all requisite corporate, limited liability company, partnership, or other entity power and authority to own or lease its properties and to carry on its business as presently conducted and as proposed to be conducted. The Company and each of its Subsidiaries is duly licensed or qualified to do business as a foreign corporation, limited liability company, partnership, or other entity in each jurisdiction wherein the character of its property or the nature of the activities presently conducted by it, makes such qualification necessary, except where the failure to so qualify has not had, and would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

Section 2.2 Authorization, Etc. The Company has all necessary corporate power and authority and has taken all necessary corporate action required for the due authorization, execution, delivery and performance by the Company of this Agreement and the Registration Rights Agreement, and the consummation by the Company of the transactions contemplated hereby and thereby, the filing of the Certificate of Designations with the Secretary of State of the State of Delaware and for the due authorization, issuance, sale and delivery of the Purchased Shares and the reservation, issuance and delivery of the Conversion Shares. The authorization, execution, delivery and performance by the Company of this Agreement and the Registration Rights Agreement, and the consummation by the Company of the transactions contemplated hereby and thereby, including the filing of the Certificate of Designations and the issuance of the Purchased Shares and the Conversion Shares do not and will not: (a) violate or result in the breach of any provision of the Certificate of Incorporation or Bylaws of the Company; or (b) with such exceptions that have not had, and would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect: (i) violate any provision of, constitute a breach of, or default under, any judgment, order, writ, or decree applicable to the Company or any of its Subsidiaries or any material mortgage, credit agreement or contract to which the Company or any of its Subsidiaries is a party; (ii) violate any provision of, constitute a breach of, or default under, any applicable state, federal, or local law, rule or regulation; or (iii) result in the creation of any lien upon any assets of the Company or any of its Subsidiaries or the suspension, revocation, or forfeiture of any franchise, permit, or license granted by a governmental authority to the Company or any of its Subsidiaries, other than liens under federal or state securities laws. This Agreement has been, and the Registration Rights Agreement, at the Closing will be, duly executed and delivered by the Company. Assuming due execution and delivery thereof by each of the other parties hereto or thereto, this Agreement and the Registration Rights Agreement will each be a valid and binding obligation of the Company enforceable against the Company in accordance with its terms, except as such enforceability may be limited by applicable laws relating to bankruptcy, insolvency, reorganization, moratorium, or other similar legal requirement relating to or affecting creditors’ rights generally and except as such enforceability is subject to general principles of equity (regardless of whether enforceability is considered in a proceeding in equity or at law). The Company has taken all appropriate actions so that the restrictions on business combinations contained in Section 203 of the DGCL will not apply with respect to or as a result of the issuance of the Purchased Shares (or the Conversion Shares) to the Purchasers or the Transfer thereof, without any further action on the part of the stockholders or the Board of Directors.

Section 2.3 Government Approvals. No consent, approval, or authorization of, or filing with, any court or governmental authority is or will be required on the part of the Company in connection with the execution, delivery, and performance by the Company of this Agreement and the Registration Rights Agreement, or in connection with the issuance of the Purchased Shares or the Conversion Shares, except for (a) the filing of the Certificate of Designations with the Secretary of State of the State of Delaware; (b) those which have already been made or granted;

(c) the filing of a Form D and current report on Form 8-K with the SEC; (d) filings with applicable state securities commissions; or (e) the listing of the Conversion Shares with the Nasdaq Global Select Market.

Section 2.4 Authorized and Outstanding Stock.

(a) The authorized capital stock of the Company consists of 355,000,000 shares consisting of: (i) 350,000,000 shares of common stock, par value \$0.01 per share (“Common Stock”), of which 289,000,000 shares are designated “Class A Common Stock” (“Class A Common Stock”) and of which 61,000,000 shares are designated “Class B Common Stock” (“Class B Common Stock”); and (ii) 5,000,000 shares of preferred stock, par value \$0.01 per share (“Preferred Stock”).

(b) As of August 20, 2021, (i) 32,295,329 shares of Class A Common Stock were issued and outstanding; (ii) 60,226,153 shares of Class B Common Stock were issued and outstanding; (iii) no shares of Preferred Stock were issued and outstanding; and (iv) 756,824 shares of Class A Common Stock were reserved for issuance upon the exercise of outstanding stock options or the vesting of unvested stock awards, and restricted stock units issued pursuant to the Stock Plans.

(c) All of the issued and outstanding shares of Common Stock of the Company are, and when issued in accordance with the terms hereof, the Purchased Shares will be, duly authorized and validly issued and fully paid and non-assessable. The shares of Class A Common Stock issuable upon conversion of the Purchased Shares (the “Conversion Shares”) have been reserved for issuance and, when issued upon conversion thereof in accordance with the terms of the Certificate of Designations in accordance with their terms will be validly issued and fully paid and non-assessable and will not be subject to any preemptive right or any restrictions on transfer under applicable law or any contract to which the Company is a party, other than those under applicable state and federal securities and antitakeover laws, this Agreement, the Certificate of Designations, and the Registration Rights Agreement. When issued in accordance with the terms hereof, the Purchased Shares and the Conversion Shares will be free and clear of all liens (other than liens incurred by any Purchaser or its Affiliates, restrictions arising under applicable securities laws, or restrictions imposed by this Agreement, the Certificate of Designations or the Registration Rights Agreement).

(d) Except as otherwise expressly described in this Agreement: (i) no subscription, warrant, option, convertible security or other right issued by the Company to purchase or acquire any shares of capital stock of the Company is authorized or outstanding; (ii) there is not any commitment of the Company to issue any subscription, warrant, option, convertible security or other such right or to issue or distribute to holders of any shares of its capital stock; (iii) the Company has no obligation to purchase, redeem or otherwise acquire any shares of its capital stock or to pay any dividend or make any other distribution in respect thereof; and (iv) there are no agreements between the Company and any holder of its capital stock relating to the acquisition, disposition or voting of the capital stock of the Company. No person or entity is entitled to any preemptive right granted by the Company with respect to the issuance of any capital stock of the Company.

Section 2.5 Subsidiaries. The Company’s Subsidiaries consist of all the entities listed on Exhibit 21.1 to the Company’s Form 10-K for the year ended December 31, 2020. The Company, directly or indirectly, owns of record and beneficially, free and clear of all liens, all of the issued and outstanding capital stock or equity interests of each of its Subsidiaries. All of the issued and outstanding capital stock or equity interests of the Company’s Subsidiaries has been duly authorized and validly issued, and in the case of corporations, is fully paid and non-assessable. There are no outstanding rights, options, warrants, preemptive rights, conversion rights, rights of first refusal or similar rights for the purchase or acquisition from any of the Company’s Subsidiaries of any securities of such Subsidiaries nor are there any commitments to issue or execute any such rights, options, warrants, preemptive rights, conversion rights or rights of first refusal.

Section 2.6 Private Placement. Assuming the accuracy of the representations and warranties of the Purchasers set forth in Section 3.4 (Investment Representations), the offer and sale of the Purchased Shares pursuant to this Agreement will be exempt from the registration requirements of the Securities Act.

Section 2.7 SEC Documents; Financial Information. The Company has timely filed (a) all annual and quarterly reports and proxy statements (including all amendments, exhibits, and schedules thereto) and (b)

all other reports and other documents (including all amendments, exhibits, and schedules thereto), in each case, required to be filed by the Company with the SEC pursuant to the Exchange Act and the Securities Act, except, in the case of clause (b), where the failure to file has not had, and would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect. As of their respective filing dates, such SEC Documents complied in all material respects with the requirements of the Securities Act, the Exchange Act and the rules and regulations of the SEC thereunder applicable to such SEC Documents, and as of their respective dates no SEC Document contained any untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading. The financial statements of the Company included in the SEC Documents (the “Financial Statements”) comply as of their respective dates in all material respects with applicable accounting requirements and the rules and regulations of the SEC with respect thereto (except as may be indicated in the notes thereto or, in the case of the unaudited statements, as permitted by Form 10-Q promulgated by the SEC), and present fairly in all material respects as of their respective dates the consolidated financial position of the Company and its Subsidiaries as at the dates thereof and the consolidated results of their operations and their consolidated cash flows for each of the respective periods, all in conformity with GAAP, applied on a consistent basis during the periods involved (except as may be indicated in such Financial Statements or the notes thereto). The Company satisfies the “eligibility requirements for use of Form S-1” set forth in General Instruction I to Form S-1 promulgated by the SEC. The Company and its Subsidiaries do not have any liabilities or obligations that would be required under GAAP, as in effect on the date of this Agreement, to be reflected on a consolidated balance sheet of the Company (accrued, absolute, contingent, or otherwise), other than liabilities or obligations (i) reflected on, reserved against, or disclosed in the notes to, the Company’s consolidated balance sheet included in the Company’s Annual Report on Form 10-K for the fiscal year ended December 31, 2020; or (ii) that were incurred in the ordinary course of business and would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

Section 2.8 Disclosure Controls and Procedures. The Company has established and maintains disclosure controls and procedures (as such term is defined in Rule 13a-15 and 15d-15 under the Exchange Act) that are designed to provide reasonable assurance that material information relating to the Company, including its Subsidiaries, that is required to be disclosed by the Company in the reports that it furnishes or files under the Exchange Act is reported within the time periods specified in the rules and forms of the SEC and that such material information is communicated to the Company’s management to allow timely decisions regarding required disclosure.

Section 2.9 Litigation. There is no litigation or governmental proceeding pending or, to the knowledge of the Company, threatened in writing, against the Company or any of its Subsidiaries or affecting any of the business, operations, properties or assets of the Company or any of its Subsidiaries which would reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect. Neither the Company nor any of its Subsidiaries is in default with respect to any order, writ, injunction, decree, ruling, or decision of any court, commission, board, or other government agency that is applicable to the Company or any of its Subsidiaries which would reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

Section 2.10 Compliance with Laws; Permits.

The Company and its Subsidiaries are in compliance with all applicable laws, except as has not had, and would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect. The Company and its Subsidiaries possess all permits and licenses of governmental authorities that are required to conduct their business, except as has not had, and would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

Section 2.11 Taxes. The Company and each of its Subsidiaries has filed all material Tax Returns required to be filed within the applicable periods for such filings (with due regard to any extension) and has timely paid all Taxes required to be paid by it and its Subsidiaries.

Section 2.12 Employee Matters. Except where the failure to comply has not had, and would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect:

(a) The Company and its Subsidiaries are in compliance with all applicable laws relating to labor and employment matters, including without limitation, COVID-19 (as related to labor, employment,

and employment practices), fair employment practices, terms and conditions of employment, restrictive covenants, equal opportunity, harassment, discrimination, retaliation, the classification of independent contractors, workplace safety and health, and wages and hours, including, without limitation, with respect to the classification of employees for purposes of federal, state, and local law and payment of minimum wage and overtime, and with the terms of the ERISA Documents, and each such ERISA Document is in compliance with all applicable requirements of ERISA.

(b) Neither the Company nor any of its Subsidiaries is a party to or otherwise bound by any collective bargaining agreement, contract, or other agreement with a labor union or labor organization. Neither the Company nor any of its Subsidiaries is subject to any charge, demand, petition, or representation proceeding seeking to compel, require, or demand it to bargain with any labor union or labor organization nor is there pending or, to the Company's knowledge, threatened, any material labor strike, dispute, walkout, work stoppage, slow-down, or lockout involving the Company or any of its Subsidiaries.

(c) No material employee layoff, material facility closure, or shutdown (whether voluntary or by Order), reduction-in-force, furlough, temporary layoff, material work schedule change or reduction in hours, or reduction in salary or wages, or other material workforce changes affecting employees or independent contractors of the Company or its Subsidiaries has occurred prior to the date hereof, or, as of the date hereof, is contemplated, planned, or announced, including as a result of COVID-19 or any law, order, directive, guidelines or recommendations by any governmental authority in connection with or in response to COVID-19.

Section 2.13 Environmental Matters. The Company and its Subsidiaries are in compliance with all applicable Requirements of Environmental Law and required Environmental Permits, except, in each case, where the failure to comply has not had, and would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect. The Company and its Subsidiaries have not received within the past five years any written notice from any governmental authority of any violation or alleged violation of any Requirements of Environmental Law or Environmental Permit in connection with their respective properties, except as has not had, and would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

Section 2.14 Registration Rights. Except as provided in this Agreement or the Registration Rights Agreement, the Company has not granted any rights to register under the Securities Act any of its presently outstanding securities or any of its securities that may be issued subsequently.

Section 2.15 Investment Company Act. The Company is not, and immediately after giving effect to the sale of the Purchased Shares in accordance with this Agreement and the application of the proceeds thereof will not be required to be registered as, an "investment company" or a company "controlled" by an "investment company," within the meaning of the Investment Company Act.

Section 2.16 Nasdaq. As of the date hereof, the Company's Class A Common Stock is listed on the Nasdaq Global Select Market, and no event has occurred, and the Company is not aware of any event that is reasonably likely to occur, that would result in the Class A Common Stock being delisted from the Nasdaq Global Select Market. The Company is in compliance with applicable continued listing requirements of the Nasdaq Global Select Market.

Section 2.17 No Brokers or Finders. No Person has or will have, as a result of the transactions contemplated by this Agreement, any right, interest or claim against or upon the Company, any of its Subsidiaries or any Purchaser for any commission, fee or other compensation as a finder or broker because of any act of the Company or any of its Subsidiaries.

Section 2.18 Illegal Payments: FCPA Violations. Except as has not had, and would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect, since January 1, 2019, none of the Company, any of its Subsidiaries or, to the knowledge of the Company, any officer, director, employee, agent, representative or consultant acting on behalf of the Company or any of its Subsidiaries (and only in their capacities as such) has, in connection with the business of the Company: (a) unlawfully offered, paid, promised to pay, or authorized the payment of, directly or indirectly, anything of value, including money, loans, gifts, travel, or entertainment, to any person, entity, or United States or foreign national, state or local government officials, employees or agents or candidates therefor or other persons, except, as permitted under the U.S. Foreign Corrupt Practices Act

or other applicable law; (b) made any illegal contribution to any political party or candidate; (c) made, offered or promised to pay any unlawful bribe, payoff, influence payment, kickback, unlawful rebate, or other similar unlawful payment of any nature, directly or indirectly, in connection with the business of the Company, to any person, including any supplier or customer; (d) knowingly established or maintained any unrecorded fund or asset or made any false entry on any book or record of the Company or any of its Subsidiaries for any purpose; or (e) otherwise violated the U.S. Foreign Corrupt Practices Act of 1977, as amended, the UK Bribery Act 2010, as amended, or any other applicable anti-corruption or anti-bribery law. The Company and its Subsidiaries have maintained systems of internal controls (including, but not limited to, accounting systems, purchasing systems, and billing systems) and written policies to ensure compliance with applicable laws regarding illegal payments and to ensure that all books and records accurately and fairly reflect, in reasonable detail, all transactions and dispositions of funds and assets. None of the Company nor any of its Subsidiaries, nor any of their respective directors, officers, employees or agents, are the subject of any allegation, voluntary disclosure, investigation, prosecution or other enforcement action related to illegal payment laws.

Section 2.19 Economic Sanctions. Except as has not had, and would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect:

(a) the Company and its Subsidiaries are not, and have not been since each of their respective dates of organization or incorporation (as applicable), in contravention of any sanction, and has not engaged in any conduct sanctionable, under U.S. economic sanctions Laws, including, without limitation, applicable laws administered and enforced by the U.S. Department of the Treasury's Office of Foreign Assets Control ("OFAC"), 31 C.F.R. Part V, the Iran Sanctions Act, as amended, the Comprehensive Iran Sanctions, Accountability and Divestment Act, as amended, the Iran Threat Reduction and Syria Human Rights Act, as amended, the Iran Freedom and Counter-Proliferation Act of 2012, as amended, and any executive order issued pursuant to any of the foregoing.

(b) no member, manager, director, officer, employee or agent of any of the Company and its Subsidiaries are identified on any of the following documents: (i) the OFAC list of "Specially Designated Nationals and Blocked Persons" ("SDNs") or Consolidated Sanctions List, (ii) the Bureau of Industry and Security of the DOC "Denied Persons List," "Entity List" or "Unverified List," (iii) the Office of Defense Trade Controls of the DOS "list of Debarred Parties," (iv) the Financial Sanctions Unit of the Bank of England "Consolidated List," (v) the Solicitor General of Canada's "Anti-Terrorism Act Listed Entities," (vi) the Australian Department of Foreign Affairs and Trade "Charter of the United Nations (Anti-terrorism – Persons and Entities) List," (vii) the United Nations Security Council Counter-Terrorism Committee "Consolidated List," or (viii) European Union Commission Regulation No. 1996/2001 of October 11, 2001. Neither the Company nor any of its Subsidiaries is or has been involved in, directly or to the knowledge of the Company indirectly, any business arrangements, transactions or other dealings with or involving countries subject to economic or trade sanctions imposed by the United States Government, or with or involving SDNs or Persons identified on the Consolidated Sanctions List, in each case, in violation of the regulations maintained by OFAC.

Section 2.20 Assets. The Company and its Subsidiaries have good and valid (and, in the case of owned Real Property, good and marketable fee simple) title to, all Real Property and personal property and other assets reflected in the Financial Statements or acquired after December 31, 2020, other than properties and assets sold or otherwise disposed of in the ordinary course of business consistent with past practice since December 31, 2020 that are material the business of the Company and its Subsidiaries taken as a whole except as has not had, and would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect. The use and operation of the Real Property in the conduct of the Company and its Subsidiaries' business do not violate in any material respect any law, covenant, condition, restriction, easement, license, permit, or agreement.

Section 2.21 Intellectual Property. The Company and its Subsidiaries (i) own or possess sufficient legal rights to all intellectual property used in their respective businesses as currently conducted; (ii) have not infringed or violated any intellectual property rights of any third party, and there are no claims or actions pending or, to the knowledge of the Company, threatened alleging any of the foregoing; (iii) have obtained and possess valid licenses to use all of the software programs present on the computers and other software-enabled electronic devices that they own or lease or that they have otherwise provided to their employees and other personnel; and (iv) have taken reasonable measures to protect the confidentiality of all trade secrets and other confidential and proprietary information used in their respective businesses, except in each case with respect to the events or conditions set forth

in (i) through (iv) hereof, as has not had, and would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

Section 2.22 Privacy Matters. Except as has not had, and would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect:

(a) The Company and its Subsidiaries comply, and at all times have complied, in all respects with all (i) applicable Privacy Laws; (ii) policies regarding privacy and data security; (iii) contractual obligations relating to the receipt, collection, compilation, use, storage, processing, sharing, safeguarding, security, disposal, destruction, disclosure, or transfer of Personal Information; and (iv) rules of the payment card brands, including the Payment Card Industry Data Security Standard (all of the foregoing, collectively, the "Privacy Requirements").

(b) Neither the Company nor any of its Subsidiaries has received any written claim or complaint regarding their use or disclosure of any data (including, without limitation, Personal Information) and/or failure to comply with any Privacy Requirements, and no investigation, inspection, audit or other proceeding of any nature involving allegations of any violation of Privacy Requirements is pending, or, to the knowledge of the Company, threatened or contemplated by any Governmental Entity or other third-party against the Company or any of its Subsidiaries.

(c) The Company and its Subsidiaries have implemented all applicable organizational, physical, administrative and technical measures required by Privacy Requirements to protect the integrity, security and operations of their computer systems, transactions executed thereby, and data owned by the Company and its Subsidiaries, including protecting against loss and against damage, accidental loss or destruction, unauthorized or unlawful access, use, modification, disclosure or other misuse.

(d) There have not been any actual or alleged incidents of, or claims or actions related to, data security breaches or unauthorized acquisition, destruction, damage, disclosure, loss, corruption, alteration, or use of any Personal Information or other data owned, held, controlled, licensed and/or otherwise processed by the Company and its Subsidiaries, and there are no facts or circumstances which could reasonably serve as the basis for any such allegations or claims.

(e) The Company and its Subsidiaries require all third parties to which they provide Personal Information and/or access thereto to maintain the privacy and security of such Personal Information, including where required by applicable law by contractually obligating such third parties to protect such Personal Information from unauthorized access by and/or disclosure to any unauthorized third parties.

Section 2.23 Independent Accountants . The Company's auditor has at all times since the date of enactment of the Sarbanes-Oxley Act of 2002 (the "Sarbanes-Oxley Act") been: (i) a registered public accounting firm (as defined in Section 2(a)(12) of the Sarbanes-Oxley Act) and (ii) to the knowledge of the Company, "independent" with respect to the Company within the meaning of Regulation S-X under the Exchange Act.

Section 2.24 Compliance with the Sarbanes-Oxley Act . The Company and its Subsidiaries are in compliance in all material respects with all provisions of the Sarbanes-Oxley Act and all rules and regulations promulgated thereunder or implementing the provisions thereof that are in effect and with which the Company is required to comply.

Section 2.25 Insurance. Except as has not had, and would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect:

(a) The Company and its Subsidiaries have in full force and effect insurance policies (such insurance policies of the Company and its Subsidiaries, the "Insurance Policies") with such coverages as required by applicable Law or contracts to which any of the Company and its Subsidiaries is a party.

- the past five years.
- (b) There have been no material claims which have been made by any of the Company and its Subsidiaries under the Insurance Policies during the past five years.
 - (c) There are currently no claims under any Insurance Policies, and all premiums due and payable with respect to the Insurance Policies have been paid to date.
 - (d) The insurance policies do not provide for any retrospective premium adjustment or other experience-based liability on the part of any of the Company and its Subsidiaries.
 - (e) To the knowledge of the Company, there is no threatened termination of any such Insurance Policies.

Section 2.26 Cybersecurity. Except as has not had, and would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect, (i) there has been no security breach or other compromise of or relating to the Company IT Systems; (ii) the Company has not been notified of, and has no knowledge of any event or condition that would reasonably be expected to result in, any such security breach or other compromise of the Company IT Systems; (iii) the Company and its Subsidiaries have implemented policies and procedures with respect to the Company IT Systems that are adequate for, and operate and perform in all material respects as required in connection with, the operation of the respective businesses of the Company and its Subsidiaries as currently conducted by them, or as required by applicable regulatory standards; and (iv) the Company and its Subsidiaries are presently in material compliance with all applicable Laws or statutes, judgments, orders, rules and regulations of any court or arbitrator or Governmental Entity and contractual obligations relating to the privacy and security of the Company IT Systems and to the protection of the Company IT Systems from unauthorized use, access, misappropriation, or modification.

Section 2.27 Compliance with Anti-Money Laundering Laws. The operations of the Company and its Subsidiaries are, and have been conducted at all times, in compliance in all material respects with applicable financial recordkeeping and reporting requirements of the Currency and Foreign Transactions Reporting Act of 1970, as amended, the money laundering statutes of all applicable jurisdictions, the rules and regulations thereunder and any related or similar rules, regulations or guidelines, issued, administered or enforced by any Governmental Entity (collectively, the "Anti-Money Laundering Laws"); and no action, suit or proceeding by or before any Governmental Entity involving the Company or any of its Subsidiaries with respect to the Anti-Money Laundering Laws is pending or, to the knowledge of the Company, threatened.

Section 2.28 PPP Loan.

(a) The Purchasers have been provided with a true, correct, and complete copy of all of the documentation (including documentation related to the loan forgiveness application) related to the Company's loan (the "PPP Loan") of \$7,220,207 with U.S. Small Business Administration (the "PPP Lender").

(b) All applications, documents and other information submitted to the PPP Lender by or on behalf of the Company and/or its subsidiaries with respect to the PPP Loan were true and correct in all material respects.

(c) The uncertainty of current economic conditions made the PPP Loan necessary to support the ongoing operations of the Company. The proceeds of the PPP Loan have been used solely for purposes permitted under Section 1102 of the CARES Act. The loan evidenced by the PPP Loan constitutes a "covered loan" as such term is defined in Section 7(a)(36) of the Small Business Act, 15 U.S.C. §631 etc.

(d) The Company satisfied all of the criteria for eligibility for a "paycheck protection program" loan pursuant to §7(a) of the Small Business Act (15 U.S.C. 636(a)) and the CARES Act.

(e) None of the Company nor any of its Subsidiaries has received or relied on any guidance or advice from any Purchaser or any of its Affiliates, representatives or advisors regarding the CARES Act, the PPP Loan (including, without limitation, the eligibility of the Company for the PPP Loan) or any related

matter. None of the Purchasers nor any of their respective Affiliates is an “affiliate” of the Company under and as defined in the CARES Act for the purposes of the PPP Loan.

Section 2.29 No Additional Representations. Except for the representations and warranties made by the Company in this Article II, neither the Company nor any other Person makes any express or implied representation or warranty with respect to the Company or any Subsidiaries or their respective businesses, operations, assets, liabilities, employees, employee benefit plans, conditions or prospects, and the Company hereby disclaims any such other representations or warranties. In particular, without limiting the foregoing disclaimer, neither the Company nor any other Person makes or has made any representation or warranty to the Purchasers, or any of its Affiliates or representatives, with respect to (a) any financial projection, forecast, estimate, budget or prospect information relating to the Company or any of its Subsidiaries or their respective business, or (b) any oral or written information presented to the Purchasers or any of their Affiliates or representatives in the course of their due diligence investigation of the Company, the negotiation of this Agreement or in the course of the transactions contemplated hereby. Notwithstanding anything to the contrary herein, nothing in this Agreement shall limit the right of any Purchaser and its Affiliates to rely on the representations, warranties, covenants and agreements expressly set forth in this Agreement, nor will anything in this Agreement operate to limit any claim by any Purchaser or any of its respective Affiliates for actual and intentional fraud.

ARTICLE III

REPRESENTATIONS AND WARRANTIES OF THE PURCHASERS

Each Purchaser represents and warrants to the Company that:

Section 3.1 Organization and Power. Each Purchaser is duly formed, validly existing and in good standing under the laws of the jurisdiction of its formation and has all requisite entity power and authority to own its properties and to carry on its business as presently conducted.

Section 3.2 Authorization, Etc. Each Purchaser has all necessary entity power and authority and has taken all necessary entity action required for the due authorization, execution, delivery and performance by such Purchaser of this Agreement and the Registration Rights Agreement and the consummation by such Purchaser of the transactions contemplated hereby and thereby. The authorization, execution, delivery, and performance by each Purchaser of this Agreement and the Registration Rights Agreement, and the consummation by such Purchaser of the transactions contemplated hereby and thereby do not and will not: (a) violate or result in the breach of any provision of the organizational documents of such Purchaser; or (b) with the exceptions that are not reasonably likely to have, individually or in the aggregate, a material adverse effect on its ability to perform its obligations under this Agreement and the Registration Rights Agreement: (i) violate any provision of, constitute a breach of, or default under, any judgment, order, writ, or decree applicable to such Purchaser or any material contract to which such Purchaser is a party; or (ii) violate any provision of, constitute a breach of, or default under, any applicable state, federal, or local law, rule or regulation. This Agreement has been, and the Registration Rights Agreement at the Closing will be, duly executed and delivered by each Purchaser. Assuming due execution and delivery thereof by the other parties hereto or thereto, this Agreement and the Registration Rights Agreement will each be a valid and binding obligation of each Purchaser enforceable against such Purchaser in accordance with its terms, except as the enforceability may be limited by applicable laws relating to bankruptcy, insolvency, reorganization, moratorium, or other similar legal requirement relating to or affecting creditors' rights generally and except as the enforceability is subject to general principles of equity (regardless of whether enforceability is considered in a proceeding in equity or at law).

Section 3.3 Government Approvals. No consent, approval, license, or authorization of, or filing with, any court or governmental authority is or will be required on the part of any Purchaser in connection with the execution, delivery, and performance by each Purchaser of this Agreement and the Registration Rights Agreement, except for: (a) those which have already been made or granted; (b) the filing with the SEC of a Schedule 13D or Schedule 13G and a Form 3 to report such Purchaser's ownership of its respective portion of the Purchased Shares; or (c) those where the failure to obtain such consent, approval or license would not have a material adverse effect on the ability of such Purchaser to perform its obligations hereunder.

Section 3.4 Investment Representations.

(a) Each Purchaser is an “accredited investor” as that term is defined in Rule 501(a) of Regulation D promulgated under the Securities Act.

(b) Each Purchaser has been advised by the Company that the Purchased Shares have not been registered under the Securities Act, that the Purchased Shares will be issued on the basis of the statutory exemption provided by Section 4(a)(2) under the Securities Act or Regulation D promulgated thereunder, or both, relating to transactions by an issuer not involving any public offering and under similar exemptions under certain state securities laws, that this transaction has not been reviewed by, passed on or submitted to any federal or state agency or self-regulatory organization where an exemption is being relied upon, and that the Company’s reliance thereon is based in part upon the representations made by the Purchasers in this Agreement and the Registration Rights Agreement. Each Purchaser acknowledges that it has been informed by the Company of, or is otherwise familiar with, the nature of the limitations imposed by the Securities Act and the rules and regulations thereunder on the transfer of securities.

(c) Each Purchaser is purchasing the Purchased Shares for its own account and not with a view to, or for sale in connection with, any distribution thereof in violation of federal or state securities laws.

(d) By reason of its business or financial experience, each Purchaser has the capacity to protect its own interest in connection with the transactions contemplated hereunder.

(e) The Company has provided to the Purchasers all documents and information that the Purchasers have requested relating to an investment in the Company. Each Purchaser recognizes that investing in the Company involves substantial risks, and has taken full cognizance of and understands all of the risk factors related to the acquisition of the Purchased Shares. Each Purchaser has carefully considered and has, to the extent it believes such discussion necessary, discussed with such Purchaser’s professional legal, tax and financial advisers the suitability of an investment in the Company, and such Purchaser has determined that the acquisition of the Purchased Shares is a suitable investment for such Purchaser. Each Purchaser has not relied on the Company for any tax or legal advice in connection with the purchase of the Purchased Shares. In evaluating the suitability of an investment in the Company, each Purchaser has not relied upon any representations or other information (other than the representations and warranties of the Company set forth in Article II).

Section 3.5 No Prior Ownership. Prior to the Closing, each Purchaser does not have record or beneficial ownership of any shares of the Company’s Class A Common Stock; provided that no Purchaser shall be deemed to own any shares of the Company’s Class A Common Stock as a result of the record or beneficial ownership of such shares by any of its Affiliates.

Section 3.6 No Brokers or Finders. No Person has or will have, as a result of the transactions contemplated by this Agreement, any right, interest or claim against or upon the Company, any of its Subsidiaries or any Purchaser for any commission, fee or other compensation as a finder or broker because of any act by any Purchaser.

Section 3.7 No Additional Representations. Each Purchaser acknowledges and agrees, on behalf of itself and its Affiliates, that, except for the representations and warranties contained in Article II, neither the Company nor any other Person, makes any express or implied representation or warranty with respect to the Company, its Subsidiaries or their respective businesses, operations, assets, liabilities, employees, employee benefit plans, conditions or prospects, and each Purchaser, on behalf of itself and its Affiliates, hereby disclaims reliance upon any such other representations or warranties.

ARTICLE IV
COVENANTS OF THE PARTIES

Section 4.1 Board Observer.

(a) For so long as the Purchasers hold at least 25% of the Purchased Shares, the Purchasers shall have the right to designate one individual to be present in a non-voting, non-fiduciary observer capacity (the “Board Observer”) at all meetings of the Board of Directors, including any telephonic or electronic meetings. The Company will give the Board Observer notice of such meetings, by such means as such notices are delivered to the members of the Board of Directors at the same time notice is provided or delivered to the Board of Directors. The Board Observer shall be entitled to receive copies of all materials or information that are sent or made available to the Board of Directors in their capacity as such. The Company will reimburse the expenses of the Board Observer for reasonable direct out-of-pocket travel expenses incurred in attending meetings of the Board of Directors in person and for attending other meetings or events on behalf of the Company where such attendance is requested by the Company. The initial Board Observer shall be designated at Closing.

(b) If, following designation as the Board Observer, the Board Observer resigns, is removed, or is otherwise unable to serve for any reason, then, the Purchasers shall be entitled to designate a replacement Board Observer.

Section 4.2 Restrictive Legends.

(a) Each book-entry representing the Purchased Shares or Conversion Shares (unless otherwise permitted by the provisions of Section 4.2(c)) shall be legended with a legend in substantially the following form (in addition to any legend required under applicable state securities laws):

“THE OFFER AND SALE OF THIS SECURITY AND THE SHARES OF CLASS A COMMON STOCK ISSUABLE UPON CONVERSION OF THIS SECURITY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”), AND THIS SECURITY AND SUCH SHARES MAY NOT BE OFFERED, SOLD OR OTHERWISE TRANSFERRED EXCEPT (A) PURSUANT TO A REGISTRATION STATEMENT THAT IS EFFECTIVE UNDER THE SECURITIES ACT; OR (B) PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT.”

(b) Each Purchaser consents to the Company making a notation on its records and giving instructions to any transfer agent of the Purchased Shares or the Conversion Shares in order to implement the restrictions on transfer set forth in this Section 4.2.

(c) Prior to any proposed Transfer of any Restricted Securities, unless there is in effect a registration statement under the Securities Act covering the proposed Transfer, each Purchaser shall give written notice to the Company of such Purchaser’s intention to effect such Transfer. Each such notice shall describe the manner and circumstances of the proposed Transfer in sufficient detail, and shall be accompanied by evidence reasonably satisfactory to counsel to the Company, whereupon such Purchaser shall be entitled to Transfer such Restricted Securities in accordance with the terms of the notice delivered by such Purchaser to the Company. Notwithstanding the foregoing, in the event any Purchaser shall give the Company a representation letter containing such representations as the Company shall reasonably request, the Company will not require such other evidence (A) in a routine sales transaction in compliance with Rule 144 under the Securities Act; (B) in any transaction in which such Purchaser that is a corporation distributes Restricted Securities solely to its majority owned subsidiaries or Affiliates for no consideration; or (C) in any transaction in which such Purchaser that is a partnership or limited liability company distributes Restricted Securities solely to its Affiliates (including affiliated fund partnerships), or partners or members of such Purchaser or its Affiliates for no consideration. Each book-entry evidencing the Restricted Securities transferred shall bear the appropriate restrictive legend set forth in Section 4.2(a) above, except that such certificate shall not bear the restrictive legend if such legend is not required in order to establish compliance with any provisions of the Securities Act. In connection with the sale of Restricted Securities by any Purchaser and upon receipt of the appropriate evidence required by this Section 4.2(c), the Company shall remove the restrictive legend from such Purchaser’s book-entry evidencing the Restricted Securities to be sold and from the book-entry evidencing the Registered Securities purchased to be made for the applicable transferee if such legend is not required in order to establish compliance with any provisions of the Securities Act.

Section 4 . 3 Use of Proceeds. The Company shall use the proceeds from the sale of the Purchased Shares to fund the acquisition of McGuyer Homebuilders Inc. (“MHI”) and for general corporate purposes.

Section 4.4 Confidentiality.

(a) So long as the Purchasers have the right to designate a Board Observer pursuant to the Certificate of Designations or Section 4.1, (i) each Purchaser shall keep all Confidential Information confidential and shall not, without the Company's prior written consent, disclose any Confidential Information in any manner whatsoever, in whole or in part and (ii) each Purchaser shall not use any Confidential Information, other than in connection with the performance of its obligations hereunder. During such period, each Purchaser shall disclose the Confidential Information only to such of its Representatives who need to know the Confidential Information for such purpose, who are informed by such Purchaser of the confidential nature of the Confidential Information and who either (A) are otherwise bound by an obligation of confidentiality to the Company to ensure compliance with the terms of this Section 4.4 or (B) shall agree to act in accordance with the terms and conditions of this Section 4.4. Each Purchaser shall be responsible for any non-compliance with this Section 4.4 by its Representatives. Each Purchaser shall return to the Company or, insofar as reasonably practicable, destroy all copies of Confidential Information upon the Company's written request. Notwithstanding the foregoing, each Purchaser may retain such materials to the extent required by applicable law or in accordance with internal compliance procedures; provided, however, that the Purchaser shall keep all such copies confidential in accordance with this Section 4.4.

(b) In the event that any Purchaser or any of its Representatives is required or requested by applicable law (including oral questions, interrogatories, requests for information or documents, subpoena, civil investigative demand or other process) to disclose any of the Confidential Information, such Purchaser will provide the Company with prompt notice (unless such notification is prohibited by applicable law and other than in connection with a routine audit or examination by, or a blanket document request from, a regulatory or governmental entity that does not reference the Company or this Agreement) so that the Company may seek a protective order or other appropriate remedy and/or waive compliance with the provisions of this Section 4.4. In the event that such a protective order or other remedy is not obtained, that no such notice is required to be provided to the Company or that the Company waives compliance with the provisions of this Section 4.4, such Purchaser may disclose such Confidential Information without liability hereunder.

(c) Notwithstanding anything to the contrary contained in this Agreement, each Purchaser may identify the Company, the value (and valuation methodology) of such Purchaser's security holdings in the Company and other applicable information (that is not Confidential Information) required by law, rule or regulation in accordance with applicable investment reporting and disclosure laws, rules or regulations and respond to examinations, demands, requests or reporting requirements of a regulatory authority without prior notice to or consent from the Company.

(d) Subject to each party's disclosure obligations imposed by applicable law or the rules of any stock exchange upon which its securities are listed, notwithstanding anything to the contrary contained in this Agreement, prior to the Company or any of its Affiliates, advisors or representatives making any press release or other public statement that specifically names (or includes the logo of) any Purchaser, or any of its Affiliates, advisors or representatives or otherwise, the Company or its applicable Affiliate, advisor or representative must receive the prior written consent of such Purchaser before issuing such press release or other public statement.

Section 4.5 Information Rights.

(a) For so long as any Purchaser holds record and beneficial ownership (within the meaning of Rule 13d-3 under the Exchange Act) of any of the Purchased Shares, the Company shall deliver to such Purchasers who hold any of the Purchased Shares, the same information (including any financial or business information) that is required to be delivered to the administrative agent and the lenders under the Credit Agreement (without regard to (i) any waiver of such right by the administrative agent or the lenders under the Credit Agreement; and (ii) whether the Credit Agreement continues to be effective after the date hereof), and such information shall be delivered to such Purchasers who hold any of the Purchased Shares at the same time as it is required to be delivered to the administrative agent and the lenders under the Credit Agreement.

(b) Notwithstanding the foregoing, financial statements and other reports required to be delivered pursuant to this Section 4.5 filed by the Company with the SEC and available on EDGAR (or such other free, publicly-accessible internet database that may be established and maintained by the SEC as a substitute for or

successor to EDGAR) shall be deemed to have been delivered to the Purchasers on the date on which the Company posts such documents to EDGAR (or such other free, publicly-accessible internet database that may be established and maintained by the SEC as a substitute for or successor to EDGAR).

(c) For so long as any Purchaser holds record and beneficial ownership (within the meaning of Rule 13d-3 under the Exchange Act) of any of the Purchased Shares, each Purchaser or the employees of such Purchaser shall have the reasonable right to consult from time to time with the officers of the Company at its principal place of business regarding operating and financial matters of the Company; provided that the exercise of such right does not materially interfere with the operations of the business of the Company.

Section 4.6 Tax Matters. The Company and each Purchaser shall treat (i) the Commitment Fee as reducing the purchase price of the Purchased Shares; and (ii) the Purchased Shares as “common stock” for purposes of the Code (including Section 305 of the Code) for U.S. federal and applicable state and local income Tax purposes and shall take no positions or actions inconsistent with the foregoing unless otherwise required by a determination within the meaning of Section 1313(a) of the Code or similar provision of applicable state or local income Tax law.

Section 4.7 Nasdaq Listing. To the extent it has not already done so, promptly following the execution of this Agreement, the Company shall apply to cause the Conversion Shares to be approved for listing on the Nasdaq Global Select Market, subject to official notice of issuance.

Section 4.8 Protective Covenants. The Company shall comply with all covenants (i) set forth in the Credit Agreement; and (ii) set forth in any agreement by and between the Company, on one hand, and any Purchaser or any of its Affiliates on the other hand (the covenants referred to in clauses (i) and (ii), collectively, the “Protective Covenants”). Notwithstanding the foregoing, the Preferred Stock shall be treated as equity and not as a liability for purposes of determining compliance with respect to all covenants and ratios included in the Credit Agreement (regardless of the actual treatment of the Preferred Stock under generally accepted accounting principles (GAAP)).

ARTICLE V

CONDITIONS TO THE PARTIES' OBLIGATIONS

Section 5.1 Conditions of the Purchasers. The obligations of each Purchaser to consummate the transactions contemplated hereby to be consummated at the Closing are subject to the satisfaction, on or prior to the Closing Date, of each of the following conditions precedent:

(a) Representations and Warranties. Each of the representations and warranties of the Company contained in Article II of this Agreement shall be true and correct on and as of the date hereof and as of the Closing Date with the same effect as though such representations and warranties had been made on and as of the Closing Date, except for representations and warranties that speak as of a specific date or time other than the Closing Date (which need only be true and correct in all material respects as of such date or time), except where the failure of such representations and warranties to be so true and correct, without giving effect to any qualification or limitation as to “materiality,” “Material Adverse Effect” or similar qualifier set forth therein, has not had, and would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

(b) Covenants. The Company shall have performed and complied in all material respects with all covenants and agreements required by this Agreement to be performed or complied with by it at or prior to the Closing.

(c) Certificate of Designations. The Certificate of Designations shall have been duly filed with the Secretary of State of the State of Delaware.

(d) Closing of MHI Acquisition. The consummation by the Company of the MHI acquisition shall be scheduled to be closed within three Business Days (and such acquisition occurs on such date).

(e) Registration Rights Agreement. The Company shall have delivered to Purchasers its duly executed counterpart of the Registration Rights Agreement.

Section 5.2 Conditions of the Company. The obligations of the Company to consummate the transactions contemplated hereby are subject to the satisfaction, on or prior to the Closing Date, of each of the following conditions precedent:

(a) Representations and Warranties; Performance. Each of the representations and warranties of the Purchasers contained in Article III of this Agreement shall be true and correct on and as of the Closing Date with the same effect as though such representations and warranties had been made on and as of the Closing Date, except for representations and warranties that speak as of a specific date or time other than the Closing Date (which need only be true and correct in all material respects as of such date or time), except where the failure of such representations and warranties to be so true and correct, without giving effect to any qualification or limitation as to “materiality,” “material adverse effect” or similar qualifier set forth therein, has not had, and would not reasonably be expected to have, individually or in the aggregate, a material adverse effect on any Purchaser’s ability to consummate the transactions under this Agreement and the Registration Rights Agreement.

(b) Covenants. Each Purchaser shall have performed and complied in all material respects with all covenants and agreements required by this Agreement to be performed or complied with by such Purchaser at or prior to the Closing.

(c) Consideration for the Securities. The Purchasers shall have paid the purchase price of the Purchased Shares to be purchased by the Purchasers in full at the Closing by wire transfer of immediately available funds to an account designated in writing by the Company.

(d) Certificate of Designations. The Certificate of Designations shall have been duly filed with the Secretary of State of the State of Delaware.

(e) Closing of MHI Acquisition. The consummation by the Company of the MHI acquisition shall be scheduled to be closed within three Business Days (and such acquisition occurs on such date), unless the failure to close such acquisition is due to the Company’s intentional breach of the definitive acquisition agreement for the MHI acquisition.

(f) Registration Rights Agreement. The Purchasers shall have delivered to the Company their duly executed counterparts of the Registration Rights Agreement.

ARTICLE VI

MISCELLANEOUS

Section 6.1 Survival. Except in the case of intentional and actual fraud, the representations and warranties of the parties contained in Article II and Article III hereof shall not survive, and shall terminate automatically as of, the Closing, and there shall be no liability in respect thereof, whether such liability has accrued prior to or after the Closing, on the part of any party or any of their respective Representatives. All other covenants and agreements of the parties contained herein shall survive the Closing in accordance with their terms.

Section 6.2 Counterparts. This Agreement may be executed in one or more counterparts, all of which shall be considered one and the same agreement, and will become effective when one or more counterparts have been signed by a party and delivered to the other parties. Copies of executed counterparts of signature pages to this Agreement may be transmitted by PDF (portable document format) or facsimile and such PDFs or facsimiles will be deemed as sufficient as if actual signature pages had been delivered.

Section 6.3 Governing Law.

(a) This Agreement shall be governed by, and construed in accordance with, the laws of the state of Delaware, without giving effect to any choice of law or conflict of law rules or provisions (whether of the state of Delaware or any other jurisdiction) that would cause the application of the laws of any jurisdiction other than the state of Delaware.

(b) Any dispute relating hereto shall be heard first in the Delaware Court of Chancery, and, if applicable, in any state or federal court located in of Delaware in which appeal from the Court of Chancery may validly be taken under the laws of the State of Delaware (each a “Chosen Court” and collectively, the “Chosen Courts”), and the parties agree to the exclusive jurisdiction and venue of the Chosen Courts. Such Persons further agree that any proceeding seeking to enforce any provision of, or based on any matter arising out of or in connection with, this Agreement or the transactions contemplated hereby or by any matters related to the foregoing (the “Applicable Matters”) shall be brought exclusively in a Chosen Court, and that any proceeding arising out of this Agreement or any other Applicable Matter shall be deemed to have arisen from a transaction of business in the state of Delaware, and each of the foregoing Persons hereby irrevocably consents to the jurisdiction of such Chosen Courts in any such proceeding and irrevocably and unconditionally waives, to the fullest extent permitted by law, any objection that such Person may now or hereafter have to the laying of the venue of any such suit, action or proceeding in any such Chosen Court or that any such proceeding brought in any such Chosen Court has been brought in an inconvenient forum.

(c) Such Persons further covenant not to bring a proceeding with respect to the Applicable Matters (or that could affect any Applicable Matter) other than in such Chosen Court and not to challenge or enforce in another jurisdiction a judgment of such Chosen Court.

(d) Process in any such proceeding may be served on any Person with respect to such Applicable Matters anywhere in the world, whether within or without the jurisdiction of any such Chosen Court. Without limiting the foregoing, each such Person agrees that service of process on such party as provided in Section 6.6 shall be deemed effective service of process on such Person.

(e) Waiver of Jury Trial. EACH PARTY HERETO, FOR ITSELF AND ITS AFFILIATES, HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW ALL RIGHT TO TRIAL BY JURY IN ANY ACTION, SUIT OR OTHER PROCEEDING (WHETHER BASED ON CONTRACT, TORT OR OTHERWISE) ARISING OUT OF OR RELATING TO THE ACTIONS OF THE PARTIES HERETO OR THEIR RESPECTIVE AFFILIATES PURSUANT TO THIS AGREEMENT OR IN THE NEGOTIATION, ADMINISTRATION, PERFORMANCE OR ENFORCEMENT HEREOF.

Section 6.4 Entire Agreement; No Third Party Beneficiary. This Agreement and the Registration Rights Agreement contain the entire agreement by and among the parties with respect to the subject matter hereof and all prior negotiations, writings and understandings relating to the subject matter of this Agreement. This Agreement is not intended to confer upon any Person not a party hereto (or their successors and permitted assigns) any rights or remedies hereunder.

Section 6.5 Expenses. All fees, costs and expenses incurred in connection with this Agreement and the transactions contemplated hereby, including accounting and legal fees shall be paid by the party incurring such expenses, except that, upon consummation of the Closing, the Company shall reimburse each Purchaser for all reasonable and documented out-of-pocket costs and expenses, including legal fees, expenses, other professional fees and expenses, and all reasonable out-of-pocket due diligence expenses, in an aggregate amount not to exceed \$150,000, incurred by the Purchasers in connection with the transaction contemplated by this Agreement.

Section 6.6 Notices. All notices, requests, demands and other communications under this Agreement shall be in writing and shall be deemed to have been duly given or made as follows: (a) if sent by registered or certified mail in the United States return receipt requested, upon receipt; (b) if sent by nationally recognized overnight air courier, one Business Day after mailing; (c) if sent by e-mail transmission, with a copy sent on the same day in the manner provided in the foregoing clause (a) or (b), when transmitted and receipt is confirmed; and (d) if otherwise actually personally delivered, when delivered; provided that such notices, requests, demands and other

communications are delivered to the address set forth below, or to such other address as any party shall provide by like notice to the other parties to this Agreement:

If to the Company, to:

Dream Finders Homes, Inc.
14701 Philips Highway, Suite 300
Jacksonville, FL 32256
E-mail: Robert.riva@dreamfindershomes.com
Attention: Robert E. Riva, Jr.

with a copy (which shall not constitute notice) to:

Foley & Lardner LLP
100 North Tampa Street, Suite 2700
Tampa, FL 33602
E-mail: svazquez@foley.com
Attention: Steven W. Vazquez

If to the Purchasers, to:

c/o BlackRock Advisors, LLC, BlackRock Institutional Trust Company, NA, and BlackRock Financial Management, Inc.
55 East 52nd Street
New York, New York 10055
Attention: Henry Brennan and Keith Byrne
Email: henry.brennan@blackrock.com; keith.byrne@blackrock.com

with a copy (which shall not constitute notice) to:

c/o BlackRock, Inc.
Office of the General Counsel
40 East 52nd Street
New York, New York 10022
Attention: David Maryles and Tracy Ke
Email: legaltransactions@blackrock.com

with a copy (which shall not constitute notice) to:

Goodwin Procter LLP
The New York Times Building
620 Eighth Avenue
New York, New York 10018
Attention: Ilan S. Nissan and Pavel A. Shaitanoff
E-mail: inissan@goodwinlaw.com; pshaitanoff@goodwinlaw.com

Section 6.7 Successors and Assigns. This Agreement will be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns. No other assignment of this Agreement or of any rights or obligations hereunder may be made by any party hereto without the prior written consent of the other parties hereto. Any purported assignment or delegation in violation of this Agreement shall be null and void ab initio.

Section 6.8 Headings. The Section, Article and other headings contained in this Agreement are inserted for convenience of reference only and will not affect the meaning or interpretation of this Agreement.

Section 6.9 Amendments and Waivers. This Agreement may not be modified or amended except by an instrument or instruments in writing signed by each party hereto. Any party hereto may, only by an instrument in writing, waive compliance by any other party or parties hereto with any term or provision hereof on the part of such other party or parties hereto to be performed or complied with. No failure or delay of any party in exercising any right or remedy hereunder shall operate as a waiver thereof, nor will any single or partial exercise of any right or power, or any abandonment or discontinuance of steps to enforce such right or power, preclude any other or further exercise thereof or the exercise of any other right or power. The waiver by any party hereto of a breach of any term or provision hereof shall not be construed as a waiver of any subsequent breach. The rights and remedies of the parties hereunder are cumulative and are not exclusive of any rights or remedies that they would otherwise have hereunder.

Section 6.10 Interpretation; Absence of Presumption.

(a) For the purposes hereof: (i) words in the singular shall be held to include the plural and vice versa and words of one gender shall be held to include the other gender as the context requires; (ii) the terms “hereof,” “herein,” and “herewith” and words of similar import shall, unless otherwise stated, be construed to refer to this Agreement as a whole (including all of the Schedules and Exhibits) and not to any particular provision of this Agreement, and Article, Section, paragraph, Exhibit and Schedule references are to the Articles, Sections, paragraphs, Exhibits, and Schedules to this Agreement unless otherwise specified; (iii) the word “including” and words of similar import when used in this Agreement shall mean “including, without limitation,” unless the context otherwise requires or unless otherwise specified; and (iv) the word “or” shall not be exclusive.

(b) With regard to each and every term and condition of this Agreement and any and all agreements and instruments subject to the terms hereof, the parties hereto understand and agree that the same have or has been mutually negotiated, prepared and drafted, and if at any time the parties hereto desire or are required to interpret or construe any such term or condition or any agreement or instrument subject hereto, no consideration will be given to the issue of which party hereto actually prepared, drafted or requested any term or condition of this Agreement or any agreement or instrument subject hereto.

Section 6.11 Severability. Any provision hereof that is held to be invalid, illegal or unenforceable in any respect by a court of competent jurisdiction, shall be ineffective only to the extent of such invalidity, illegality or unenforceability, without affecting in any way the remaining provisions hereof; provided, however, that the parties will attempt in good faith to reform this Agreement in a manner consistent with the intent of any such ineffective provision for the purpose of carrying out such intent.

Section 6.12 Specific Performance. The parties hereto agree that irreparable damage could occur and that the a party may not have any adequate remedy at law in the event that any of the provisions of this Agreement are not performed in accordance with their terms or were otherwise breached. Accordingly, each party shall without the necessity of proving the inadequacy of money damages or posting a bond be entitled to seek an injunction or injunctions to prevent breaches of this Agreement and to enforce specifically the terms, provisions and covenants contained therein, this being in addition to any other remedy to which they are entitled at law or in equity.

Section 6.13 Corporate Opportunities. Subject to the provisions of Section 4.4, the Company, on behalf of itself and its Subsidiaries, to the fullest extent permitted by applicable law, (a) acknowledges and affirms that the Purchasers and their Affiliates, and Representatives, including any Board Observer (the “Purchaser Group”): (i) have participated (directly or indirectly) and will continue to participate (directly or indirectly) in private equity, venture capital and other direct investments in corporations, joint ventures, limited liability companies and other entities (“Other Investments”), including Other Investments engaged in various aspects of businesses similar to those engaged in by the Company and its Subsidiaries (and related services businesses) that may, are or will be competitive with the Company’s or any of its Subsidiaries’ businesses or that could be suitable for the Company’s or any of its Subsidiaries’ interests; (ii) do business with any client, customer, vendor or lessor of any of the Company or its Affiliates or any other person with which any of the Company or its Affiliates has a business relationship; (iii) have interests in, participate with, aid and maintain seats on the board of directors or similar governing bodies of, or serve as officers of, Other Investments; (iv) may develop or become aware of business opportunities for Other Investments; and (v) may or will, as a result of or arising from the matters referenced in this Section 6.13, the nature of the Purchaser Group’s businesses and other factors, have conflicts of interest or potential conflicts of interest; (b) hereby renounces

and disclaims any interest or expectancy in any business opportunity (including any Other Investments or any other opportunities that may arise in connection with the circumstances described in the foregoing clauses (a)(i) through (a)(v) (each, a "Renounced Business Opportunity")); (c) acknowledges and affirms that no member of Purchaser Group, including any Board Observer, shall have any obligation to communicate or offer any Renounced Business Opportunity to the Company or any of its Subsidiaries, and any member of Purchaser Group may pursue a Renounced Business Opportunity; and (d) waives any claim against the Purchaser Group and each member thereof. The Company agrees that in the event that the Purchaser Group or any member thereof acquires knowledge of a potential transaction or matter which may constitute a corporate opportunity for both (x) the Purchaser Group; and (y) the Company or its Subsidiaries, a member of the Purchaser Group shall not have any duty to offer or communicate information regarding such corporate opportunity to the Company or its Subsidiaries. To the fullest extent permitted by applicable law, the Company hereby waives any claim against the Purchaser Group and each member thereof that such member or the Purchaser Group is liable to the Company or its stockholders for breach of any fiduciary duty solely by reason of the fact that the Purchaser Group or such member of the Purchaser Group (A) pursues or acquires any corporate opportunity for its own account or the account of any Affiliate or other person; (B) directs, recommends, sells, assigns or otherwise transfers such corporate opportunity to another Person; or (C) does not communicate information regarding such corporate opportunity to the Company. Notwithstanding anything to the contrary in the foregoing, the Company shall not be prohibited from pursuing any Renounced Business Opportunity as a result of this Section 6.13.

Section 6.14 Net Funding. In order to simplify the cash movements in respect of the payment of the purchase price set forth in Section 1.1, the commitment fee described in Section 1.3 and the reimbursement amount set forth in Section 6.5, the Company and each Purchaser hereby agree that the commitment fee described in Section 1.3 and the reimbursement amount set forth in Section 6.5 shall be deducted from purchase price set forth in Section 1.1, such that the aggregate amount payable by the Purchasers on the Closing Date shall equal \$148,350,000, whereupon, following the payment of such amount, all obligations of the Purchasers under this Agreement in connection with its payment of the purchase price set forth in Section 1.1 shall be deemed to have been satisfied in full as if the Purchasers had paid the full amount of the purchase price set forth in Section 1.1 to the Company.

Section 6.15 Public Announcement. Subject to each party's disclosure obligations imposed by applicable law or the rules of any stock exchange upon which its securities are listed, each of the parties hereto will cooperate with each other in the development and distribution of all news releases and other public information disclosures with respect to this Agreement and any of the transactions contemplated by this Agreement, and neither the Company nor any Purchaser will make any such news release or public disclosure without first consulting with the other, and, in each case, also receiving the other's consent and each party shall coordinate with the party whose consent is required with respect to any such news release or public disclosure. Notwithstanding anything to the contrary in this Agreement, each party's obligation to receive the other party's consent to such news release or public disclosure shall not apply to any filings or disclosures required by applicable law or the rules of any stock exchange on which a party's securities are listed; *provided* that the obligation set forth in this Section 6.15 for each party to cooperate with each other in the development and distribution of all news releases and other public information disclosures with respect to this Agreement and any of the transactions contemplated by this Agreement shall still apply.

(The next page is the signature page)

The parties have caused this Subscription Agreement to be executed as of the date first written above.

DREAM FINDERS HOMES, INC.

By: /s/ Patrick O. Zalupski
Name: Patrick O. Zalupski
Title: President and Chief Executive Officer

[Signature Page to Subscription Agreement]

PURCHASERS

BLACKROCK CAPITAL ALLOCATION TRUST

By: BLACKROCK ADVISORS LLC, as Investment Advisor

By: /s/ Henry Brennan
Name: Henry Brennan
Title: Managing Director

BLACKROCK GLOBAL LONG/SHORT CREDIT FUND OF BLACKROCK FUNDS IV

By: BLACKROCK ADVISORS LLC, its Investment Advisor

By: /s/ Henry Brennan
Name: Henry Brennan
Title: Managing Director

BLACKROCK STRATEGIC INCOME OPPORTUNITIES PORTFOLIO OF BLACKROCK FUNDS V

By: BLACKROCK ADVISORS LLC, its Investment Advisor

By: /s/ Henry Brennan
Name: Henry Brennan
Title: Managing Director

BLACKROCK STRATEGIC GLOBAL BOND FUND, INC.

By: BLACKROCK ADVISORS, LLC, its Adviser AND BLACKROCK INTERNATIONAL LIMITED, its Sub-Adviser;

By: /s/ Henry Brennan
Name: Henry Brennan
Title: Managing Director

STRATEGIC INCOME OPPORTUNITIES BOND FUND

By: BLACKROCK INSTITUTIONAL TRUST COMPANY, NA, not in its individual capacity but as Trustee of the STRATEGIC INCOME OPPORTUNITIES BOND FUND;

By: /s/ Henry Brennan
Name: Henry Brennan
Title: Managing Director

[Signature Page to Subscription Agreement]

BLACKROCK TOTAL RETURN BOND FUND

By: BLACKROCK INSTITUTIONAL TRUST COMPANY, NA, not in its individual capacity but as Trustee of the BLACKROCK TOTAL RETURN BOND FUND

By: /s/ Henry Brennan
Name: Henry Brennan
Title: Managing Director

BRIGHTHOUSE FUNDS TRUST II – BLACKROCK BOND INCOME PORTFOLIO

By: BLACKROCK ADVISORS, LLC, as Investment Advisor

By: /s/ Henry Brennan
Name: Henry Brennan
Title: Managing Director

MASTER TOTAL RETURN PORTFOLIO OF MASTER BOND LLC

By: BLACKROCK FINANCIAL MANAGEMENT, INC., its Registered Sub-Advisor

By: /s/ Henry Brennan
Name: Henry Brennan
Title: Managing Director

BLACKROCK GLOBAL ALLOCATION FUND, INC.

By: BLACKROCK ADVISORS, LLC, as Investment Adviser

By: /s/ Henry Brennan
Name: Henry Brennan
Title: Managing Director

BLACKROCK GLOBAL ALLOCATION COLLECTIVE FUND

By: BLACKROCK INSTITUTIONAL TRUST COMPANY, NA, not in its individual capacity but as Trustee of the BLACKROCK GLOBAL ALLOCATION COLLECTIVE FUND

By: /s/ Henry Brennan
Name: Henry Brennan
Title: Managing Director

[Signature Page to Subscription Agreement]

BLACKROCK GLOBAL ALLOCATION PORTFOLIO OF BLACKROCK SERIES
FUND, INC.

By: BLACKROCK ADVISORS, LLC, as Investment Adviser

By: /s/ Henry Brennan
Name: Henry Brennan
Title: Managing Director

BLACKROCK GLOBAL ALLOCATION V.I. FUND OF BLACKROCK
VARIABLE SERIES FUNDS, INC.

By: BLACKROCK ADVISORS, LLC, as Investment Adviser

By: /s/ Henry Brennan
Name: Henry Brennan
Title: Managing Director

[Signature Page to Subscription Agreement]

EXHIBIT A

DEFINED TERMS

1. The following capitalized terms have the meanings indicated:

“Affiliate” of any Person means any Person, directly or indirectly, Controlling, Controlled by or under common Control with such Person.

“Board of Directors” means the Company’s board of directors.

“Business Day” means any day other than a Saturday, a Sunday or any day on which the Federal Reserve Bank of New York is authorized or required by law or executive order to close or be closed.

“Code” means the Internal Revenue Code of 1986, as amended.

“Credit Agreement” means that certain credit agreement, dated as of January 25, 2021, by and among the Company, as borrower; Bank of America, N.A., as administrative agent; and the lenders party thereto, as amended by that certain First Amendment and Commitment Increase Agreement in the form substantially provided to Purchaser and may be amended from time to time with respect to (i) the Protective Covenants; and (ii) the information required to be delivered to Purchasers pursuant to Section 4.5 of this Agreement; *provided* that the Purchasers shall have provided their written consent (which shall not be unreasonably withheld or delayed, unless such amendment would adversely and materially affect the rights of Purchasers with respect to (i) and (ii), in which case such consent shall be in the sole discretion of the Purchasers) to such amendment.

“Bylaws” means the Amended and Restated Bylaws of the Company, as adopted on January 20, 2021, as the same may be further amended, supplemented or restated.

“Certificate of Incorporation” means the Company’s Amended and Restated Certificate of Incorporation, as the same may be further amended, supplemented or restated.

“Company IT Systems” means all computer systems, networks, hardware, software, databases, websites, and equipment used to process, store, maintain and operate data, information, and functions used in connection with the business of the Company and its Subsidiaries.

“Confidential Information” means information regarding the Company or its Subsidiaries that is non-public, confidential or proprietary in nature, together with all analyses, compilations, forecasts, studies or other documents prepared by any Purchaser or its Representatives which contain or otherwise reflect such information. “Confidential Information” shall not include such portions of the Confidential Information that (a) are or become generally available to the public other than as a result of the Purchasers’ or its Affiliates’ disclosure in violation of this Agreement; (b) become available to the Purchasers or its Affiliates on a non-confidential basis from a source other than the Company or its Subsidiaries; (c) was already in any Purchaser’s or its Affiliate’s possession prior to the date of this Agreement and which was not obtained from the Company or its Subsidiaries; or (d) are independently developed by any Purchaser or its Affiliates without reference to the Confidential Information.

“Control” (including its correlative meanings “under common Control with” and “Controlled by”) means, with respect to any Person, the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of such Person, whether through ownership of securities or partnership or other interests, by contract or otherwise.

“DGCL” means the General Corporation Law of the State of Delaware (as amended from time to time).

“Environmental Permit” means any permit, license, approval or other authorization under any applicable law, rule or regulations of the United States or of any state, municipality or other subdivision thereof

relating to pollution or protection of health or the environment, including laws, regulations or other requirements relating to emissions, discharges, releases or threatened releases of pollutants, contaminants or Hazardous Substances or toxic materials or wastes into ambient air, surface water, ground water or land, or otherwise relating to the manufacture, processing, distribution, recycling, presence, use, treatment, storage, disposal, transport, or handling of, wastes, pollutants, contaminants or Hazardous Substances.

“ERISA” means the Employee Retirement Income Security Act of 1974, as amended.

“ERISA Documents” means all material “employment benefit plans” as defined in Section 3(3) of ERISA that are maintained or sponsored by the Company or its Subsidiaries for the benefit of their respective current or former employees and with respect to which the Company or its Subsidiaries have any liability.

“ERISA Regulations” means the regulations promulgated by the Department of Labor in 29 C.F.R. § 2510.3-101, and any amendments or successor regulations thereto, as modified by Section 3(42) of ERISA.

“Exchange Act” means the Securities Exchange Act of 1934, as amended.

“GAAP” means generally accepted accounting principles as in effect in the United States.

“Governmental Entity” means any supranational, national, state, municipal, local or foreign government, any court, tribunal, arbitrator, administrative agency, commission or other governmental official, authority or instrumentality.

“Government Official” means any officer or employee of a foreign governmental authority or any department, agency, or instrumentality thereof, or of a public international organization, or any person acting in an official capacity for or on behalf of any such foreign governmental authority or department, agency, or instrumentality, or for or on behalf of any such public international organization, or any political party, party official, or candidate thereof, excluding officials of the governments of the United States, the several states thereof, any local subdivision of any of them or any agency, department or unit of any of the foregoing.

“Hazardous Substance” means any waste, substance, product or material defined or regulated as “hazardous” or “toxic” by any applicable law, rule, regulation or order described in the definition of “Requirements of Environmental Law,” including petroleum and any fraction thereof, and any radioactive materials and waste.

“Investment Company Act” mean the Investment Company Act of 1940, as amended.

“Material Adverse Effect” means a material adverse effect upon the financial condition, assets, liabilities or results of operations of the Company and its Subsidiaries, taken as a whole; provided, however, that any such effect resulting or arising from or relating to any of the following matters shall not be considered when determining whether a Material Adverse Effect has occurred or would reasonably be expected to occur: (a) any change, development, occurrence or event affecting the industry in which the Company and its Subsidiaries operate; (b) any conditions affecting the United States general economy or the general economy in any geographic area in which the Company or its Subsidiaries operate or developments or changes therein or the financial and securities markets and credit markets in the United States or elsewhere in the world; (c) political conditions, including the continuation, occurrence, escalation, outbreak or worsening of any hostilities, war, political action, acts of terrorism, sabotage or military conflicts, whether or not pursuant to the declaration of an emergency or war; (d) any conditions resulting from the existence, occurrence or continuation of any force majeure events, including any earthquakes, floods, hurricanes, tropical storms, fires or other natural or manmade disasters, any epidemic, pandemic (including COVID-19) or other similar outbreak (including any non-human epidemic, pandemic or other similar outbreak) or any other national, international or regional calamity; (e) changes in any law, rule, regulation or GAAP; (f) any action taken or omitted to be taken by or at the written request or with the written consent of the Purchasers; (g) any announcement of this Agreement or the transactions contemplated hereby; (h) changes in the market price or trading volume of Common Stock or any other equity, equity-related or debt securities of the Company or its Affiliates (it being understood that the underlying circumstances, events or reasons giving rise to any such change can be taken into account in determining whether a Material Adverse Effect has occurred or would reasonably be expected to

occur); or (i) any failure to meet any internal or public projections, forecasts, estimates or guidance for any period (it being understood that the underlying circumstances, events or reasons giving rise to any such failure can be taken into account in determining whether a Material Adverse Effect has occurred or would reasonably be expected to occur); provided, that any of the matters described in clauses (a), (b), (c) or (d) will be taken into account for purposes of determining whether or not a Material Adverse Effect has occurred to the extent that such matter disproportionately and adversely affects the Company and its Subsidiaries, taken as a whole, as compared with other companies operating in the industry in which the Company and its Subsidiaries operate.

“Person” means an individual, corporation, partnership, limited liability company, joint venture, trust or unincorporated organization or a government or agency or political subdivision thereof.

“Personal Information” means, in addition to all information defined or described by the Company and its Subsidiaries as “personal data,” “personal information,” “personally identifiable information,” “PII,” or any similar term in the Company’s or any of its Subsidiaries’ privacy policies or other public-facing statement, any information that is subject to any Privacy Law or regarding or capable of being associated with an individual consumer or device, including: (i) information that identifies, could be used to identify (alone or in combination with other information) or is otherwise identifiable with an individual or a device, including name, physical address, telephone number, email address, financial account number, government-issued identifier (including Social Security number and driver’s license number), medical, health or insurance information, gender, date of birth, educational or employment information, any religious or political view or affiliation, marital or other status, photograph, face geometry, or biometric information, and any other data used or intended to be used to identify, contact or precisely locate an individual; (ii) any data regarding any activity of an individual online or on a mobile device or other application (e.g., any search conducted, web page or content visited or viewed), whether or not such information is associated with an identifiable individual; and (iii) any Internet Protocol address or other persistent identifier. Personal Information may relate to any individual, including any user of any Internet or device application who views or interacts with any product or service of the Company or any of its Subsidiaries, or a current, prospective or former customer, employee or vendor of any Person. Personal Information includes information in any form, including paper, electronic and other forms.

“Privacy Law” means any law that governs the receipt, collection, compilation, use, storage, processing, sharing, safeguarding, security, disposal, destruction, disclosure or transfer of Personal Information and any such Law governing breach notification, any penalties and compliance with any order, including the Children’s Online Privacy Protection Act, the Telephone Consumer Protection Act, the Communications Decency Act, the CAN-SPAM Act, and all analogous laws as applicable to the Company and its Subsidiaries, as well as all applicable industry standards.

“Real Property” means the real property owned, leased or subleased by the Company and its Subsidiaries, together with all buildings, structures and facilities located thereon.

“Registration Rights Agreement” means the Registration Rights Agreement between the Company and each Purchaser in the form attached to the Agreement as Exhibit C.

“Representatives” means a Persons’ Affiliates, employees, agents, consultants, accountants, attorneys or financial advisors and direct or indirect members or partners or Affiliates of the foregoing.

“Requirements of Environmental Law” means all requirements imposed by any law (including the Resource Conservation and Recovery Act, the Comprehensive Environmental Response, Compensation, and Liability Act, the Clean Water Act, the Clean Air Act, and any state analogues of any of the foregoing), rule, regulation, or order of any governmental authority which relate to (a) pollution, protection or clean-up of the air, surface water, ground water or land; (b) solid, gaseous or liquid waste or Hazardous Substance generation, recycling, reclamation, release, threatened release, treatment, storage, disposal or transportation; (c) exposure of Persons or property to Hazardous Substances; or (d) the manufacture, presence, processing, distribution in commerce, use, discharge, releases, threatened releases, emissions or storage of Hazardous Substances into the environment.

“Restricted Securities” means Purchased Shares or Conversion Shares required to bear the legend set forth in Section 4.2(a) under the applicable provisions of the Securities Act.

“SEC” means the Securities and Exchange Commission.

“SEC Documents” means all reports, schedules, registration statements, proxy statements and other documents (including all amendments, exhibits and schedules thereto) filed by the Company with the SEC on or after January 1, 2021.

“Securities Act” means the Securities Act of 1933, as amended.

“Stock Plans” means the Dream Finders Homes, Inc. 2021 Equity Incentive Plan.

“Subsidiary” means, when used with reference to a party, any corporation or other organization, whether incorporated or unincorporated, of which such party or any other Subsidiary of such party is a general partner or serves in a similar capacity, or, with respect to such corporation or other organization, at least a majority of the securities or other interests having by their terms ordinary voting power to elect a majority of the board of directors or others performing similar functions is directly or indirectly owned or controlled by such party or by any one or more of its Subsidiaries, or by such party and one or more of its Subsidiaries.

“Tax” and “Taxes” means all federal, state, local and foreign taxes (including, without limitation, income, franchise, property, sales, withholding, payroll and employment taxes), assessments, fees or other charges imposed by any Governmental Entity, including any interest, additions to tax or penalties applicable thereto.

“Tax Return” means any return, report or similar filing (including the attached schedules) filed or required to be filed with respect to Taxes (and any amendments thereto), including any information return, claim for refund or declaration of estimated Taxes.

“Transfer” means any direct or indirect (a) sale, transfer, hypothecation, assignment, gift, bequest or disposition by any other means, whether for value or no value and whether voluntary or involuntary (including, without limitation, by realization upon any lien or by operation of law or by judgment, levy, attachment, garnishment, bankruptcy or other legal or equitable proceedings); or (b) grant of any option, warrant or other right to purchase or the entry into any hedge, swap or any other agreement or any transaction that transfers, in whole or in part, directly or indirectly, the economic consequence of ownership of Common Stock. The term “Transferred” shall have a correlative meaning.

“Treasury Regulations” means the U.S. Treasury regulations promulgated under the Code, as amended.

2. The following terms are defined in the Sections of the Agreement indicated:

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EXHIBIT B

DREAM FINDERS HOMES, INC.

Certificate of Designations

Series A Convertible Preferred Stock

[•], 2021

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Certificate of Designations

Series A Convertible Preferred Stock

On September 1, 2021, the Board of Directors of Dream Finders Homes, Inc., a Delaware corporation (the “**Company**”), adopted the following resolution designating and creating, out of the authorized and unissued shares of preferred stock of the Company, 150,000 authorized shares of a series of preferred stock of the Company titled the “Series A Convertible Preferred Stock”:

RESOLVED that, pursuant to the Certificate of Incorporation, the Bylaws and applicable law, a series of preferred stock of the Company titled the “Series A Convertible Preferred Stock,” and having an Initial Liquidation Preference of \$1,000,000 per share and an initial number of authorized shares equal to 150,000, is hereby designated and created out of the authorized and unissued shares of preferred stock of the Company, which series has the rights, designations, preferences, voting powers and other provisions set forth below:

Section 1. **Definitions.**

“**Affiliate**” of any Person means any Person, directly or indirectly, Controlling, Controlled by, or under common Control with such Person.

“**Antitrust Clearance Date**” means the date on which the waiting period under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended (or any successor act or regulation thereto), has expired or been terminated (or receipt by the Company of written notice from the Holder that clearance under such law is not required), and any other required clearances, approvals, or authorizations of filings and registrations with, and notifications to government authorities under other applicable antitrust and competition laws have been received, in each case, with respect to the ownership by the Holders of voting securities in the Company.

“**Board of Directors**” means the Company’s board of directors or a committee of such board duly authorized to act on behalf of such board.

“**Business Day**” means any day other than a Saturday, a Sunday, or any day on which the Federal Reserve Bank of New York is authorized or required by law or executive order to close or be closed.

“**Bylaws**” means the Bylaws of the Company, amended and restated, on January 20, 2021, as the same may be further amended, supplemented, or restated.

“**Capital Stock**” of any Person means any and all shares of, interests in, rights to purchase, warrants or options for, participations in, or other equivalents of, in each case, however designated, the equity of such Person, but excluding any debt securities convertible into such equity.

“**Certificate**” means any Physical Certificate or Electronic Certificate.

“**Certificate of Designations**” means this Certificate of Designations, as amended or supplemented from time to time.

“**Certificate of Incorporation**” means the Company’s Amended and Restated Certificate of Incorporation, as the same may be further amended, supplemented, or restated.

“**Change of Control**” means any of the following events:

(a) a “person” or “group” (within the meaning of Section 13(d)(3) of the Exchange Act), other than the Company, its Wholly-Owned Subsidiaries or a Holder (together with its Affiliates), has become the direct or indirect “beneficial owner” (as defined below) of shares of the Company’s common equity representing more than 50% of the voting power of all of the Company’s then-outstanding common equity; or

(b) the consummation of (i) any sale, lease, or other transfer, in one transaction or a series of transactions, of all or substantially all of the assets of the Company and its Subsidiaries, taken as a whole, to any Person; or (ii) any transaction or series of related transactions in connection with which (whether by means of merger, consolidation, share exchange, combination, reclassification, recapitalization, acquisition, liquidation, or otherwise) all of the Common Stock is exchanged for, converted into, acquired for, or constitutes solely the right to receive, other securities, cash, or other property; *provided, however*, that any merger, consolidation, share exchange, or combination of the Company pursuant to which the Persons that directly or indirectly “beneficially owned” (as defined below) all classes of the Company’s common equity immediately before such transaction directly or indirectly “beneficially own,” immediately after such transaction, more than 50% of all classes of common equity of the surviving, continuing, or acquiring company or other transferee, as applicable, or the parent thereof, in substantially the same proportions vis-à-vis each other as immediately before such transaction will be deemed not to be a Change of Control pursuant to this **clause (b)**.

For the purposes of this definition, (x) any transaction or event described in both **clause (a)** and in **clause (b)(i)** or **(ii)** above (without regard to the proviso in **clause (b)**) will be deemed to occur solely pursuant to **clause (b)** above (subject to such proviso); and (y) whether a Person is a “beneficial owner” and whether shares are “beneficially owned” will be determined in accordance with Rule 13d-3 under the Exchange Act.

“**Change of Control Redemption**” means the redemption of any Convertible Preferred Stock by the Company pursuant to **Section 7(b)**.

“**Change of Control Redemption Date**” means the date fixed, pursuant to **Section 7(b)(iii)**, for the redemption of any Convertible Preferred Stock by the Company pursuant to a Change of Control Redemption.

“**Change of Control Redemption Notice**” has the meaning set forth in **Section 7(b)(v)**.

“**Change of Control Redemption Notice Date**” means the date on which the Change of Control Redemption Notice is delivered.

“**Change of Control Redemption Price**” means the cash price payable by the Company to redeem any share of Convertible Preferred Stock upon its Change of Control Redemption, calculated pursuant to **Section 7(b)(iv)**.

“**Class A Common Stock**” means the Company’s Class A Common Stock, \$.01 par value per share, of the Company, subject to **Section 10(i)**.

“**Class B Common Stock**” means the Company’s Class B Common Stock, \$.01 par value per share, of the Company, subject to **Section 10(i)**.

“**Close of Business**” means 5:00 p.m., Eastern time.

“**Code**” means the U.S. Internal Revenue Code of 1986, as amended.

“**Common Stock**” means the Class A Common Stock and the Class B Common Stock.

“**Company**” has the meaning set forth in the preamble.

“**Control**” (including its correlative meanings “under common Control with” and “Controlled by”) means, with respect to any Person, the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of such Person, whether through ownership of securities or partnership or other interests, by contract or otherwise.

“**Conversion Consideration**” means, with respect to the conversion of any Convertible Preferred Stock, the type and amount of consideration payable to settle such conversion, determined in accordance with **Section 10**.

“**Conversion Date**” means, with respect to the Optional Conversion of any Convertible Preferred Stock, the first Business Day on which the requirements set forth in **Section 10(c)(i)** for such conversion are satisfied.

“**Conversion Price**” has the meaning set forth in Section 10(e), subject to the limitations and adjustments set forth in Section 10; *provided, however*, that each reference in this Certificate of Designations to the Conversion Price as of a particular date without setting forth a particular time on such date will be deemed to be a reference to the Conversion Price immediately before the Close of Business on such date.

“**Conversion Share**” means any share of Class A Common Stock issued or issuable upon conversion of any Convertible Preferred Stock.

“**Convertible Preferred Stock**” has the meaning set forth in **Section 3(a)**.

“**Credit Agreement**” means that certain credit agreement, dated as of January 25, 2021, by and among the Company, as borrower; Bank of America, N.A., as administrative agent; and the lenders party thereto, as amended by that certain First Amendment and Commitment Increase Agreement in the form substantially provided to Purchaser and as may be further amended from time to time.

“**Depository**” means The Depository Trust Company or its successor.

“**Dividend Junior Stock**” means any class or series of the Company’s stock whose terms do not expressly provide that such class or series will rank senior to, or equally with, the Convertible Preferred Stock with respect to the payment of dividends (without regard to whether or not dividends accumulate cumulatively). Dividend Junior Stock includes the Common Stock. For the avoidance of doubt, Dividend Junior Stock will not include any securities of the Company’s Subsidiaries.

“**Electronic Certificate**” means any electronic book-entry maintained by the Transfer Agent that represents any share(s) of Convertible Preferred Stock.

“**Exchange Act**” means the U.S. Securities Exchange Act of 1934, as amended.

“**Holder**” means a person in whose name any Convertible Preferred Stock is registered in the Register.

“**Initial Issue Date**” means [●], 2021.

“**Initial Liquidation Preference**” means \$1,000.00 per share of Convertible Preferred Stock.

“**Last Reported Sale Price**” of the Class A Common Stock for any Trading Day means the closing sale price per share (or, if no closing sale price is reported, the average of the last bid price and the last ask price per share or, if more than one in either case, the average of the average last bid prices and the average last ask prices per share) of the Class A Common Stock on such Trading Day as reported in composite transactions for the principal U.S. national securities exchange on which the Class A Common Stock is then listed. If the Class A Common Stock is not listed on a U.S. national securities exchange on such Trading Day, then the Last Reported Sale Price will be the last quoted bid price per share of Class A Common Stock on such Trading Day in the over-the-counter market as reported by OTC Markets Group Inc. or a similar organization. If the Class A Common Stock is not so quoted on such Trading Day, then the Last Reported Sale Price will be the average of the mid-point of the last bid price and the last ask price per share of Class A Common Stock on such Trading Day from each of at least three nationally recognized independent investment banking firms the Company selects in good faith.

“**Liquidation Preference**” means, with respect to the Convertible Preferred Stock, an amount equal to the Initial Liquidation Preference per share of Convertible Preferred Stock; *provided, however*, that the Liquidation Preference is subject to adjustment pursuant to **Sections 5(a)(ii)(1)**.

“**Mandatory Redemption**” has the meaning set forth in **Section 7(a)**.

“**Mandatory Redemption Date**” means the date fixed, pursuant to **Section 7(a)(iii)**, for the settlement of the redemption of the Convertible Preferred Stock by the Company pursuant to a Redemption.

“**Mandatory Redemption Notice**” has the meaning set forth in **Section 7(a)(v)**.

“**Mandatory Redemption Notice Date**” means, with respect to a Mandatory Redemption of the Convertible Preferred Stock, the date on which the Company sends the related Mandatory Redemption Notice pursuant to **Section 7(a)(v)**.

“**Mandatory Redemption Price**” means the consideration payable by the Company to redeem any Convertible Preferred Stock upon its Redemption, calculated pursuant to **Section 7(a)(iv)**.

“**Mandatory Redemption Price Premium**” means (a) 102%, if the Mandatory Redemption Notice Date is after the third year anniversary, and on or before the fourth year anniversary, of the Initial Issue Date; and (b) 101% if the Mandatory Redemption Notice Date is after the fourth anniversary of the Initial Issue Date, but on or before the fifth anniversary, of the Initial Issue Date with no premium payable if the Mandatory Redemption Notice Date is after the fifth anniversary of the Initial Issue Date.

“**Market Disruption Event**” means, with respect to any date, the occurrence or existence, during the one-half hour period ending at the scheduled close of trading on such date on the principal U.S. national or regional securities exchange or other market on which the Class A Common Stock is listed for trading or trades, of any material suspension or limitation imposed on trading (by reason of movements in price exceeding limits permitted by the relevant exchange or otherwise) in the Class A Common Stock or in any options contracts or futures contracts relating to the Class A Common Stock.

“**Officer**” means the Chief Executive Officer, the President, the Chief Operating Officer, the Chief Financial Officer, the Treasurer, any Assistant Treasurer, the Controller, the Secretary, or any Vice-President of the Company.

“**Open of Business**” means 9:00 a.m., Eastern time.

“**Optional Conversion**” means the conversion of any Convertible Preferred Stock.

“**Optional Conversion Notice**” means a notice substantially in the form of the “Optional Conversion Notice” set forth in **Exhibit B**.

“**Optional Conversion Trigger Date**” has the meaning set forth in **Section 10(a)**.

“**Person**” or “**person**” means any individual, corporation, partnership, limited liability company, joint venture, association, joint-stock company, trust, unincorporated organization or government or other agency or political subdivision thereof. Any division or series of a limited liability company, limited partnership or trust will constitute a separate “person” under this Certificate of Designations.

“**Physical Certificate**” means any certificate (other than an Electronic Certificate) representing any share(s) of Convertible Preferred Stock, which certificate is substantially in the form set forth in Exhibit A, registered in the name of the Holder of such share(s) and duly executed by the Company and countersigned by the Transfer Agent.

“**Proxy Statement**” has the meaning set forth in Section 10(f)(ii).

“**Record Date**” means, with respect to any dividend or distribution on, or issuance to holders of, Convertible Preferred Stock or Common Stock, the date fixed (whether by law, contract or the Board of Directors or otherwise) to determine the Holders or the holders of Common Stock, as applicable, that are entitled to such dividend, distribution or issuance.

“**Redemption**” means a Mandatory Redemption or a Change of Control Redemption.

“**Redemption Date**” means a Change of Control Redemption Date or Mandatory Redemption Date, as applicable.

“**Register**” has the meaning set forth in **Section 3(e)**.

“**Regular Dividend Payment Date**” means, with respect to any share of Convertible Preferred Stock, each March 31st, June 30th, September 30th, and December 31st of each year, beginning on December 31, 2021 (or beginning on such other date specified in the Certificate representing such share).

“**Regular Dividend Period**” means each period from, and including, a Regular Dividend Payment Date (or, in the case of the first Regular Dividend Period, from, and including, the Initial Issue Date) to, but excluding, the next Regular Dividend Payment Date.

“**Regular Dividend Rate**” means 9% per annum.

“**Regular Dividend Record Date**” has the following meaning: (a) March 15th, in the case of a Regular Dividend Payment Date occurring on March 31st; (b) June 15th, in the case of a Regular Dividend Payment Date occurring on June 30th; (c) September 15th, in the case of a Regular Dividend Payment Date occurring on September 30th; and (d) December 15th, in the case of a Regular Dividend Payment Date occurring on December 31st.

“**Regular Dividends**” has the meaning set forth in **Section 5(a)(i)**.

“**Requisite Stockholder Approval**” means the stockholder approval contemplated by The Nasdaq Stock Market Listing Rule 5635(b) and/or 5635(d) or other applicable rule of the Nasdaq Stock Market or any other national securities exchange on which the Class A Common Stock is then listed with respect to the issuance of shares of Class A Common Stock upon conversion of the Convertible Preferred Stock in excess of the limitations imposed by such rule(s); *provided, however*, that the Requisite Stockholder Approval will be deemed to be obtained if, due to any amendment or binding change in the interpretation of the applicable listing standards of The Nasdaq Stock Market, such stockholder approval is no longer required for the Company to settle all conversions of the Convertible Preferred Stock in shares of Class A Common Stock; *provided further*, that if any Conversion Shares are issued to holders of Convertible Preferred Stock prior to the stockholder meeting called for the purpose of the Requisite Stockholder Approval, such shares shall not be counted in determining whether Requisite Stockholder Approval shall have been obtained.

“**Restricted Stock Legend**” means a legend substantially in the form set forth in **Exhibit C**.

“**Rule 144**” means Rule 144 under the Securities Act (or any successor rule thereto), as the same may be amended from time to time.

“**Securities Act**” means the U.S. Securities Act of 1933, as amended.

“**Security**” means any Convertible Preferred Stock or Conversion Share.

“**Subscription Agreement**” means the Subscription Agreement, dated as of September 8, 2021, between the Company and BlackRock Capital Allocation Trust; BlackRock Global Long/Short Credit Fund of BlackRock Funds IV; BlackRock Strategic Income Opportunities Portfolio of BlackRock Funds V; BlackRock Strategic Global Bond Fund, Inc.; Strategic Income Opportunities Bond Fund; BlackRock Total Return Bond Fund; Brighthouse Funds Trust II – BlackRock Bond Income Portfolio; Master Total Return Portfolio of Master Bond LLC; BlackRock Global Allocation Fund, Inc.; BlackRock Global Allocation Collective Fund; BlackRock Global Allocation Portfolio of BlackRock Series Fund, Inc.; and BlackRock Global Allocation V.I. Fund of BlackRock Variable Series Funds, Inc., as the same may be amended, supplemented or restated in accordance with its terms.

“**Subsidiary**” means, with respect to any Person, (a) any corporation, association or other business entity (other than a partnership or limited liability company) of which more than 50% of the total voting power of the Capital Stock entitled (without regard to the occurrence of any contingency, but after giving effect to any voting agreement

or stockholders' agreement that effectively transfers voting power) to vote in the election of directors, managers or trustees, as applicable, of such corporation, association or other business entity is owned or controlled, directly or indirectly, by such Person or one or more of the other Subsidiaries of such Person; and (b) any partnership or limited liability company where (x) more than 50% of the capital accounts, distribution rights, equity and voting interests, or of the general and limited partnership interests, as applicable, of such partnership or limited liability company are owned or controlled, directly or indirectly, by such Person or one or more of the other Subsidiaries of such Person, whether in the form of membership, general, special or limited partnership or limited liability company interests or otherwise; and (y) such Person or any one or more of the other Subsidiaries of such Person is a controlling general partner of, or otherwise controls, such partnership or limited liability company.

“**Trading Day**” means any day on which (a) trading in the Class A Common Stock generally occurs on the principal U.S. national securities exchange on which the Class A Common Stock is then listed or, if the Class A Common Stock is not then listed on a U.S. national securities exchange, on the principal other market on which the Class A Common Stock is then traded; and (b) there is no Market Disruption Event. If the Class A Common Stock is not so listed or traded, then “Trading Day” means a Business Day.

“**Transfer Agent**” means the Company or its successor or, at the Company’s option, the transfer agent for the Company’s Class A Common Stock.

“**Transfer-Restricted Security**” means any Security that constitutes a “restricted security” (as defined in Rule 144); *provided, however*, that such Security will cease to be a Transfer-Restricted Security upon the earliest to occur of the following events:

(a) such Security is sold or otherwise transferred to a Person (other than the Company or an Affiliate of the Company) pursuant to a registration statement that was effective under the Securities Act at the time of such sale or transfer;

(b) such Security is sold or otherwise transferred to a Person (other than the Company or an Affiliate of the Company) pursuant to an available exemption (including Rule 144) from the registration and prospectus-delivery requirements of, or in a transaction not subject to, the Securities Act and, immediately after such sale or transfer, such Security ceases to constitute a “restricted security” (as defined in Rule 144); and

(c) (i) such Security is eligible for resale, by a Person that is not an Affiliate of the Company and that has not been an Affiliate of the Company during the immediately preceding three (3) months, pursuant to Rule 144 without any limitations thereunder as to volume, manner of sale, availability of current public information or notice; and (ii) the Company has received such certificates or other documentation or evidence as the Company may reasonably require to determine that the security is eligible for resale pursuant to clause (i) and the Holder, holder or beneficial owner of such Security is not, and has not been during the immediately preceding three months, an Affiliate of the Company.

“**Treasury Regulations**” means the Treasury regulations promulgated under the Code, as amended.

“**Wholly-Owned Subsidiary**” of a Person means any Subsidiary of such Person all of the outstanding Capital Stock or other ownership interests of which (other than directors’ qualifying shares) are owned by such Person or one or more Wholly-Owned Subsidiaries of such Person.

Section 2. **Rules of Construction.** For purposes of this Certificate of Designations:

- (a) “or” is not exclusive;
 - (b) “including” means “including without limitation”;
 - (c) “will” expresses a command;
 - (d) the “average” of a set of numerical values refers to the arithmetic average of such numerical values;
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- (e) a merger involving, or a transfer of assets by, a limited liability company, limited partnership, or trust will be deemed to include any division of or by, or an allocation of assets to a series of, such limited liability company, limited partnership, or trust, or any unwinding of any such division or allocation;
- (f) words in the singular include the plural and in the plural include the singular, unless the context requires otherwise;
- (g) “herein,” “hereof,” and other words of similar import refer to this Certificate of Designations as a whole and not to any particular Section or other subdivision of this Certificate of Designations, unless the context requires otherwise;
- (h) references to currency mean the lawful currency of the United States of America, unless the context requires otherwise; and
- (i) the exhibits, schedules, and other attachments to this Certificate of Designations are deemed to form part of this Certificate of Designations.

Section 3. **The Convertible Preferred Stock.**

(a) *Designation; Par Value.* A series of stock of the Company titled the “Series A Convertible Preferred Stock” (the “**Convertible Preferred Stock**”) is hereby designated and created out of the authorized and unissued shares of preferred stock, par value \$0.01 per share, of the Company. The Initial Liquidation Preference is \$1,000.00 per share.

(b) *Number of Authorized Shares.* The total authorized number of shares of Convertible Preferred Stock is 150,000; *provided, however* that, by resolution of the Board of Directors, the total number of authorized shares of Convertible Preferred Stock may hereafter be reduced to a number that is not less than the number of shares of Convertible Preferred Stock then outstanding.

(c) *Form, Dating and Denominations.*

(i) *Form and Date of Certificates Representing Convertible Preferred Stock.* Each Certificate representing any Convertible Preferred Stock will bear the legends required by **Section 3(f)** and may bear notations, legends, or endorsements required by law, stock exchange rule, or the Depository.

(ii) *Certificates.*

(1) *Generally.* The Convertible Preferred Stock will be originally issued initially in the form of one or more Electronic Certificates. Electronic Certificates may be exchanged for Physical Certificates, and Physical Certificates may be exchanged for Electronic Certificates upon request by the Holder thereof pursuant to customary procedures.

(2) *Electronic Certificates; Interpretation.* For purposes of this Certificate of Designations, (A) each Electronic Certificate will be deemed to include the text of the stock certificate set forth in Exhibit A; (B) any legend or other notation that is required to be included on a Certificate will be deemed to be included in any Electronic Certificate notwithstanding that such Electronic Certificate may be in a form that does not permit affixing legends thereto; (C) any reference in this Certificate of Designations to the “delivery” of any Electronic Certificate will be deemed to be satisfied upon the registration of the electronic book-entry representing such Electronic Certificate in the name of the applicable Holder; and (D) upon satisfaction of any applicable requirements of the Delaware General Corporation Law, the Certificate of Incorporation, and the Bylaws of the Company, and any related requirements of the Transfer Agent, in each case, for the issuance of Convertible Preferred Stock in the form of one or more Electronic Certificates, such Electronic Certificates will be deemed to be executed by the Company and countersigned by the Transfer Agent.

(iii) *No Bearer Certificates; Denominations.* The Convertible Preferred Stock will be issued only in registered form and only in whole numbers of shares.

(iv) *Registration Numbers.* Each Certificate representing any Convertible Preferred Stock will bear a unique registration number that is not affixed to any other Certificate representing any other outstanding share of Convertible Preferred Stock.

(d) *Method of Payment; Delay When Payment Date is Not a Business Day.*

(i) *Method of Payment.* The Company will pay all cash amounts due on any Convertible Preferred Stock by check issued in the name of the Holder thereof; *provided, however*, that if such Holder has delivered to the Company, no later than the time set forth in the next sentence, a written request to receive payment by wire transfer to an account of such Holder within the United States, then the Company will pay all such cash amounts by wire transfer of immediately available funds to such account. To be timely, such written request must be delivered no later than the Close of Business on the following date: (x) with respect to the payment of any declared cash Regular Dividend due on a Regular Dividend Payment Date for the Convertible Preferred Stock, the related Record Date; and (y) with respect to any other payment, the date that is 15 calendar days immediately before the date such payment is due.

(ii) *Delay of Payment when Payment Date is Not a Business Day.* If the due date for a payment on any Convertible Preferred Stock as provided in this Certificate of Designations is not a Business Day, then, notwithstanding anything to the contrary in this Certificate of Designations, such payment may be made on the immediately following Business Day, and no interest, dividend, or other amount will accrue or accumulate on such payment as a result of the related delay. Solely for purposes of the immediately preceding sentence, a day on which the applicable place of payment is authorized or required by law or executive order to close or be closed will be deemed not to be a "Business Day."

(e) *Transfer Agent; Register.* The Company or any of its Subsidiaries may act as the Transfer Agent. The Company will, or will retain another Person (who may be the Transfer Agent) to act as registrar who will, keep a record (the "**Register**") of the names and addresses of the Holders, the number of shares of Convertible Preferred Stock held by each Holder, and the transfer, exchange, repurchase, Redemption, and conversion of the Convertible Preferred Stock. Absent manifest error, the entries in the Register will be conclusive, and the Company and the Transfer Agent may treat as a Holder for all purposes each Person whose name is recorded as a Holder in the Register. The Register will be in written form or in any form capable of being converted into written form reasonably promptly. The Company will promptly provide a copy of the Register to any Holder upon its request.

(f) *Legends.*

(i) *Restricted Stock Legend.*

(1) Each Certificate representing any share of Convertible Preferred Stock that is a Transfer-Restricted Security will bear the Restricted Stock Legend.

(2) If any share of Convertible Preferred Stock is issued in exchange for, in substitution of, or to effect a partial conversion of, any other share(s) of Convertible Preferred Stock, including pursuant to Section **3(h)** or **3(j)** (such other share(s) being referred to as the "old share(s)" for purposes of this **Section 3(f)(i)(2)**), then the Certificate representing such share will bear the Restricted Stock Legend if the Certificate representing such old share(s) bore the Restricted Stock Legend at the time of such exchange or substitution, or on the related Conversion Date with respect to such conversion, as applicable; *provided, however*, that the Certificate representing such share need not bear the Restricted Stock Legend if such share does not constitute a Transfer-Restricted Security immediately after such exchange or substitution, or as of such Conversion Date, as applicable.

(ii) *Other Legends.* The Certificate representing any Convertible Preferred Stock may bear such other legend or text, not inconsistent with this Certificate of Designations, as may be required by applicable law or by any securities exchange or automated quotation system on which such Convertible Preferred Stock is traded or quoted, or as may be otherwise reasonably determined by the Company to be advisable or necessary.

(iii) *Acknowledgement and Agreement by the Holders.* A Holder's acceptance of any Convertible Preferred Stock represented by a Certificate bearing any legend required by this **Section 3(f)** will constitute such Holder's acknowledgement of, and agreement to comply with, the restrictions set forth in such legend.

(iv) *Legends on Conversion Shares.*

(1) Each Conversion Share will bear a legend substantially to the same effect as the Restricted Stock Legend if the Convertible Preferred Stock upon the conversion of which such Conversion Share was issued were (or would have been had it not been converted) a Transfer-Restricted Security at the time such Conversion Share was issued; *provided, however*, that such Conversion Share need not bear such a legend if the Company determines, in its reasonable discretion, that such Conversion Share need not bear such a legend.

(2) Notwithstanding anything to the contrary in **Section 3(f)(iv)(1)**, a Conversion Share need not bear a legend pursuant to **Section 3(f)(iv)(1)** if such Conversion Share is issued in an uncertificated form that does not permit affixing legends thereto as long as the Company takes measures (including the assignment thereto of a "restricted" CUSIP number) that it reasonably deems appropriate to enforce the transfer restrictions referred to in such legend.

(g) *Transfers and Exchanges; Transfer Taxes; Certain Transfer Restrictions.*

(i) *Provisions Applicable to All Transfers and Exchanges.*

(1) *Generally.* Subject to this **Section 3(g)** and the applicable provisions of the Subscription Agreement, Convertible Preferred Stock represented by any Certificate, may be transferred or exchanged from time to time, and the Company will cause each such transfer or exchange to be recorded in the Register.

(2) *No Services Charge; Transfer Taxes.* The Company will not impose any service charge on any Holder for any transfer, exchange, or conversion of any Convertible Preferred Stock, but the Company may require payment of a sum sufficient to cover any transfer tax or similar governmental charge that may be imposed in connection with any transfer or exchange of Convertible Preferred Stock, other than exchanges pursuant to **Section 3(h)** or **Section 3(p)** not involving any transfer.

(3) *No Transfers or Exchanges of Fractional Shares.* Notwithstanding anything to the contrary in this Certificate of Designations, all transfers or exchanges of Convertible Preferred Stock must be in an amount representing a whole number of shares of Convertible Preferred Stock, and no fractional share of Convertible Preferred Stock may be transferred or exchanged.

(4) *Legends.* Each Certificate representing any share of Convertible Preferred Stock that is issued upon transfer of, or in exchange for, another share of Convertible Preferred Stock will bear each legend, if any, required by **Section 3(f)**.

(5) *Settlement of Transfers and Exchanges.* Upon satisfaction of the requirements of this Certificate of Designations to effect a transfer or exchange of any Convertible Preferred Stock as well as the delivery of all documentation reasonably required by the Transfer Agent or the Company to effect any transfer or exchange, the Company will cause such transfer or exchange to

be effected as soon as reasonably practicable but in no event later than the second Business Day after the date of such satisfaction.

(ii) *Transfers of Shares Subject to Redemption, Repurchase or Conversion.* Notwithstanding anything to the contrary in this Certificate of Designations, the Company will not be required to register the transfer of or exchange any share of Convertible Preferred Stock:

(1) that has been surrendered for conversion;

(2) that has been called for Mandatory Redemption pursuant to a Mandatory Redemption Notice, except to the extent that the Company fails to pay the Mandatory Redemption Price when due; or

(3) as to which a Change of Control Redemption Notice has been duly delivered, and not withdrawn, pursuant to **Section 7(b)(v)**, except to the extent that the Company fails to pay the related Change of Control Redemption Price when due.

(h) *Exchange and Cancellation of Convertible Preferred Stock to Be Converted, Repurchased, or Redeemed*

(i) *Partial Conversions, Repurchases and Redemptions of Certificates.* If only a portion of a Holder's Convertible Preferred Stock represented by a Certificate (such Certificate being referred to as the "old Certificate" for purposes of this **Section 3(h)(i)**) is to be converted pursuant to **Section 10** or redeemed pursuant to **Section 7**, then, as soon as reasonably practicable after such Certificate is surrendered for such conversion or redemption, as applicable, the Company will cause such Certificate to be exchanged for (1) one or more Certificates that each represent a whole number of shares of Convertible Preferred Stock and, in the aggregate, represent a total number of shares of Convertible Preferred Stock equal to the number of shares of Convertible Preferred Stock represented by such old Certificate that are not to be so converted or redeemed, as applicable, and deliver such Certificate(s) to such Holder; and (2) a Certificate representing a whole number of shares of Convertible Preferred Stock equal to the number of shares of Convertible Preferred Stock represented by such old Certificate that are to be so converted or redeemed, as applicable, which Certificate will be converted or redeemed, as applicable, pursuant to the terms of this Certificate of Designations; *provided, however*, that the Certificate referred to in this **clause (2)** need not be issued at any time after which such shares subject to such conversion or redemption, as applicable, are deemed to cease to be outstanding pursuant to **Section 3(n)**.

(ii) *Cancellation of Convertible Preferred Stock that Is Converted or Redeemed* If a Holder's Convertible Preferred Stock represented by a Certificate (or any portion thereof that has not theretofore been exchanged pursuant to **Section 3(h)(i)**) (such Certificate being referred to as the "old Certificate" for purposes of this **Section 3(h)(ii)**) is to be converted pursuant to **Section 10** or redeemed pursuant to **Section 7**, then, promptly after the later of the time such Convertible Preferred Stock is deemed to cease to be outstanding pursuant to **Section 3(n)** and the time such Certificate is surrendered for such conversion or redemption, as applicable, (A) such Certificate will be cancelled pursuant to **Section 3(l)**; and (B) in the case of a partial conversion or redemption, the Company will issue, execute, and deliver to such Holder, and cause the Transfer Agent to countersign one or more Certificates that (x) each represent a whole number of shares of Convertible Preferred Stock and, in the aggregate, represent a total number of shares of Convertible Preferred Stock equal to the number of shares of Convertible Preferred Stock represented by such old Certificate that are not to be so converted or redeemed, as applicable; (y) are registered in the name of such Holder; and (z) bear each legend, if any, required by **Section 3(f)**.

(i) *Status of Retired Shares* Upon any share of Convertible Preferred Stock ceasing to be outstanding, such share will be deemed to be retired and to resume the status of an authorized and unissued share of preferred stock of the Company, and such share cannot thereafter be reissued as Convertible Preferred Stock pursuant to this Certificate of Designations.

(j) *Replacement Certificates.* If a Holder of any Convertible Preferred Stock claims that the Certificate(s) representing such Convertible Preferred Stock have been mutilated, lost, destroyed, or wrongfully taken, then the Company will issue, execute, and deliver, and cause the Transfer Agent to countersign, in each case, in accordance with **Section 3(c)**, a replacement Certificate representing such Convertible Preferred Stock upon surrender to the Company or the Transfer Agent of such mutilated Certificate, or upon delivery to the Company or the Transfer Agent of evidence of such loss, destruction, or wrongful taking reasonably satisfactory to the Transfer Agent and the Company. In the case of a lost, destroyed, or wrongfully taken Certificate representing any Convertible Preferred Stock, the Company and the Transfer Agent may require the Holder thereof to provide such indemnity that is reasonably satisfactory to the Company and the Transfer Agent to protect the Company and the Transfer Agent from any loss that any of them may suffer if such Certificate is replaced. Every replacement Convertible Preferred Stock issued pursuant to this **Section 3(j)** will, upon such replacement, be deemed to be outstanding Convertible Preferred Stock, entitled to all of the benefits of this Certificate of Designations equally and ratably with all other Convertible Preferred Stock then outstanding.

(k) *Registered Holders.* Only the Holder of any Convertible Preferred Stock will have rights under this Certificate of Designations as the owner of such Convertible Preferred Stock.

(l) *Cancellation.* The Company may at any time deliver Convertible Preferred Stock to the Transfer Agent for cancellation. The Company will cause the Transfer Agent to promptly cancel all shares of Convertible Preferred Stock so surrendered to it in accordance with its customary procedures.

(m) *Shares Held by the Company or its Affiliates.* Without limiting the generality of **Sections 3(o)** and **3(n)**, in determining whether the Holders of the required number of outstanding shares of Convertible Preferred Stock have concurred in any direction, waiver, or consent, shares of Convertible Preferred Stock owned by the Company or any of its Subsidiaries will be deemed not to be outstanding.

(n) *Outstanding Shares.*

(i) *Generally.* The shares of Convertible Preferred Stock that are outstanding at any time will be deemed to be those shares of Convertible Preferred Stock that, at such time, have been duly executed by the Company and countersigned by the Transfer Agent, excluding those shares of Convertible Preferred Stock that have theretofore been (1) cancelled by the Transfer Agent or delivered to the Transfer Agent for cancellation in accordance with **Section 3(l)**; (2) paid in full upon their conversion or redemption in accordance with this Certificate of Designations; or (3) deemed to cease to be outstanding to the extent provided in, and subject to, **clause (ii), (iii), or (iv)** of this **Section 3(n)**.

(ii) *Replaced Shares.* If any Certificate representing any share of Convertible Preferred Stock is replaced pursuant to **Section 3(j)**, then such share will cease to be outstanding at the time of such replacement, unless the Transfer Agent and the Company receive proof reasonably satisfactory to them that such share is held by a “*bona fide* purchaser” under applicable law.

(iii) *Shares to Be Redeemed.* If, on a Redemption Date, the Company has segregated, solely for the benefit of the applicable Holders, consideration in kind and amount that is sufficient to pay the aggregate Mandatory Redemption Price or Change of Control Redemption Price due on such date, then (unless there occurs a default in the payment of the Change of Control Redemption Price or Mandatory Redemption Price, as applicable) (1) the Convertible Preferred Stock to be redeemed on such date will be deemed, as of such date, to cease to be outstanding (without limiting the Company’s obligations pursuant to **Section 5(c)**); (2) Regular Dividends will cease to accumulate on such Convertible Preferred Stock from and after such Redemption Date; and (3) the rights of the Holders of such Convertible Preferred Stock, as such, will terminate with respect to such Convertible Preferred Stock, other than the right to receive the Change of Control Redemption Price or Mandatory Redemption Price, as applicable, as provided in **Section 7** (and, if applicable, declared Regular Dividends as provided in **Section 5(e)**).

(iv) *Shares to Be Converted.* If any Convertible Preferred Stock is to be converted, then, at the Close of Business on the Conversion Date for such conversion (unless there occurs a default in the delivery of the Conversion Consideration due pursuant to **Section 10** upon such conversion): (1) such Convertible

Preferred Stock will be deemed to cease to be outstanding (without limiting the Company's obligations pursuant to **Section 5(c)**); (2) Regular Dividends will cease to accumulate on such Convertible Preferred Stock from and after such Conversion Date; and (3) the rights of the Holders of such Convertible Preferred Stock, as such, will terminate with respect to such Convertible Preferred Stock, other than the right to receive such Conversion Consideration as provided in **Section 10** (and, if applicable, declared Regular Dividends as provided in **Section 5(c)**).

(o) *Repurchases by the Company and its Subsidiaries.* Without limiting the generality **Section 3(l)** and the next sentence, the Company may, from time to time, repurchase Convertible Preferred Stock in open market purchases or in negotiated transactions without delivering prior notice to Holders. The Company will promptly deliver to the Transfer Agent for cancellation all Convertible Preferred Stock that the Company or any of its Subsidiaries have purchased or otherwise acquired.

(p) *Notations and Exchanges.* If any amendment, supplement, or waiver to the Certificate of Incorporation or this Certificate of Designations changes the terms of any Convertible Preferred Stock, then the Company may, in its discretion, require the Holder of the Certificate representing such Convertible Preferred Stock to deliver such Certificate to the Transfer Agent so that the Transfer Agent may place an appropriate notation prepared by the Company on such Certificate and return such Certificate to such Holder. Alternatively, at its discretion, the Company may, in exchange for such Convertible Preferred Stock, issue, execute, and deliver, and cause the Transfer Agent to countersign, in each case, in accordance with **Section 3(c)**, a new Certificate representing such Convertible Preferred Stock that reflects the changed terms. The failure to make any appropriate notation or issue a new Certificate representing any Convertible Preferred Stock pursuant to this **Section 3(p)** will not impair or affect the validity of such amendment, supplement, or waiver.

(q) *CUSIP and ISIN Numbers.* The Company may use one or more CUSIP or ISIN numbers to identify any of the Convertible Preferred Stock, and, if so, the Company will use such CUSIP or ISIN number(s) in notices to Holders; *provided, however*, that the effectiveness of any such notice will not be affected by any defect in, or omission of, any such CUSIP or ISIN number.

Section 4. **Ranking.** The Convertible Preferred Stock will rank senior to Dividend Junior Stock with respect to the distribution of assets upon the Company's liquidation, dissolution, or winding up.

Section 5. **Dividends.**

(a) *Generally.*

(i) *Regular Dividends.*

(1) *Accumulation and Payment of Regular Dividends.* The Convertible Preferred Stock will accumulate cumulative dividends at a rate per annum equal to the Regular Dividend Rate on the Liquidation Preference thereof (calculated in accordance with **Section 5(a)(i)(2)**), regardless of whether or not declared or funds are legally available for their payment (such dividends that accumulate on the Convertible Preferred Stock pursuant to this sentence, "**Regular Dividends**"). Subject to the other provisions of this **Section 5** (including, for the avoidance of doubt, **Section 5(a)(ii)(1)**), such Regular Dividends will be payable when, as and if declared by the Board of Directors, out of funds legally available for their payment to the extent paid in cash, quarterly in arrears on each Regular Dividend Payment Date, to the Holders as of the Close of Business on the immediately preceding Regular Dividend Record Date. Regular Dividends on the Convertible Preferred Stock will accumulate from, and including, the last date to which Regular Dividends have been paid (or, if no Regular Dividends have been paid, from, and including, the Initial Issue Date) to, but excluding, the next Regular Dividend Payment Date.

(2) *Computation of Accumulated Regular Dividends.* Accumulated Regular Dividends will be computed on the basis of a 360-day year comprised of twelve 30-day months. Regular Dividends on each share of Convertible Preferred Stock will accrue on the Liquidation

Preference of such share as of immediately before the Close of Business on the preceding Regular Dividend Payment Date (or, if there is no preceding Regular Dividend Payment Date, on the Initial Liquidation Preference of such share).

(ii) *Method of Payment; Payments in Kind.*

(1) *Generally.* Subject to the next sentence, each declared Regular Dividend on the Convertible Preferred Stock will be paid in cash. Notwithstanding anything to the contrary in this Certificate of Designations, if as of the Close of Business on any Regular Dividend Payment Date, the Company has not paid all or any portion of the full amount of the Regular Dividends (regardless of whether or not declared) that have accumulated on the Convertible Preferred Stock in respect of the Regular Dividend Period ending on, but excluding, such Regular Dividend Payment Date, then, the dollar amount (expressed as an amount per share of Convertible Preferred Stock) of such Regular Dividend (or, if applicable, portion thereof) not paid in cash will (without duplication) be added, effective immediately before the Close of Business on the related Regular Dividend Payment Date, to the Liquidation Preference of each share of Convertible Preferred Stock outstanding as of such time.

(2) *Construction.* Any Regular Dividends the amount of which is added to the Liquidation Preference thereof pursuant to **Section 5(a)(ii)(1)** will be deemed to be “declared” and “paid” on the Convertible Preferred Stock for all purposes of this Certificate of Designations.

(b) *Non-Participating Dividends.* The Convertible Preferred Stock shall not be entitled to receive any dividends or distributions declared or paid on the Common Stock. Notwithstanding the foregoing, no dividend or other distribution on the Common Stock (whether in cash, securities, or other property, or any combination of the foregoing) will be declared or paid on the Common Stock unless, at the time of such declaration and payment, all Regular Dividends due and payable with respect to any Regular Dividend Payment Date that has occurred on and prior to the date such dividend or distribution is to be paid on the Common Stock have been paid with respect to the Convertible Preferred Stock.

(c) *Treatment of Dividends Upon Redemption or Conversion.* If the Mandatory Redemption Date, Change of Control Redemption Date or Conversion Date of any share of Convertible Preferred Stock is after a Record Date for a declared Regular Dividend on the Convertible Preferred Stock and on or before the next Regular Dividend Payment Date, then the Holder of such share at the Close of Business on such Record Date will be entitled, notwithstanding the related Redemption, Change of Control Redemption or conversion, as applicable, to receive, on or, at the Company’s election, before such Regular Dividend Payment Date, such declared Regular Dividend on such share. Solely for purposes of the preceding sentence, and not for any other purpose, a Regular Dividend will be deemed to be declared only to the extent that it is declared for payment in cash. Except as provided in this **Section 5(c)**, **Section 7(a)(iv)**, or **Section 7(b)(iv)**, Regular Dividends on any share of Convertible Preferred Stock will cease to accumulate from and after the Mandatory Redemption Date, Change of Control Redemption Date, or Conversion Date, as applicable, for such share, unless the Company defaults in the payment of the related Mandatory Redemption Price, Change of Control Redemption Price, or Conversion Consideration, as applicable.

Section 6. **Rights Upon Liquidation, Dissolution, or Winding Up**

(a) *Generally.* If the Company liquidates, dissolves, or winds up, whether voluntarily or involuntarily, and such liquidation, dissolution, or winding up does not occur in connection with a Change of Control, then, subject to the rights of any of the Company’s creditors, each share of Convertible Preferred Stock will entitle the Holder thereof to receive payment equal to the greater of the amounts set forth in clause (i) and (ii) below out of the Company’s assets or funds legally available for distribution to the Company’s stockholders, before any such assets or funds are distributed to, or set aside for the benefit of, any Common Stock:

(i) the sum of:

(1) the Liquidation Preference per share of Convertible Preferred Stock; *plus*

(2) all unpaid Regular Dividends that will have accumulated on such share to, but excluding, the date of such payment; and

(ii) the amount such Holder would have received in respect of the number of shares of Class A Common Stock that would be issuable (determined in accordance with Section 10 but without regard to Section 10(d)(ii), Section 10(d)(iii), and Section 10(f)) upon conversion of such share of Convertible Preferred Stock assuming the Conversion Date of such conversion occurs on the date of such payment.

Upon payment of such amount in full on the outstanding Convertible Preferred Stock, Holders of the Convertible Preferred Stock will have no rights to the Company's remaining assets or funds, if any, and such shares of Convertible Preferred Stock will be deemed repurchased and retired by the Company. If such assets or funds are insufficient to fully pay such amount on all outstanding shares of Convertible Preferred Stock, then, subject to the rights of any of the Company's creditors, such assets or funds will be distributed ratably on the outstanding shares of Convertible Preferred Stock in proportion to the full respective distributions to which such shares would otherwise be entitled. For the avoidance of doubt, any liquidation, dissolution, or winding up of the Company effected in connection with a Change of Control shall be subject to the terms of **Section 7(b)**.

(b) *Certain Business Combination Transactions Deemed Not to Be a Liquidation.* For purposes of **Section 6(a)**, the Company's consolidation or combination with, or merger with or into, or the sale, lease or other transfer of all or substantially all of the Company's assets (other than a sale, lease or other transfer in connection with the Company's liquidation, dissolution or winding up) to, another Person will not, in itself, constitute the Company's liquidation, dissolution, or winding up, even if, in connection therewith, the Convertible Preferred Stock is converted into, or is exchanged for, or represents solely the right to receive, other securities, cash, or other property, or any combination of the foregoing.

Section 7. **Right of the Company to Redeem the Convertible Preferred Stock**

(a) *Right to Redeem the Convertible Preferred Stock on or After the Third Anniversary of the Initial Issue Date*

(i) *Right to Redeem.* Subject to the terms of this **Section 7**, the Company has the right, at its election, to redeem, subject to the right of the Holders to convert the Convertible Preferred Stock pursuant to **Section 10** prior to such redemption, all, or any whole number of shares that is less than all, of the Convertible Preferred Stock, at any time and from time to time on or after the third anniversary of the Initial Issue Date, on a Mandatory Redemption Date for a cash purchase price equal to the Mandatory Redemption Price (such redemption, a "**Mandatory Redemption**").

(ii) *Redemption Prohibited in Certain Circumstances.* The Company will not call for Mandatory Redemption, or otherwise send a Mandatory Redemption Notice in respect of the Mandatory Redemption of, any Convertible Preferred Stock pursuant to this **Section 7** unless the Company has sufficient funds legally available, and is permitted under the terms of its indebtedness for borrowed money (if any), to fully pay the Mandatory Redemption Price in respect of all shares of Convertible Preferred Stock called for Mandatory Redemption.

(iii) *Mandatory Redemption Date.* The Mandatory Redemption Date for any Mandatory Redemption will be a Business Day of the Company's choosing that is no more than 60, nor less than 30, calendar days after the Mandatory Redemption Notice Date for such Mandatory Redemption.

(iv) *Mandatory Redemption Price.* The Mandatory Redemption Price for any share of Convertible Preferred Stock to be repurchased pursuant to a Mandatory Redemption is an amount in cash equal to the sum of (1) the Mandatory Redemption Price Premium multiplied by the Liquidation Preference for such share; *plus* (2) the accumulated and unpaid Regular Dividends on such share to, but excluding, such Mandatory Redemption Date (to the extent such accumulated and unpaid Regular Dividends are not included in such Liquidation Preference); *provided, however*, that if such Mandatory Redemption Date is after a Regular Dividend Record Date for a Regular Dividend on the Convertible Preferred Stock that has been

declared for payment in cash and on or before the next Regular Dividend Payment Date, then (a) pursuant to **Section 5(c)**, the Holder of such share at the Close of Business on such Regular Dividend Record Date will be entitled, notwithstanding such Mandatory Redemption, to receive, on or, at the Company's election, before such Regular Dividend Payment Date, such declared cash Regular Dividend on such share; and (b) the Mandatory Redemption Price will not include such declared cash Regular Dividend on such share (and, for the avoidance of doubt, any portion of the full Regular Dividend scheduled to be paid on such Regular Dividend Payment Date that is not declared and paid in cash and is added to the Liquidation Preference of such share pursuant to **Section 5(a)(ii)(1)** will be included in the Mandatory Redemption Price).

(v) *Mandatory Redemption Notice.* To call any share of Convertible Preferred Stock for Mandatory Redemption, the Company must send to the Holder of such share a notice of such Mandatory Redemption (a "**Mandatory Redemption Notice**"). Such Mandatory Redemption Notice must state:

(1) that such share has been called for Mandatory Redemption, briefly describing the Company's Mandatory Redemption right under this Certificate of Designations;

(2) the Mandatory Redemption Date for such Mandatory Redemption;

(3) the Mandatory Redemption Price per share of Convertible Preferred Stock;

(4) if the Redemption Date is after a Record Date for a declared Regular Dividend on the Convertible Preferred Stock and on or before the next Regular Dividend Payment Date, that such Regular Dividend will be paid in accordance with **Section 5(c)** and, if applicable, the proviso to **Section 7(a)(iv)** or **Section 7(b)(iv)**;

(5) that Convertible Preferred Stock called for Mandatory Redemption may be converted at any time before the Close of Business on the Business Day immediately before the Mandatory Redemption Date (or, if the Company fails to pay the Mandatory Redemption Price due on such Mandatory Redemption Date in full, at any time until such time as the Company pays such Mandatory Redemption Price in full);

(6) the Conversion Price in effect on the Mandatory Redemption Notice Date for such Mandatory Redemption; and

(7) the CUSIP and ISIN numbers, if any, of the Convertible Preferred Stock.

(vi) *Selection and Conversion of Convertible Preferred Stock Subject to Partial Redemption.* If less than all shares of Convertible Preferred Stock then outstanding are called for Mandatory Redemption, then:

(1) the shares of Convertible Preferred Stock to be subject to such Mandatory Redemption will be redeemed by the Company pro rata; and

(2) if only a portion of the Convertible Preferred Stock is called for Mandatory Redemption and a portion of such Convertible Preferred Stock is converted, then the converted portion of such Convertible Preferred Stock will be deemed to be from the portion of such Convertible Preferred Stock that was called for Mandatory Redemption.

(vii) *Payment of the Mandatory Redemption Price.* The Company will cause the Mandatory Redemption Price for each share of Convertible Preferred Stock subject to Mandatory Redemption to be paid to the Holder thereof on or before the applicable Mandatory Redemption Date. For the avoidance of doubt, Regular Dividends payable pursuant to the proviso to **Section 7(a)(iv)** on any share of Convertible Preferred Stock subject to Redemption will be paid pursuant to such proviso and **Section 5(c)**.

(b) *Redemption of Convertible Preferred Stock upon a Change of Control*

(i) *Change of Control Redemption.* Subject to the other terms of this **Section 7**, if a Change of Control occurs, then the Company will redeem, contingent upon and concurrently with the consummation of the Change of Control, but subject to the right of the Holders to convert the Convertible Preferred Stock pursuant to **Section 10** prior to such redemption, all of the Convertible Preferred Stock on the Change of Control Redemption Date for such Change of Control for a cash purchase price equal to the Change of Control Redemption Price.

(ii) *Funds Legally Available for Payment of Change of Control Redemption Price.* Notwithstanding anything to the contrary in this **Section 7**, (a) the Company will not be obligated to pay the Change of Control Redemption Price of any shares of Convertible Preferred Stock to the extent, and only to the extent, the Company does not have sufficient funds legally available to pay the same; and (b) if the Company does not have sufficient funds legally available to pay the Change of Control Redemption Price of all shares of Convertible Preferred Stock that are otherwise to be redeemed pursuant to a Change of Control Redemption, then (1) the Company will pay the maximum amount of such Change of Control Redemption Price that can be paid out of funds legally available for payment, which payment will be made pro rata to each Holder based on the total number of shares of Convertible Preferred Stock of such Holder that were otherwise to be redeemed pursuant to such Change of Control Redemption; and (2) the Company will cause all such shares as to which the Change of Control Redemption Price was not paid to be returned to the Holder(s) thereof, and such shares will be deemed to remain outstanding. The Company will not voluntarily take any action, or voluntarily engage in any transaction, that would result in a Change of Control unless the Company has (and will have through the date of payment) sufficient funds legally available to fully pay the maximum aggregate Change of Control Repurchase Right that would be payable in respect of such Change of Control on all shares of Conversion Preferred Stock then outstanding.

(iii) *Change of Control Redemption Date.* The Change of Control Redemption Date for any Change of Control will be the effective date of the Change of Control.

(iv) *Change of Control Redemption Price.* The Change of Control Redemption Price for any share of Convertible Preferred Stock to be redeemed upon a Change of Control Redemption following a Change of Control is an amount in cash equal to the sum of (x) the Liquidation Preference of such share at the Close of Business on the Change of Control Redemption Date for such Change of Control; *plus* (y) all accumulated and unpaid Regular Dividends on such share to, but excluding, such Change of Control Redemption Date (to the extent such accumulated and unpaid Regular Dividends are not included in such Liquidation Preference); *plus* (z) if and only if the Change of Control occurs prior to the fourth anniversary of the Initial Issue Date, an amount equal to the Regular Dividends that would have accumulated on such share of Convertible Preferred Stock from and after the Change of Control Redemption Date and through such fourth anniversary of the Initial Issue Date; *provided* that this clause (z) shall be of no effect if such Change of Control occurs on or after the fourth anniversary of the Initial Issue Date; *provided, however,* that if such Change of Control Redemption Date is after a Regular Dividend Record Date for a Regular Dividend on the Convertible Preferred Stock that has been declared for payment in cash and on or before the next Regular Dividend Payment Date, then (1) pursuant to **Section 5(c)**, the Holder of such share at the Close of Business on such Regular Dividend Record Date will be entitled, notwithstanding such Change of Control Redemption, to receive, on or, at the Company's election, before such Regular Dividend Payment Date, such declared cash Regular Dividend on such share; and (2) the Change of Control Redemption Price will not include such declared cash Regular Dividend on such share (and, for the avoidance of doubt, any portion of the full Regular Dividend scheduled to be paid on such Regular Dividend Payment Date that is not declared and paid in cash and is added to the Liquidation Preference of such share pursuant to **Section 5(a)(ii)(1)** will be included in the Change of Control Redemption Price).

(v) *Change of Control Redemption Notice.* On or before the tenth Business Day before the effective date of a Change of Control, the Company will send to each Holder a notice of such Change of Control (a "**Change of Control Redemption Notice**") containing the information set forth in the Change of Control Redemption Notice. Such Change of Control Redemption Notice must state:

- (1) briefly, the events causing such Change of Control;
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- (2) the effective date of such Change of Control;
- (3) the Change of Control Redemption Date for such Change of Control;
- (4) the Change of Control Redemption Price per share of Convertible Preferred Stock;

(5) if the Change of Control Redemption Date is after a Record Date for a declared Regular Dividend on the Convertible Preferred Stock and on or before the next Regular Dividend Payment Date, that such Regular Dividend will be paid in accordance with **Section 5(c)** and, if applicable, the proviso to **Section 7(a)(iv)** or **Section 7(b)(iv)**;

(6) the Conversion Price in effect on the date of such Change of Control Redemption Notice and a description and quantification of any adjustments to the Conversion Price that may result from such Change of Control;

(7) that shares of Convertible Preferred Stock for which a Change of Control Redemption Notice has been duly tendered and not duly withdrawn must be delivered to the Company for the Holder thereof to be entitled to receive the Change of Control Redemption Price;

(8) that shares of Convertible Preferred Stock that are subject to a Change of Control Redemption Notice that has been duly tendered may be converted only if such Change of Control Redemption Notice is withdrawn in accordance with this Certificate of Designations; and

- (9) the CUSIP and ISIN numbers, if any, of the Convertible Preferred Stock.

(vi) *Withdrawal of Change of Control Redemption Notice.* If the underlying Change of Control has been terminated or cancelled and the Company has delivered a Change of Control Redemption Notice with respect to any share(s) of the Convertible Preferred Stock, the Company shall withdraw such Change of Control Redemption Notice by delivering a written notice of withdrawal to the Holders at any time before the Close of Business on Change of Control Redemption Date. Such withdrawal notice must state:

- (1) if such share(s) are represented by one or more Physical Certificates, the certificate number(s) of such Physical Certificates(s); and
- (2) the number of shares of Convertible Preferred Stock to be withdrawn, which must be a whole number.

(vii) *Payment of the Change of Control Redemption Price.* The Company will cause the Change of Control Redemption Price for each share of Convertible Preferred Stock to be redeemed pursuant to a Change of Control Redemption to be paid to the Holder thereof on or before the later of (i) the applicable Change of Control Redemption Date; and (ii) the date such share is tendered to the Transfer Agent or the Company. For the avoidance of doubt, Regular Dividends payable pursuant to the proviso to **Section 7(b)(iv)** on any share of Convertible Preferred Stock to be repurchased pursuant to a Change of Control Redemption will be paid pursuant to such proviso and **Section 5(c)**.

Section 8. **Credit Agreement.** Any amendment, restatement, modification, or waiver of the Credit Agreement that would adversely and materially affect the rights of the Holders of the Convertible Preferred Stock shall require the written consent of the Holders of a majority of the then-outstanding shares of the Convertible Preferred Stock. For the avoidance of doubt, no such consent of the Holders shall be required for that contemplated First Amendment and Commitment Increase Agreement to the Credit Agreement to be entered into in connection with the acquisition of McGuyer Homebuilders Inc.

Section 9. **Voting Rights.** The Convertible Preferred Stock will have no voting rights except (x) as expressly required by the Delaware General Corporation Law; and (y) with respect to amendments to this Certificate of Designations or Certificate of Incorporation that adversely affect the terms of the Convertible Preferred Stock

(including amendments authorizing or effecting any issuance of Capital Stock or other equity securities of the Company that are senior to or *pari passu* with the Convertible Preferred Stock with respect to dividends, liquidation preference or redemption rights), in which event the Holders of a majority of the then-outstanding shares of Convertible Preferred Stock shall be required to approve or consent in writing to such amendments.

Section 10. **Conversion.**

(a) *Generally.* Subject to the provisions of this **Section 10**, including those set forth in **Section 10(f)**, the Convertible Preferred Stock may be converted only pursuant to an Optional Conversion requested by the Holder or Holders of the Convertible Preferred Stock on or after the fifth anniversary of the Initial Issue Date; *provided, however*, that in the event the Company is in default of those certain covenants set forth in Section 4.9 of the Subscription Agreement, which default continues uncured for a period of more than 90 days after the expiration of all applicable cure or grace periods as provided in the applicable agreements (as such agreements may be amended from time to time pursuant to their terms, except as otherwise provided for in the Subscription Agreement) (such 91st day being the “**Optional Conversion Trigger Date**”), then the Holder or Holders of the Convertible Preferred Stock may request an Optional Conversion beginning on the next Business Day after the Optional Conversion Trigger Date.

(b) *Conversion at the Option of the Holders.*

(i) *Conversion Right; When Shares May Be Submitted for Optional Conversion.* Holders will have the right to submit all, or any whole number of shares that is less than all, of their shares of Convertible Preferred Stock pursuant to an Optional Conversion at any time; *provided, however*, that, notwithstanding anything to the contrary in this Certificate of Designations,

(1) if a Change of Control Redemption Notice is validly delivered pursuant to **Section 7(b)(v)** with respect to any share of Convertible Preferred Stock, then such share may not be submitted for Optional Conversion after the effective date of such Change of Control, except to the extent (A) such share is not subject to such notice; (B) such notice is withdrawn in accordance with **Section 7(b)(vi)**; or (C) the Company fails to pay the Change of Control Redemption Price for such share in accordance with this Certificate of Designations; and

(2) shares of Convertible Preferred Stock that are called for Mandatory Redemption may not be submitted for Optional Conversion after the Close of Business on the Mandatory Redemption Notice Date (or, if the Company fails to pay the Mandatory Redemption Price due on such Mandatory Redemption Date in full, at any time until such time as the Company pays such Mandatory Redemption Price in full).

(ii) *Conversions of Fractional Shares Not Permitted.* Notwithstanding anything to the contrary in this Certificate of Designations, in no event will any Holder be entitled to convert a number of shares of Convertible Preferred Stock that is not a whole number.

(iii) *Contingent Conversion Notice.* A Holder delivering an Optional Conversion Notice hereunder may specify in such Optional Conversion Notice that its election to effect such conversion is contingent upon the consummation of a Change of Control, in which case such Optional Conversion shall not occur until such time as such Change of Control has been consummated, and if such Change of Control is terminated or cancelled, such Optional Conversion Notice shall be deemed to be withdrawn. For the avoidance of doubt, any such contingent Optional Conversion shall occur prior to the Change of Control Redemption that would have otherwise been effected in connection with such Change of Control.

(c) *Conversion Procedures.*

(i) *Requirements for Holders to Exercise Optional Conversion Right*

(1) *Generally.* To convert any share of Convertible Preferred Stock pursuant to an Optional Conversion, the Holder of such share must (w) complete, manually sign, and deliver to the

Company an Optional Conversion Notice; (x) deliver any Physical Certificate(s) representing such Convertible Preferred Stock to the Company (at which time such Optional Conversion will become irrevocable); (y) furnish any endorsements and transfer documents that the Company may require; and (z) if applicable, pay any documentary or other taxes.

(2) *Optional Conversion Permitted only During Business Hours* Convertible Preferred Stock may be surrendered for Optional Conversion only after the Open of Business and before the Close of Business on a day that is a Business Day.

(ii) *Treatment of Accumulated Regular Dividends upon Conversion.*

(1) *No Adjustments for Accumulated Regular Dividends.* Without limiting the operation of **Sections 5(a)(ii)(1)** and **10(d)(i)**, the Conversion Price will not be adjusted to account for any accumulated and unpaid Regular Dividends on any Convertible Preferred Stock being converted.

(2) *Conversions Between A Record Date and a Regular Dividend Payment Date.* If the Conversion Date of any share of Convertible Preferred Stock to be converted is after a Record Date for a declared Regular Dividend on the Convertible Preferred Stock and on or before the next Regular Dividend Payment Date, then such Regular Dividend will be paid pursuant to **Section 5(c)** notwithstanding such conversion.

(iii) *When Holders Become Stockholders of Record of the Shares of Common Stock Issuable Upon Conversion* The Person in whose name any share of Class A Common Stock is issuable upon conversion of any Convertible Preferred Stock will be deemed to become the holder of record of such share as of the Close of Business on the Conversion Date for such conversion.

(d) *Settlement upon Conversion.*

(i) *Generally.* Subject to **Sections 10(d)(ii), 10(e)(i), 10(f), and 12(b)**, the consideration due upon settlement of the conversion of each share of Convertible Preferred Stock will consist of a number of shares of Class A Common Stock equal to the quotient obtained by dividing (I) the sum of (x) the Liquidation Preference of such share of Convertible Preferred Stock immediately before the Close of Business on the Conversion Date for such conversion; *plus* (y) an amount equal to accumulated and unpaid Regular Dividends on such share of Convertible Preferred Stock to, but excluding, such Conversion Date (but only to the extent such accumulated and unpaid Regular Dividends are not included in the Liquidation Preference referred to in the preceding clause (x)); by (II) the Conversion Price in effect immediately before the Close of Business on such Conversion Date.

(ii) *Payment of Cash in Lieu of any Fractional Share of Common Stock* Subject to **Section 12(b)**, in lieu of delivering any fractional share of Class A Common Stock otherwise due upon conversion of any Convertible Preferred Stock, the Company will, to the extent it is legally able to do so and permitted under the terms of its indebtedness for borrowed money, pay cash based on the Last Reported Sale Price per share of Class A Common Stock on the Conversion Date for such conversion (or, if such Conversion Date is not a Trading Day, the immediately preceding Trading Day).

(iii) *Company's Right to Settle Optional Conversion in Cash.* If any Convertible Preferred Stock is to be converted pursuant to an Optional Conversion, then the Company will have the right to settle such Optional Conversion of such Convertible Preferred Stock (or any portion thereof that represents a whole number of shares) solely in cash in an amount equal to the product of (1) the number of shares of Class A Common Stock that would be issuable upon such Optional Conversion of such Convertible Preferred Stock (or such portion thereof), determined in accordance with this **Section 10** (but without regard to **Section 10(d)(ii)** or this **Section 10(d)(iii)**), *times* (2) the Last Reported Sale Price per share of Class A Common Stock on the Conversion Date for such Optional Conversion. Such right can be exercised by Company solely by providing written notice to the Holder of such Convertible Preferred Stock no later than the Business Day

after such Conversion Date, which notice states (x) that the Company has elected to cash settle such Optional Conversion; and (y) the number of shares of such Convertible Preferred Stock as to which such election is made. Once such written notice is so provided exercising such right, such exercise will be irrevocable with respect to such Optional Conversion (without affecting the Company's right to exercise or not exercise such right with respect to any other Optional Conversion). Notwithstanding anything to the contrary in this **Section 10(d)(iii)**, the Company will not be entitled to exercise its right to settle any Optional Conversion of Convertible Preferred Stock in cash pursuant to this **Section 10(d)(iii)** unless the Company has sufficient funds legally available, and is permitted under the terms of its indebtedness for borrowed money, to fully pay the cash amounts that would be payable in respect of such election.

(iv) *Delivery of Conversion Consideration.* Except as provided in **Sections 10(e)(i)(2)** and **10(f)**, the Company will pay or deliver, as applicable, the Conversion Consideration due upon conversion of any Convertible Preferred Stock on or before the second Business Day immediately after the Conversion Date for such conversion.

(v) *Make-Whole Payment.* Notwithstanding anything to the contrary contained in this Agreement, if (A) any Convertible Preferred Stock is to be converted; and (B) the applicable Conversion Price for such conversion is less than \$4.00, then, in addition to the delivery of the applicable number of shares of Class A Common Stock pursuant to **Section 10(d)(i)**, but subject to **Section 10(e)(vi)** and **Section 10(e)(vii)**, the Company shall make a cash payment to each Holder of Convertible Preferred Stock being converted equal to the product of (1) the sum of (x) the number of shares of Class A Common Stock that would be issuable upon such conversion without giving effect to **Sections 10(e)(vi)** and **10(e)(vii)**; less (y) the number of shares of Class A Common Stock that would be issuable upon such conversion with giving effect to **Sections 10(e)(vi)** and **10(e)(vii)**; times (2) the Last Reported Sale Price per share of Class A Common Stock on the Conversion Date for such Optional Conversion.

(e) *Conversion Price Calculations and Adjustments.*

(i) *Calculation of Conversion Price.* The Conversion Price will be equal to the product of (1) the average of the Last Reported Sale Price for the Class A Common Stock for the ninety Trading Days immediately preceding but not including the date of the Optional Conversion Notice multiplied by (2) (A) 0.80 if such Optional Conversion Notice is given on or after the fifth anniversary of the Initial Issue Date; or (B) 0.75 if such Optional Conversion Notice is given after an Optional Conversion Trigger Date and prior to the fifth anniversary of the Initial Issue Date, all subject to the adjustments and limitations set forth in this **Section 10**. Notwithstanding anything to the contrary in this Certificate of Designations, the Conversion Price shall be adjusted equitably for stock dividends, stock splits, stock combinations, and similar events with respect to the Class A Common Stock.

(ii) *No Adjustments.* Without limiting the operation of **Sections 5(a)(ii)(1)** and **10(d)(i)**, the Company will not be required to adjust the Conversion Price except pursuant to **Section 10(e)(i)**.

(iii) *Adjustment Deferral.* If an adjustment to the Conversion Price otherwise required by this Certificate of Designations would result in a change of less than 1% to the Conversion Price, then the Company may, at its election, defer such adjustment, except that all such deferred adjustments must be given effect immediately upon the earliest of the following: (1) when all such deferred adjustments would result in a change of at least 1% to the Conversion Price; (2) the Conversion Date of any share of Convertible Preferred Stock; (3) the Mandatory Redemption Notice Date for any Mandatory Redemption; and (4) the Change of Control Redemption Notice Date for any Change of Control Redemption.

(iv) *Calculations.* All calculations with respect to the Conversion Price and adjustments thereto will be made to the nearest 1/100th of a cent (with 5/1,000ths rounded upward).

(v) *Notice of Conversion Price Adjustments.* Upon the effectiveness of any adjustment to the Conversion Price pursuant to **Section 10(e)(i)**, the Company will, as soon as reasonably practicable and no later than ten Business Days after the date of such effectiveness, send notice to the Holders containing (1) a

brief description of the transaction or other event on account of which such adjustment was made; (2) the Conversion Price in effect immediately after such adjustment; and (3) the effective time of such adjustment.

(vi) *Limitation on Voluntary Conversion Price Decreases.* Notwithstanding anything in this **Section 10(e)** to the contrary, the Company may not decrease the Conversion Price pursuant to **Section 10(e)(i)** to the extent such decrease would cause the Conversion Price to be less than \$4.00 per share of Class A Common Stock (subject to proportionate adjustments for stock dividends, stock splits, stock combinations, tender offers or exchange offers with respect to the Class A Common Stock).

(vii) *Limitation of Adjustments for, and Prohibition of, Certain Degressive Issuances.* Notwithstanding anything to the contrary in this Certificate of Designations, no adjustment will be made to the Conversion Price pursuant to **Section 10(e)(i)** to the extent, but only to the extent, such adjustment would cause the Conversion Price to be less than \$4.00 per share of Class A Common Stock (subject to proportionate adjustment for stock dividends, stock splits or stock combinations with respect to the Class A Common Stock).

(f) *Additional Restriction on Conversions.*

(i) *Limitation on Conversion Right.* Notwithstanding anything to the contrary in this Certificate of Designations, unless and until the Requisite Stockholder Approval is obtained, no shares of Class A Common Stock will be issued or delivered upon conversion of any Convertible Preferred Stock of any Holder, and no Convertible Preferred Stock of any Holder will be convertible, in each case, to the extent, and only to the extent, that such issuance, delivery, conversion, or convertibility would (i) result in such Holder or a “person” or “group” (within the meaning of Section 13(d)(3) of the Exchange Act) beneficially owning in excess of 19.99% of the outstanding shares of Class A Common Stock as of the date of this Certificate of Designation; or (ii) exceed 19.99% of the outstanding shares of Class A Common Stock and the Class B Common Stock, combined, as of the date of this Certificate of Designations (this restrictions set forth in this sentence, the “**Ownership Limitation**”). For these purposes, beneficial ownership and calculations of percentage ownership will be determined in accordance with Rule 13d-3 under the Exchange Act. If any Conversion Consideration otherwise due upon the conversion of any Convertible Preferred Stock is not delivered as a result of the Ownership Limitation, then the Company’s obligation to deliver such Conversion Consideration will not be extinguished, and the Company will deliver such Conversion Consideration as soon as reasonably practicable after the Holder of such Convertible Preferred Stock provides written confirmation to the Company that such delivery will not contravene the Ownership Limitation. Any purported delivery of shares of Class A Common Stock upon conversion of any Convertible Preferred Stock will be void and have no effect to the extent, and only to the extent, that such delivery would contravene the Ownership Limitation. The satisfaction, by a Holder of any Convertible Preferred Stock, of the requirements set forth in **Section 10(c)(ii)** to convert such Convertible Preferred Stock will be deemed to be a representation, by such Holder to the Company, that the settlement of such conversion in full and without regard to this **Section 10(f)(i)** will not contravene the Ownership Limitation.

(ii) *Covenant to Seek the Requisite Stockholder Approval.* Prior to the earliest of (A) the first annual meeting of stockholders of the Company to occur following the fourth anniversary of the Initial Issue Date; or (B) ninety (90) days after the Optional Conversion Trigger Date, the Company will provide each holder of Class A Common Stock or other securities entitled to vote at such meeting a proxy statement meeting the requirements of Section 14 of the Exchange Act (and the rules and regulations promulgated thereunder) (the “**Proxy Statement**”) soliciting each such stockholder’s affirmative vote approving the Company’s issuance of the Conversion Shares to obtain the Requisite Stockholder Approval, and the Company will use its commercially reasonable efforts to solicit its stockholders’ approval and to cause the Board of Directors to recommend to the stockholders that they approve such Requisite Stockholder Approval. The Proxy Statement will be in a form reasonably acceptable to the Holders and accordingly, the Company will provide the Holder with reasonable opportunity to review and comment on the Proxy Statement. If, despite the Company’s commercially reasonable efforts, the Requisite Stockholder Approval is not obtained at such stockholder meeting, the Company will cause an additional meeting of stockholders of the Company to be held every six months thereafter until the Requisite Shareholder Approval is obtained, and the Company

will hire a reputable proxy solicitor for the purpose of pursuing such approval. The Company will promptly notify the Holders when the Requisite Stockholder Approval is obtained.

(iii) *Antitrust Clearance Date.* If any shares of Convertible Preferred Stock delivered an Optional Conversion Notice to the Company and, as a result of the conversion of such shares of Convertible Preferred Stock into voting securities of the Company, the Company is required to make a filing pursuant to the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended (or any successor act or regulation thereto), the Company and the Holders shall cooperate in preparing and making such filing, and no shares of Convertible Preferred Stock shall be converted into any voting securities of the Company on or before the Antitrust Clearance Date.

Section 11. **Certain Provisions Relating to the Issuance of Common Stock.**

(a) *Equitable Adjustments to Prices.* Whenever this Certificate of Designations requires the Company to calculate the average of the Last Reported Sale Price, or any function thereof, over a period of multiple days (including to calculate an adjustment to the Conversion Price), the Company will make appropriate adjustments, if any, to those calculations to account for any adjustment to the Conversion Price pursuant to **Section 10(e)** that becomes effective at any time during such period.

(b) *Reservation of Shares of Common Stock.* The Company will reserve, out of its authorized, unreserved, and not outstanding shares of Class A Common Stock, for delivery upon conversion of the Convertible Preferred Stock, a number of shares of Class A Common Stock that would be sufficient to settle the conversion of all shares of Convertible Preferred Stock then outstanding, if any. To the extent the Company delivers shares of Class A Common Stock held in the Company's treasury in settlement of any obligation under this Certificate of Designations to deliver shares of Class A Common Stock, each reference in this Certificate of Designations to the issuance of shares of Class A Common Stock in connection therewith will be deemed to include such delivery.

(c) *Status of Shares of Common Stock.* Each share of Class A Common Stock delivered upon conversion of the Convertible Preferred Stock of any Holder will be a newly issued or treasury share and will be duly and validly issued, fully paid, non-assessable, free from preemptive rights, and free of any lien or adverse claim (except to the extent of any lien or adverse claim created by the action or inaction of such Holder or the Person to whom such share of Class A Common Stock will be delivered). If the Class A Common Stock is then listed on any securities exchange, or quoted on any inter-dealer quotation system, then the Company will cause each such share of Class A Common Stock, when so delivered, to be admitted for listing on such exchange or quotation on such system.

(d) *Taxes Upon Issuance of Common Stock.* The Company will pay any documentary, stamp, or similar issue or transfer tax or duty due on the issue of any shares of Class A Common Stock upon conversion of the Convertible Preferred Stock of any Holder, except any tax or duty that is due because such Holder requests those shares to be registered in a name other than such Holder's name.

Section 12. **Calculations.**

(a) *Responsibility; Schedule of Calculations.* Except as otherwise provided in this Certificate of Designations, the Company will be responsible for making all calculations called for under this Certificate of Designations or the Convertible Preferred Stock, including determinations of the Conversion Price, the Last Reported Sale Prices, and accumulated Regular Dividends on the Convertible Preferred Stock. The Company will make all calculations in good faith, and, absent manifest error, its calculations will be final and binding on all Holders. The Company will provide a schedule of such calculations to any Holder upon written request.

(b) *Calculations Aggregated for Each Holder.* The composition of the Conversion Consideration due upon conversion of the Convertible Preferred Stock of any Holder will be computed based on the total number of shares of Convertible Preferred Stock of such Holder being converted with the same Conversion Date. For these purposes, any cash amounts due to such Holder in respect thereof will be rounded to the nearest cent.

Section 13. **Tax Treatment.** Notwithstanding anything to the contrary in this Certificate of Designations, for U.S. federal and other applicable state and local income tax purposes, it is intended that the Convertible Preferred Stock will not be treated as “preferred stock” within the meaning of Section 305(b)(4) of Code and Treasury Regulations Section 1.305-5(a). The Company will, and will cause its Subsidiaries and agents to, report consistently with, and take no positions or actions inconsistent with, the foregoing treatment unless otherwise required by a determination within the meaning of Section 1313(a) of the Code.

Section 14. **Notices.** The Company will send all notices or communications to Holders pursuant to this Certificate of Designations in writing and delivered personally, by facsimile, or by e-mail (with confirmation of receipt from the recipient, in the case of e-mail), or sent by nationally-recognized overnight courier service to the Holder’s respective addresses shown on the Register. Notwithstanding anything in the Certificate of Designations to the contrary, the failure to give any such notice or communication to all the Holders will not impair or affect the validity of such notice or communication to whom such notice is sent.

Section 15. **No Other Rights.** The Convertible Preferred Stock will have no rights, preferences, or voting powers, except as provided in this Certificate of Designations or the Certificate of Incorporation or as required by applicable law.

[The Remainder of This Page Intentionally Left Blank; Signature Page Follows]

IN WITNESS WHEREOF, the Company has caused this Certificate of Designations to be duly executed as of the date first written above.

DREAM FINDERS HOMES, INC.

By: _____

Name:
Title:

FORM OF CONVERTIBLE PREFERRED STOCK

[●]

Series A Convertible Preferred Stock

[Certificate No.: []]

No. Shares* []]

Dream Finders Homes, Inc., a Delaware corporation (the “**Company**”), certifies that [] is the registered owner of [] shares of the Company’s Series A Convertible Preferred Stock (the “**Convertible Preferred Stock**”) represented by this certificate (this “**Certificate**”). The special rights, preferences and voting powers of the Convertible Preferred Stock are set forth in the Certificate of Designations of the Company establishing the Convertible Preferred Stock (the “**Certificate of Designations**”). Capitalized terms used in this Certificate without definition have the respective meanings ascribed to them in the Certificate of Designations.

Additional terms of this Certificate are set forth on the other side of this Certificate.

[The Remainder of This Page Intentionally Left Blank; Signature Page Follows]

* Insert number of shares for Physical Certificate only.

IN WITNESS WHEREOF, [●] has caused this instrument to be duly executed as of the date set forth below.

DREAM FINDERS HOMES, INC.

Date: _____

By: _____

Name
Title:

Date: _____

By: _____

Name:
Title:

TRANSFER AGENT'S COUNTERSIGNATURE

[*legal name of Transfer Agent*], as Transfer Agent, certifies that this Certificate represents shares of Convertible Preferred Stock referred to in the within-mentioned Certificate of Designations.

Date: _____ By: _____

Authorized Signatory

REVERSE OF SECURITY

THE COMPANY WILL FURNISH WITHOUT CHARGE TO EACH STOCKHOLDER WHO SO REQUESTS, A SUMMARY OF THE POWERS, DESIGNATIONS AND PREFERENCES, OR OTHER SPECIAL RIGHTS OF EACH CLASS OF STOCK OF THE COMPANY AND THE QUALIFICATIONS, LIMITATIONS OR RESTRICTIONS OF SUCH PREFERENCES AND RIGHTS, AND THE VARIATIONS IN RIGHTS, PREFERENCES AND LIMITATIONS DETERMINED FOR EACH SERIES, WHICH ARE FIXED BY THE CERTIFICATE OF INCORPORATION OF THE COMPANY, AS AMENDED, AND THE RESOLUTIONS OF THE BOARD OF DIRECTORS OF THE COMPANY, AND THE AUTHORITY OF THE BOARD OF DIRECTORS TO DETERMINE VARIATIONS FOR FUTURE SERIES. SUCH REQUEST MAY BE MADE TO THE OFFICE OF THE SECRETARY OF THE COMPANY OR TO THE TRANSFER AGENT. THE BOARD OF DIRECTORS MAY REQUIRE THE OWNER OF A LOST OR DESTROYED STOCK CERTIFICATE, OR HIS LEGAL REPRESENTATIVES TO GIVE THE COMPANY A BOND TO INDEMNIFY IT AND ITS TRANSFER AGENTS AND REGISTRARS AGAINST ANY CLAIM THAT MAY BE MADE AGAINST THEM ON ACCOUNT OF THE ALLEGED LOSS OR DESTRUCTION OF AY SUCH CERTIFICATE.

[INSERT RESTRICTIVE LEGENDS IN ACCORDANCE WITH SUBSCRIPTION AGREEMENT]

FOR VALUE RECEIVED, _____ hereby sell, assign and transfer unto

(Insert assignee's social security or tax identification number)

(Insert address and zip code of assignee)

Shares of the Series A Convertible Preferred Stock represented by the within Certificate, and do hereby irrevocably constitute and appoint

agent to transfer the said shares of Series A Convertible Preferred Stock evidenced hereby on the books of the within-named Company with full power of substitution in the premises.

Date: _____

Signature: _____
(Sign exactly as your name appears on the other side of this Series A Convertible Preferred Stock)

Signature Guarantee: _____ †

† Signature must be guaranteed by an “eligible guarantor institution” that is a bank, stockbroker, savings and loan association or credit union reasonably acceptable to the Company or meeting the requirements of any transfer agent appointed by the Company from time to time, which requirements include membership or participation in the Securities Transfer Agents Medallion Program (“**STAMP**”) or such other “signature guarantee program” as may be determined by the Transfer Agent in addition to, or in substitution for, STAMP, all in accordance with the Securities Exchange Act of 1934, as amended.

OPTIONAL CONVERSION NOTICE

DREAM FINDERS HOMES, INC.

Series A Convertible Preferred Stock

Subject to the terms of the Certificate of Designations, by executing and delivering this Optional Conversion Notice, the undersigned Holder of the Convertible Preferred Stock identified below directs the Company to convert (check one):

all of the shares of Convertible Preferred Stock

‡ shares of Convertible Preferred Stock identified by CUSIP No. and Certificate No. .

Date: _____

(Legal Name of Holder)

By: _____

Name:

Title:

Signature Guaranteed:

Participant in a Recognized Signature
Guarantee Medallion Program

By: _____

Authorized Signatory

‡ Must be a whole number.

FORM OF RESTRICTED STOCK LEGEND

THE OFFER AND SALE OF THIS SECURITY AND THE SHARES OF COMMON STOCK ISSUABLE UPON CONVERSION OF THIS SECURITY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), AND THIS SECURITY AND SUCH SHARES MAY NOT BE OFFERED, SOLD OR OTHERWISE TRANSFERRED EXCEPT (A) PURSUANT TO A REGISTRATION STATEMENT THAT IS EFFECTIVE UNDER THE SECURITIES ACT; OR (B) PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT.

EXHIBIT C

REGISTRATION RIGHTS AGREEMENT

THIS REGISTRATION RIGHTS AGREEMENT (this “**Agreement**”), is made as of [•], 2021, by and among Dream Finders Homes, Inc., a Delaware corporation (the “**Company**”), and each of the parties listed on Schedule A hereto, each of which is referred to in this Agreement as a “**Holder**”.

RECITALS

WHEREAS, This Agreement is made pursuant to that certain Subscription Agreement, dated as of September 8, 2021 between the Company and each Holder (the “**Subscription Agreement**”);

WHEREAS, the Holders and the Company hereby agree that this Agreement shall govern the rights of the Holders to cause the Company to register Registrable Securities (as defined below) held or issuable to the Holders as set forth in this Agreement;

NOW, THEREFORE, the parties hereby agree as follows:

1. **Definitions. For purposes of this Agreement:**

1.1 “**Adverse Disclosure**” means public disclosure of material non-public information that, in the Board of Directors’ good faith judgment, after consultation with independent outside counsel to the Company, (a) would be required to be made in any Registration Statement or report filed with the SEC by the Company so that such Registration Statement from and after its effective date, does not contain an untrue statement of material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading; (b) would not be required to be made at such time but for the filing, effectiveness or continued use of such Registration Statement or report; and (c) would have a material adverse effect on the Company or its business or on the Company’s ability to effect a material proposed acquisition, disposition, financing, reorganization, recapitalization or similar transaction.

1.2 “**Affiliate**” means, with respect to any specified Person, any other Person who, directly or indirectly, controls, is controlled by, or is under common control with such Person, including any general partner, managing member, manager, officer or director of such Person or any venture capital or private equity fund now or hereafter existing that is controlled by one or more general partners or managing members of, or shares the same management company with, such Person.

1.3 “**Board of Directors**” means the board of directors of the Company.

1.4 “**Business Day**” means any day of the year on which national banking institutions in Jacksonville, Florida are open to the public for conducting business and are not required or authorized to close.

1.5 “**Certificate of Designation**” means that certain Certificate of Designations for the Company’s Series A Convertible Preferred Stock, dated as of [•], 2021.

1.6 “**Class A Common Stock**” means the Class A common stock, par value \$0.01 per share, of the Company.

1.7 “**Closing**” has the meaning set forth in the Subscription Agreement.

1.8 “**Damages**” means any loss, damage, claim or liability (joint or several) to which a party hereto may become subject under the Securities Act, the Exchange Act, or other federal or state law, insofar as such loss, damage, claim or liability (or any action in respect thereof) arises out of or is based upon: (a) any untrue statement or alleged untrue statement of a material fact contained in any Registration Statement of the Company, including any preliminary Prospectus or final Prospectus contained therein or any amendments or supplements thereto; (b) an

omission or alleged omission to state therein a material fact required to be stated therein, or necessary to make the statements therein not misleading; or (c) any violation or alleged violation by the indemnifying party (or any of its agents or Affiliates) of the Securities Act, the Exchange Act, any state securities law, or any rule or regulation promulgated under the Securities Act, the Exchange Act, or any state securities law.

1.9 “**Demand Notice**” has the meaning given to such term in Section 2.2(a).

1.10 “**Demand Period**” has the meaning given to such term in Section 2.2(e).

1.11 “**Demand Suspension**” has the meaning given to such term in Section 2.2(f).

1.12 “**Excluded Registration**” means (a) a registration relating to the sale of securities to employees of the Company or a subsidiary pursuant to a stock option, stock purchase, or similar plan; (b) a registration relating to a transaction under Rule 145 of the Securities Act; (c) a registration on any form that does not include substantially the same information as would be required to be included in a registration statement covering the sale of the Registrable Securities; or (d) a registration in which the only Class A Common Stock being registered is Class A Common Stock issuable upon conversion of debt securities that are also being registered.

1.13 “**Exchange Act**” means the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder.

1.14 “**Form S-1**” means such form under the Securities Act as in effect on the date hereof, Form F-1 or any successor registration form thereto under the Securities Act subsequently adopted by the SEC.

1.15 “**Form S-3**” means such form under the Securities Act as in effect on the date hereof, Form F-3 or any registration form thereto under the Securities Act subsequently adopted by the SEC that permits incorporation of substantial information by reference to other documents filed by the Company with the SEC.

1.16 “**Free Writing Prospectus**” shall mean any “free writing prospectus” as defined in Rule 405 promulgated under the Securities Act.

1.17 “**Holder**” has the meaning given to such term in the preamble.

1.18 “**Immediate Family Member**” means a child, stepchild, grandchild, parent, stepparent, grandparent, spouse, sibling, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law, or sister-in-law (including adoptive relationships) of a natural person referred to herein.

1.19 “**Initiating Holder**” means any of the Holders, after properly initiating a registration request under this Agreement.

1.20 “**Notice**” has the meaning given to such term in Section 3.4.

1.21 “**Person**” means any individual, corporation, partnership, trust, limited liability company, association or other entity.

1.22 “**Prospectus**” means the prospectus included in any Registration Statement, all amendments and supplements to such prospectus, including pre- and post-effective amendments to such Registration Statement, and all other material incorporated by reference in such prospectus.

1.23 “**Registrable Securities**” means (a) any Series A Convertible Preferred Stock owned by the Holders; (b) any other security held by any Holder that may be issued or distributed or be issuable in respect of any such shares by way of conversion, dividend, stock split or other distribution, merger, consolidation, exchange, recapitalization or reclassification or similar transaction, including those shares of Class A Common Stock that may be issued upon conversion of Series A Convertible Preferred Stock; (c) any securities issued as a distribution with respect to, or in exchange for or in replacement of any of such shares; and (d) any securities issued or transferred in

exchange for or upon conversion of any of such shares as a result of a merger, consolidation, reorganization or otherwise (including any securities issued upon the conversion of the Company to a successor corporation) and any other securities issued to any Holder in connection with any such transaction; excluding in all cases, however, any Registrable Securities sold by a Person in a transaction in which the applicable rights under this Agreement are not assigned pursuant to Section 3.1, and excluding for purposes of Section 2 any Series A Convertible Preferred Stock or Class A Common Stock for which registration rights have terminated pursuant to Section 2.11 of this Agreement.

1.24 “**Registrable Securities then outstanding**” means the number of shares determined by adding the number of shares of outstanding Series A Convertible Preferred Stock that are Registrable Securities and the number of shares of Class A Common Stock issuable (directly or indirectly) pursuant to then exercisable and/or convertible securities that are Registrable Securities, including Series A Convertible Preferred Stock.

1.25 “**Registration Statement**” means any registration statement of the Company filed with, or to be filed with, the SEC under the rules and regulations promulgated under the Securities Act, including the related Prospectus, amendments and supplements to such registration statement, including pre- and post-effective amendments, and all exhibits and all material incorporated by reference in such registration statement.

1.26 “**SEC**” means the Securities and Exchange Commission.

1.27 “**SEC Rule 144**” means Rule 144 promulgated by the SEC under the Securities Act.

1.28 “**SEC Rule 415**” means Rule 415 promulgated by the SEC under the Securities Act.

1.29 “**Securities Act**” means the Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder.

1.30 “**Series A Convertible Preferred Stock**” means the Company’s Series A Convertible Preferred Stock, par value \$0.01 per share, issued or issuable to the Holders pursuant to the Subscription Agreement.

1.31 “**Subscription Agreement**” has the meaning given to such term in the preamble.

1.32 “**Underwritten Offering**” means a sale of securities of the Company to an underwriter or underwriters for reoffering to the public.

1.33 “**WKSI**” means a “well known seasoned issuer” as defined in Rule 405 promulgated under the Securities Act.

2. **Registration Rights. The Company covenants and agrees as follows:**

2.1 **Form S-3 Registration.** Within the earlier of (a) three Business Days after the filing of the Company’s Annual Report on Form 10-K for the fiscal year ended December 31, 2021; and (b) six months after the Closing, the Company shall file a Registration Statement on Form S-3 under the Securities Act (or Form S-1, if the Company is not eligible to use Form S-3) covering the resale of Registrable Securities consisting of all of the Series A Convertible Preferred Stock owned by the Holders and such number of shares of Class A Common Stock that may be issued upon conversion of Series A Convertible Preferred Stock equal to 19.9% of the outstanding shares of Class A Common Stock as of the date of the Certificate of Designation held by the Holders as of the date of the filing of such Annual Report on Form 10-K for an offering to be made on a continuous basis pursuant to SEC Rule 415. If the Company has breached such requirement pursuant to this Section 2.1, in addition to the Regular Dividends (as defined in the Certificate of Designation) that accumulate on the Convertible Preferred Stock as set forth in the Certificate of Designations, (i) if such breach has been cured within 30 days, each Holder shall be entitled to an additional 2% per annum for one full Regular Dividend Period (as defined in the Certificate of Designation) payable on the next Regular Dividend Payment Date (as defined in the Certificate of Designation); and (ii) for each additional 30 day period in which the Company has failed to cure such breach, each Holder shall be entitled to an additional 2% per annum for an additional full Regular Dividend Period, until a Registration Statement has been filed in accordance with this Section 2.1.

2.2 Demand Registration.

(a) Form S-1 and S-3 Demand.

(i) If at any time after the Closing but prior to the filing of the Registration Statement by the Company pursuant to Section 2.1, the Company receives a request from the Initiating Holder that the Company file a Registration Statement on Form S-1 with respect to the resale of Registrable Securities having an anticipated aggregate offering price in excess of \$20 million (but in any event limited to all shares of Series A Convertible Preferred Stock and such number of shares of Class A Common Stock that may be issued upon conversion of Series A Convertible Preferred Stock equal to 19.9% of the outstanding shares of Class A Common Stock as of the date of the Certificate of Designation), then the Company shall (1) within 10 days after the date such request is given, give notice thereof (the “**Demand Notice**”) to all Holders other than the Initiating Holder; and (2) as soon as practicable, and in any event within 60 days after the date such request is given by the Initiating Holder, file a Registration Statement on Form S-1 under the Securities Act covering the resale of such Registrable Securities that the Initiating Holder requested to be registered and any additional Registrable Securities requested to be included in such registration by any other Holders (but subject to the limits set forth herein) for an offering to be made on a continuous basis pursuant to SEC Rule 415, as specified by notice given by each such Holder to the Company within 10 days of the date the Demand Notice is given, and in each case, subject to the limitations set forth in Section 2.2.

(ii) If at any time after the effectiveness of the Registration Statement filed by the Company pursuant to Section 2.1 and the receipt by the Company of the Requisite Stockholder Approval (as defined in the Certificate of Designations), the Company receives a request from the Initiating Holder that the Company file a Registration Statement on Form S-3 under the Securities Act (or Form S-1, if the Company is not eligible to use Form S-3) with respect to the resale of Registrable Securities not included in the Registration Statement filed pursuant to Section 2.1 having an anticipated aggregate offering price in excess of \$20 million (but in any event limited to all shares of Series A Convertible Preferred Stock and such number of shares of Class A Common Stock that may be issued upon conversion of Series A Convertible Preferred Stock equal to the product of (a) the average of the Last Reported Sale Price (as defined in the Certificate of Designation) for the Class A Common Stock for the 90 Trading Days (as defined in the Certificate of Designation) immediately preceding the delivery of the Demand Notice required by this section) by (b) 0.70), then the Company shall (1) within 10 days after the date such request is given, give a Demand Notice to all Holders other than the Initiating Holder; and (2) as soon as practicable, and in any event within 60 days after the date such request is given by the Initiating Holder, file a Registration Statement on Form S-3 under the Securities Act (or Form S-1, if the Company is not eligible to use Form S-3) covering the resale of such Registrable Securities that the Initiating Holder requested to be registered and any additional Registrable Securities requested to be included in such registration by any other Holders (but subject to the limits set forth herein) for an offering to be made on a continuous basis pursuant to SEC Rule 415, as specified by notice given by each such Holder to the Company within 10 days of the date the Demand Notice is given, and in each case, subject to the limitations set forth in Section 2.2.

(b) Form S-3 Demand. If at any time when it is eligible to use Form S-3, the Company receives a request from the Initiating Holder that the Company file a Registration Statement, including a shelf registration statement (and if at such time the Company is a WKSJ, an automatic shelf registration statement) on Form S-3 with respect to outstanding Registrable Securities of the Initiating Holder, then the Company shall (1) within 10 days after the date such request is given, give a Demand Notice to all Holders except the Initiating Holder; and (2) as soon as practicable, and in any event within 30 days after the date such request is given by the Initiating Holder, file a Registration Statement on Form S-3 under the Securities Act covering all Registrable Securities requested to be included in such registration by any other Holders, as specified by notice given by each such Holder to the Company within 10 days of the date the Demand Notice is given, and in each case, subject to the limitations of Section 2.2 and Section 2.4.

(c) At any time, and from time-to-time, during the period during which a shelf registration statement is effective (except during a Demand Suspension, as defined below), the Initiating Holder may notify the Company in writing (the “**Takedown Request**”), of the intent to sell Registrable Securities covered by the Registration Statement (in whole or in part) in an offering (a “**Shelf Offering**”). Such Takedown Request shall specify the aggregate number of Registrable Securities requested to be registered in such Shelf Offering. Within 10 days after receipt by the Company of such Takedown Request, the Company shall deliver a written notice (a “**Takedown Notice**”) to each other Holder informing each such other Holder of its right to include Registrable Securities in such Shelf Offering. As soon as reasonably practicable and in any event no later than 5 Business Days after receipt of a Takedown Notice (and no later than 2 Business Days after the receipt of such Demand Notice in the case of a “bought deal,” a “registered direct offering” or an “overnight transaction” where no preliminary prospectus is used), each such other Holder shall have the right to request in writing that the Company include all or a specific portion of the Registrable Securities held by such other Holder in such Shelf Offering and the Company shall include such Registrable Securities in such Shelf Offering.

(d) Notwithstanding anything to the contrary in this Agreement, (i) if the SEC or any SEC guidance sets forth a limitation on the number of Registrable Securities permitted to be registered on a particular Registration Statement, the number of Registrable Securities to be registered on such Registration Statement will be reduced to the extent applicable (which reduction shall be pro rata among all such selling shareholders whose securities are included in such Registration Statement); and (ii) in no event shall the Company be permitted to name any Holder or such Holder’s Affiliate as an underwriter without the prior written consent of such Holder.

(e) Notwithstanding the foregoing obligations, if the Company furnishes to Holders requesting a Registration Statement or Takedown Request pursuant to this Section 2.2 a certificate signed by the Company’s chief executive officer stating that in the good faith judgment of the Board of Directors it would be materially detrimental to the Company and its stockholders for such Registration Statement, including any shelf registration statement, to either become effective or remain effective for as long as such Registration Statement otherwise would be required to remain effective, or for the prospectus supplement, related to the Registration Statement to be filed pursuant to the Takedown Request, to be filed because such action would: (i) materially interfere with a significant acquisition, corporate reorganization, or other similar transaction involving the Company; (ii) require the Company to make an Adverse Disclosure; (iii) render the Company unable to comply with requirements under the Securities Act or Exchange Act; or (iv) in the good faith judgment of the Board of Directors, otherwise be materially detrimental to the Company and its stockholders for such Registration Statement or prospectus supplement to be filed (a “**Demand Suspension**”), then the Company shall have the right to defer taking action with respect to such filing or notify the Holders to suspend the use of the Registration Statement that has already been declared effective, as applicable, and any time periods with respect to filing or effectiveness thereof shall be tolled correspondingly, for a period of not more than 60 days (or 30 days in the case of clause (iv) after the request of the Initiating Holder is given) during any calendar year; provided, however, that the Company may not invoke this right more than twice in any 12-month period, and at least 30 days must elapse between each Demand Suspension. If a Demand Suspension is made because the Registration Statement or Takedown Request would require the Company to make an Adverse Disclosure, such Demand Suspension shall terminate at such time as the public disclosure of such information is made. The Company shall immediately notify the Holders upon the termination of any Demand Suspension, without any further request from a Holder.

(f) The Company shall not be obligated to effect, or to take any action to effect, any registration pursuant to Section 2.2: (i) during the period that is 60 days before the Company’s good faith estimate of the date of filing of, and ending on a date that is 90 days after the effective date of, a Company-initiated registration; provided that the Company is actively employing in good faith commercially reasonable efforts to cause such Registration Statement to become effective and may only exercise this right once in any 12-month period; or (ii) after the Company has effected up to one registration requested by the Initiating Holder pursuant to Section 2.2(a)(i), up to one registration requested by the Initiating Holder pursuant to Section 2.2(a)(ii) and up to three registrations requested by the Initiating Holder pursuant to Section 2.2(b). A registration shall not be counted as “effected” for purposes of Section 2.2 until such time as the applicable Registration Statement has been declared effective by the SEC and, in the case of a registration pursuant to Section 2.2(a), remains effective for not less than 180 days (or such shorter period as shall terminate when all Registrable Securities covered by such Registration Statement have been sold or withdrawn) (the “**Demand Period**”). No registration pursuant to Section 2.2 shall be deemed to have been effected

if during the Demand Period such registration is interfered with by any stop order, injunction or other order or requirement of the SEC or other governmental agency or court.

(g) Any Holders that have requested its Registrable Securities be included in any registration pursuant to Section 2.2 may withdraw all or any portion of its Registrable Securities from such registration at any time prior to the effectiveness of the applicable Registration Statement. The Company shall continue all efforts to secure effectiveness of the applicable Registration Statement in respect of the Registrable Securities of any other Holder that has requested inclusion in the demand registration pursuant to Section 2.2 so long as the Initiating Holder has requested and not withdrawn all of his Registrable Securities to be included in such registration; provided, however, if the Initiating Holder has requested for all of his Registrable Securities to be withdrawn from such registration, the Company shall immediately cease all efforts to secure effectiveness of the applicable Registration Statement, even if one or more other Holders have requested for Registrable Securities to be included in such applicable Registration Statement pursuant to Section 2.2, and such withdrawn registration shall not count towards the limitation on registrations set forth in Section 2.2(e) so long as the applicable Registration Statement has not been filed or submitted to the SEC.

(h) In the event any Holder requests to participate in a registration pursuant to this Section 2.2 in connection with a distribution of Registrable Securities to its partners or members, the registration shall provide for resale by such partners or members, if requested by the Holder.

(i) For purposes of this Section 2.2, the Company shall use commercially reasonable efforts to qualify for registration on Form S-3 for secondary sales and, during such time as the Company is so qualified, shall effect any registration of secondary sales on Form S-3 after such qualification.

(j) For avoidance of doubt, nothing in the Agreement provides any Holder with the right to demand a Registration Statement (or inclusion in any Registration Statement) involving an Underwritten Offering.

2.3 Company Offering.

(a) If the Company proposes to offer (including, for this purpose, a registration effected by the Company for its stockholders other than the Holders) any of its securities under the Securities Act in connection with the public offering of such securities (including an “at-the market offering,” a “bought deal” or a “registered direct offering”) solely for cash (other than in an Excluded Registration), the Company shall, at such time, promptly give each Holder notice of such offering (a “**Company Offering**”). Such notice shall specify, as applicable, the amount of Class A Common Stock to be registered, the proposed filing date of the registration statement or applicable prospectus supplement and the proposed minimum offering price of the Class A Common Stock, in each case, to the extent then known. In the case of an offering under a shelf registration statement previously filed or to be filed by the Company pursuant to Rule 415 under the Securities Act, including where the Company qualifies as a WKSI, such notice shall be sent as promptly as reasonably practicable and in any event no later than 10 days prior to the expected date of filing of such registration statement or commencement of marketing efforts for such offering (and no later than 5 days prior in the case of a “bought deal,” a “registered direct offering” or an “overnight transaction” where no preliminary prospectus is used). In the case of a Company Offering under a registration statement to be filed that is not a shelf registration statement, such notice shall be given as promptly as reasonably practicable and, in any event, no later than 10 days prior to the expected date of filing of such registration statement. Upon the written request of each Holder given within 5 Business Days after such notice is given by the Company (except that each Holder shall have 2 Business Days after the Company gives such notice to request inclusion of Registrable Securities in the Company Offering in the case of a “bought deal,” a “registered direct offering” or an “overnight transaction” where no preliminary prospectus is used), the Company shall, subject to the provisions of Section 2.4, as promptly as reasonably practicable cause to be registered or include in the prospectus supplement, as applicable, all of the Registrable Securities that each such Holder has requested to be included in such registration. The Company shall have the right to terminate or withdraw any offering initiated by it under this Section 2.3 before the effective date of such offering, whether or not any Holder has elected to include Registrable Securities in such offering. The expenses of such withdrawn offering shall be borne by the Company in accordance with Section 2.6.

(b) No offering of Registrable Securities effected pursuant to a request under this Section 2.3 shall be deemed to have been effected pursuant to Section 2.2 or shall relieve the Company of its obligations under Section 2.2.

(c) Each Holder shall be permitted to withdraw all or part of its Registrable Securities in an offering under this Section 2.3 by giving written notice to the Company of its request to withdraw; provided that (i) such request must be made in writing prior to the effectiveness of such Registration Statement or, in the case of a public offering, at least 5 Business Days prior to the earlier of the anticipated filing of the “red herring” Prospectus, if applicable, and the anticipated pricing or trade date; and (ii) such withdrawal shall be irrevocable and, after making such withdrawal, the Holder shall no longer have any right to include Registrable Securities in such offering as to which such withdrawal was made.

2.4 Obligations of the Company. Whenever required under this Section 2 to effect the registration of any Registrable Securities, the Company shall, as expeditiously as reasonably possible:

(a) prepare and file a Registration Statement with respect to such Registrable Securities and use commercially reasonable efforts to cause such Registration Statement to become effective, and, to keep such Registration Statement effective for a period of up to 180 days or, if earlier, until the distribution contemplated in the Registration Statement has been completed, provided, however, that in the case of an automatic Registration Statement on Form S-3, where the Company shall use commercially reasonable efforts to keep such Registration Statement effective for three years from the date of effectiveness, which period may be extended, at the request of the Holders of a majority of the Registrable Securities registered thereunder, until the earlier of (A) the effective date of the new Registration Statement; or (B) 180 days after the third anniversary of the initial effective date of the prior automatic Registration Statement on Form S-3; in each case, subject to compliance with applicable SEC rules;

(b) (i) prepare and file with the SEC such amendments, including post-effective amendments, and supplements to such Registration Statement, and the Prospectus used in connection with such Registration Statement, as may be necessary to comply with the Securities Act in order to enable the disposition of all securities covered by such Registration Statement through the applicable periods during which the Company is obligated to maintain the effectiveness of such Registration Statement; (ii) cause the related Prospectus to be amended or supplemented by any required Prospectus supplement, and as so supplemented or amended to be filed pursuant to Rule 424 promulgated by the SEC under the Securities Act; and (iii) respond to any comments received from the SEC with respect to each Registration Statement or any amendment thereto;

(c) that, to the extent practicable, at least 5 Business Days prior to filing any registration statement or prospectus or any amendments or supplements thereto, the Company shall furnish to the holders of the Registrable Securities covered by such registration statement and their counsel, copies of all such documents proposed to be filed;

(d) furnish to the selling Holders such numbers of copies (which, for the avoidance of doubt, may be electronic copies) of the signed Registration Statement, any post-effective amendment thereto, a Prospectus, including a preliminary Prospectus, as required by the Securities Act, any amendments or supplements thereto, any Free Writing Prospectus, and such other documents as the Holders may reasonably request in order to facilitate their disposition of their Registrable Securities;

(e) use commercially reasonable efforts to register and qualify the securities covered by such Registration Statement under such other securities or blue-sky laws of such jurisdictions as shall be reasonably requested by the selling Holders; provided that the Company shall not be required to qualify to do business or to file a general consent to service of process in any such states or jurisdictions, unless the Company is already subject to service in such jurisdiction and except as may be required by the Securities Act;

(f) cooperate with each Holder participating in the disposition of such Registrable Securities and their respective counsel in connection with any filings required to be made with FINRA;

(g) if the Company is eligible under the relevant provisions of Rule 430B under the Securities Act, if the Company files any shelf Registration Statement, include in such shelf Registration Statement such disclosures as may be required by Rule 430B under the Securities Act (referring to the unnamed selling security holders in a generic manner by identifying the initial offering of the securities to the Holders) in order to ensure that the Holders may be added to such shelf Registration Statement at a later time through the filing of a Prospectus supplement rather than a post-effective amendment;

(h) use commercially reasonable efforts to cause all such Registrable Securities covered by such Registration Statement to be listed on a national securities exchange or trading system and each securities exchange and trading system (if any) on which similar securities issued by the Company are then listed;

(i) (1) provide a transfer agent and registrar for all Registrable Securities registered pursuant to this Agreement and provide a CUSIP number for all such Registrable Securities, in each case not later than the effective date of such registration; and (2) cooperate with any selling Holders to facilitate the timely preparation and delivery of book-entry interests representing Registrable Securities to be delivered to a transferee pursuant to a Registration Statement, which book-entry interests shall be free of all restrictive legends indicating that the Registrable Securities are unregistered or unqualified for resale under the Securities Act, Exchange Act or other applicable securities laws, and to enable such Registrable Securities to be in such denominations and registered in such names as any such Holder may request in writing;

(j) notify each selling Holder, promptly after the Company receives notice thereof, of the time when such Registration Statement has been declared effective or a supplement to any Prospectus forming a part of such Registration Statement has been filed;

(k) after such Registration Statement becomes effective, promptly notify each selling Holder of any (i) request by the SEC that the Company amend or supplement such Registration Statement or Prospectus; or (ii) stop order or other order suspending the effectiveness of any registration statement, issued or threatened in writing by the SEC in connection therewith, and use commercially reasonable efforts to prevent the entry of such stop order or to remove it or obtain withdrawal of it as soon as practicable if entered; and

(l) promptly notify each seller of Registrable Securities covered by such registration, upon discovery by an executive officer of the Company that the prospectus included in such registration, as then in effect, includes an untrue statement of a material fact or omits to state any material fact required to be stated therein or necessary to make the statements therein not misleading, and promptly thereafter prepare and file with the SEC and furnish to such seller a reasonable number of copies of a supplement to or an amendment of such prospectus as may be necessary so that, as thereafter delivered to the purchasers or prospective purchasers of such securities, such prospectus shall not include an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading in the light of the circumstances under which they are made.

2.5 Furnish Information. It shall be a condition precedent to the obligations of the Company to take any action pursuant to this Section 2 with respect to the Registrable Securities of any selling Holder that such Holder shall furnish to the Company such information regarding itself, the Registrable Securities held by it, and the intended method of disposition of such securities as is reasonably required to effect the registration of such Holder's Registrable Securities. All penalties set forth in Section 2 shall be tolled to the extent that the Company is unable to file a Registration Statement because a selling Holder has not responded to such request in a commercially timely manner.

2.6 Expenses of Registration. All expenses incurred in connection with registrations pursuant to Section 2 shall be borne and paid by the Company; provided, however, that the Company shall not be required to pay for any expenses of any registration proceeding begun pursuant to Section 2.2 if the registration request is subsequently withdrawn at the request of the Initiating Holder (in which case all selling Holders shall bear such expenses pro rata based upon the number of Registrable Securities that were to be included in the withdrawn registration); provided further, that if, at the time of such withdrawal, the Holders shall have learned of a material adverse change in the condition, business, or prospects of the Company from that known to the Holders at the time of their request and have withdrawn the request with reasonable promptness after learning of such information then the

Holders shall not be required to pay any of such expenses and shall not forfeit their right to one registration pursuant to Section 2.2(a).

2.7 Delay of Registration. No Holder shall have any right to obtain or seek an injunction restraining or otherwise delaying any registration pursuant to this Agreement as the result of any controversy that might arise with respect to the interpretation or implementation of this Section 2.

2.8 Indemnification. If any Registrable Securities are included in a Registration Statement under this Section 2:

(a) To the extent permitted by law, the Company will indemnify, defend, and hold harmless each selling Holder, and the partners, members, officers, directors, and stockholders of each such Holder; one legal counsel and one accountant for the Initiating Holder, and each Person, if any, who controls such Holder within the meaning of the Securities Act or the Exchange Act, against any Damages, and the Company will pay to each such Holder, controlling Person, or other aforementioned Person any legal or other expenses reasonably incurred thereby in connection with investigating or defending any claim or proceeding from which Damages may result, as such expenses are incurred; provided, however, that the indemnity agreement contained in this Section 2.8(a) shall not apply to amounts paid in settlement of any such claim or proceeding if such settlement is effected without the consent of the Company (which consent shall not be unreasonably withheld, conditioned, or delayed), nor shall the Company be liable for any Damages to the extent that they arise out of or are based upon actions or omissions made in reliance upon and in conformity with written information furnished by or on behalf of any such Holder, controlling Person, or other aforementioned Person expressly for use in connection with such registration.

(b) To the extent permitted by law, each selling Holder, severally and not jointly, will indemnify, defend, and hold harmless the Company, and each of its directors, each of its officers who has signed the Registration Statement, each Person (if any) who controls the Company within the meaning of the Securities Act, and legal counsel and accountants for the Company, any other Holder selling securities in such Registration Statement, and any controlling Person of any such Holder, against any Damages, in each case only to the extent that such Damages arise out of or are based upon actions or omissions made in reliance upon and in conformity with written information furnished by or on behalf of such selling Holder expressly for use in connection with such registration; and each such selling Holder will pay to the Company and each other aforementioned Person any legal or other expenses reasonably incurred thereby in connection with investigating or defending any claim or proceeding from which Damages may result, as such expenses are incurred; provided, however, that the indemnity agreement contained in this Section 2.8(b) shall not apply to amounts paid in settlement of any such claim or proceeding if such settlement is effected without the consent of such Holder (which consent shall not be unreasonably withheld, conditioned, or delayed); and provided, further, that in no event shall the aggregate amounts payable by such Holder by way of indemnity or contribution under Section 2.8(b) and Section 2.8(d) exceed the proceeds from the offering received by such Holder, except in the case of fraud or willful misconduct by such Holder.

(c) Promptly after receipt by an indemnified party under this Section 2.8 of notice of the commencement of any action (including any governmental action) for which a party may be entitled to indemnification hereunder, such indemnified party will, if a claim in respect thereof is to be made against any indemnifying party under this Section 2.8, give the indemnifying party notice of the commencement thereof. The indemnifying party shall have the right to participate in such action and, to the extent the indemnifying party so desires, participate jointly with any other indemnifying party to which notice has been given, and to assume the defense thereof with counsel mutually satisfactory to the parties; provided, however, that an indemnified party (together with all other indemnified parties that may be represented without conflict by one counsel) shall have the right to retain one separate counsel, with the fees and expenses to be paid by the indemnifying party, if representation of such indemnified party by the counsel retained by the indemnifying party would be inappropriate due to actual or potential differing interests between such indemnified party and any other party represented by such counsel in such action. The failure to give notice to the indemnifying party within a reasonable time of the commencement of any such action shall relieve such indemnifying party of any liability to the indemnified party under this Section 2.8, to the extent that such failure actually and materially prejudices the indemnifying party's ability to defend such action. The failure to give notice to the indemnifying party will not relieve it of any liability that it may have to any indemnified party otherwise than under this Section 2.8.

(d) To provide for just and equitable contribution to joint liability under the Securities Act in any case in which either: (i) any party otherwise entitled to indemnification hereunder makes a claim for indemnification pursuant to this Section 2.8 but it is judicially determined (by the entry of a final judgment or decree by a court of competent jurisdiction and the expiration of time to appeal or the denial of the last right of appeal) that such indemnification may not be enforced in such case, notwithstanding the fact that this Section 2.8 provides for indemnification in such case; or (ii) contribution under the Securities Act may be required on the part of any party hereto for which indemnification is provided under this Section 2.8, then, and in each such case, such parties will contribute to the aggregate losses, claims, damages, liabilities, or expenses to which they may be subject (after contribution from others) in such proportion as is appropriate to reflect the relative fault of each of the indemnifying party and the indemnified party in connection with the statements, omissions, or other actions that resulted in such loss, claim, damage, liability, or expense, as well as to reflect any other relevant equitable considerations. The relative fault of the indemnifying party and of the indemnified party shall be determined by reference to, among other things, whether the untrue or allegedly untrue statement of a material fact, or the omission or alleged omission of a material fact, relates to information supplied by the indemnifying party or by the indemnified party and the parties' relative intent, knowledge, access to information, and opportunity to correct or prevent such statement or omission; provided, however, that, in any such case (x) no Holder will be required to contribute any amount in excess of the public offering price of all such Registrable Securities offered and sold by such Holder pursuant to such Registration Statement; and (y) no Person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) will be entitled to contribution from any Person who was not guilty of such fraudulent misrepresentation; and provided, further, that in no event shall any Holder's liability pursuant to this Section 2.8(d), when combined with the amounts paid or payable by such Holder pursuant to Section 2.8(b), exceed the proceeds from the offering received by such Holder, except in the case of willful misconduct or fraud by such Holder.

(e) The obligations of the Company and Holders under this Section 2.8 shall survive the completion of any offering of Registrable Securities in a registration under this Section 2, and otherwise shall survive the termination of this Agreement.

2.9 Reports Under Exchange Act. With a view to making available to the Holder the benefits of SEC Rule 144 and any other rule or regulation of the SEC that may at any time permit a Holder to sell securities of the Company to the public without registration or pursuant to a registration on Form S-3, the Company shall:

- (a) make and keep available adequate current public information, as those terms are understood and defined in SEC Rule 144;
- (b) use commercially reasonable efforts to file with the SEC in a timely manner all reports and other documents required of the Company under the Securities Act and the Exchange Act (at any time after the Company has become subject to such reporting requirements); and
- (c) furnish to the Holder, so long as the Holder owns any Registrable Securities, forthwith upon request (i) to the extent accurate, a written statement by the Company that it has complied with the reporting requirements of SEC Rule 144, the Securities Act, and the Exchange Act, or that it qualifies as a registrant whose securities may be resold pursuant to Form S-3 (at any time after the Company so qualifies); and (ii) such other information as may be reasonably requested in availing the Holder of any rule or regulation of the SEC that permits the selling of any such securities without registration or pursuant to Form S-3 (at any time after the Company so qualifies to use such form).

2.10 Limitations on Subsequent Registration Rights. From and after the date of this Agreement, the Company shall not, without the prior written consent of the Holders of a majority of the Registrable Securities then outstanding, enter into any agreement with any holder or prospective holder of any securities of the Company that would allow such holder or prospective holder to include such securities in any registration unless, under the terms of such agreement, such holder or prospective holder may include such securities in any such registration only to the extent that the inclusion of such securities will not reduce the number of the Registrable Securities of the Holders that are included.

2.11 Termination of Registration Rights. The right of any Holder to request registration or inclusion of Registrable Securities in any registration shall terminate at such time as SEC Rule 144(b)(1) under the

Securities Act (or any successor provision) is available for the sale of all of such Holder's shares without any need to comply with the public information requirements of SEC Rule 144(b)(1) (or any successor provision) or any such shares are sold pursuant to SEC Rule 144.

3. **Miscellaneous.**

3.1 **Successors and Assigns.** The rights under this Agreement may be assigned (but only with all related obligations) by a Holder to a transferee of Registrable Securities that (a) is an Affiliate of such Holder; (b) is a Holder's Immediate Family Member or trust for the benefit of an individual Holder or one or more of such Holder's Immediate Family Members; or (c) after such transfer, holds at least 1% of the Company's then outstanding Registrable Securities; provided, however, that the Company is, within a reasonable time after such transfer, furnished with written notice of the name and address of such transferee and the Registrable Securities with respect to which such rights are being transferred. For the purposes of determining the number of shares of Registrable Securities held by a transferee, the holdings of a transferee (1) that is an Affiliate, member or stockholder of a Holder; (2) who is a Holder's Immediate Family Member; or (3) that is a trust for the benefit of an individual Holder or such Holder's Immediate Family Member shall be aggregated together and with those of the transferring Holder; provided, further, that all transferees who would not qualify individually for assignment of rights shall have a single attorney-in-fact for the purpose of exercising any rights, receiving notices, or taking any action under this Agreement. The terms and conditions of this Agreement inure to the benefit of and are binding upon the respective successors and permitted assignees of the parties. Nothing in this Agreement, express or implied, is intended to confer upon any party other than the parties hereto or their respective successors and permitted assignees any rights, remedies, obligations or liabilities under or by reason of this Agreement, except as expressly provided herein.

3.2 **Counterparts.** This Agreement may be executed in 2 or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Counterparts may be delivered via facsimile, electronic mail (including pdf or any electronic signature complying with the U.S. federal ESIGN Act of 2000, e.g., www.docusign.com) or other transmission method and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes.

3.3 **Titles and Subtitles.** The titles and subtitles used in this Agreement are for convenience only and are not to be considered in construing or interpreting this Agreement.

3.4 **Notices.** All notices and other communications given or made pursuant to this Agreement shall be in writing and shall be deemed effectively given upon the earlier of actual receipt or (a) personal delivery to the party to be notified; (b) when sent, if sent by electronic mail or facsimile during the recipient's normal business hours, and if not sent during normal business hours, then on the recipient's next Business Day; (c) 5 days after having been sent by registered or certified mail, return receipt requested, postage prepaid; or (d) 1 Business Day after the Business Day of deposit with a nationally recognized overnight courier, freight prepaid, specifying next-day delivery, with written verification of receipt. All communications shall be sent to the respective parties at their addresses as set forth on Schedule A hereto, or to the principal office of the Company and to the attention of the Chief Executive Officer, in the case of the Company, or to such email address, facsimile number, or address as subsequently modified by written notice given in accordance with this Section 3.4.

3.5 **Amendments and Waivers.** Any term of this Agreement may be amended and the observance of any term of this Agreement may be waived (either generally or in a particular instance, and either retroactively or prospectively) only with the written consent of the Company and the Initiating Holder; provided that any provision hereof may be waived by any waiving party on such party's own behalf, without the consent of any other party. The Company shall give prompt notice of any amendment or termination hereof or waiver hereunder to any party hereto that did not consent in writing to such amendment, termination, or waiver. Any amendment, termination, or waiver effected in accordance with this Section 3.5 shall be binding on all parties hereto, regardless of whether any such party has consented thereto. No waivers of or exceptions to any term, condition, or provision of this Agreement, in any one or more instances, shall be deemed to be or construed as a further or continuing waiver of any such term, condition, or provision. Notwithstanding the foregoing, in no event may the demand registration rights granted to any Holder pursuant to Section 2.2 of this Agreement be removed without the prior written consent of such Holder.

3.6 Severability. In case any one or more of the provisions contained in this Agreement is for any reason held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision of this Agreement, and such invalid, illegal, or unenforceable provision shall be reformed and construed so that it will be valid, legal, and enforceable to the maximum extent permitted by law.

3.7 Entire Agreement. This Agreement (including any Schedules and Exhibits hereto) constitutes the full and entire understanding and agreement among the parties with respect to the subject matter hereof, and any other written or oral agreement relating to the subject matter hereof existing between the parties is expressly canceled.

3.8 Governing Law; Jurisdiction. This Agreement shall be governed by and construed in accordance with the internal laws of the State of Delaware without regard to the conflicts of law principles of such State that may lead to the application of the laws of any other jurisdiction. The parties (a) hereby irrevocably and unconditionally submit to the jurisdiction of the courts of the State of Delaware sitting in New Castle County and to the jurisdiction of the United States District Court sitting in Wilmington, Delaware for the purpose of any suit, action or other proceeding arising out of or based upon this Agreement; (b) agree not to commence any suit, action or other proceeding arising out of or based upon this Agreement except in the courts of the State of Delaware sitting in New Castle County or the United States District Court sitting in Wilmington, Delaware; and (c) hereby waive, and agree not to assert, by way of motion, as a defense, or otherwise, in any such suit, action or proceeding, any claim that it is not subject personally to the jurisdiction of the above-named courts, that its property is exempt or immune from attachment or execution, that the suit, action or proceeding is brought in an inconvenient forum, that the venue of the suit, action or proceeding is improper or that this Agreement or the subject matter hereof may not be enforced in or by such court.

3.9 WAIVER OF JURY TRIAL. EACH PARTY HEREBY WAIVES ITS RIGHTS TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING OUT OF THIS AGREEMENT, THE OTHER TRANSACTION DOCUMENTS, THE SECURITIES OR THE SUBJECT MATTER HEREOF OR THEREOF. THE SCOPE OF THIS WAIVER IS INTENDED TO BE ALL-ENCOMPASSING OF ANY AND ALL DISPUTES THAT MAY BE FILED IN ANY COURT AND THAT RELATE TO THE SUBJECT MATTER OF THIS TRANSACTION, INCLUDING CONTRACT CLAIMS, TORT CLAIMS (INCLUDING NEGLIGENCE), BREACH OF DUTY CLAIMS, AND ALL OTHER COMMON LAW AND STATUTORY CLAIMS. THIS SECTION HAS BEEN FULLY DISCUSSED BY EACH OF THE PARTIES HERETO AND THESE PROVISIONS WILL NOT BE SUBJECT TO ANY EXCEPTIONS. EACH PARTY HERETO HEREBY FURTHER WARRANTS AND REPRESENTS THAT SUCH PARTY HAS REVIEWED THIS WAIVER WITH ITS LEGAL COUNSEL, AND THAT SUCH PARTY KNOWINGLY AND VOLUNTARILY WAIVES ITS JURY TRIAL RIGHTS FOLLOWING CONSULTATION WITH LEGAL COUNSEL.

3.10 Delays or Omissions. No delay or omission to exercise any right, power, or remedy accruing to any party under this Agreement, upon any breach or default of any other party under this Agreement, shall impair any such right, power, or remedy of such nonbreaching or nondefaulting party, nor shall it be construed to be a waiver of or acquiescence to any such breach or default, or to any similar breach or default thereafter occurring, nor shall any waiver of any single breach or default be deemed a waiver of any other breach or default theretofore or thereafter occurring. All remedies, whether under this Agreement or by law or otherwise afforded to any party, shall be cumulative and not alternative.

3.11 Other Interpretive Matters. For purposes of this Agreement, (a) when calculating the period of time before which, within which or following which any act is to be done or step taken pursuant to this Agreement, the date that is the reference date in calculating such period is excluded, and if the last day of such period is a non-Business Day, the period in question ends on the next succeeding Business Day; (b) unless the context otherwise requires, all references in this Agreement to any "Article," "Section" or "Exhibit" are to the corresponding Article, Section or Exhibit of this Agreement; (c) the word "including," or any variation thereof, means "including, without limitation" and does not limit any general statement that it follows to the specific or similar items or matters immediately following it; and (d) all references to dollar amounts are expressed in United States Dollars. As used herein, the singular shall include the plural, the plural shall include the singular and any use of the male or female gender shall include the other gender, all wherever the same shall be applicable and when the context shall admit or require.

3.12 No Recourse. Notwithstanding anything to the contrary that may be expressed or implied in this Agreement, and notwithstanding the fact that any Holder or its Affiliates or any of its or their successors or permitted assignees may be a partnership or a limited liability company, the Company, by its acceptance of the benefits hereof, covenants, agrees and acknowledges that no Person other than the Holders and their respective successors and permitted assignees shall have any obligation hereunder, and that it has no rights of recovery against, and no recourse hereunder against, any former, current or future director, officer, agent, advisor, attorney, representative, Affiliate, manager or employee of any Holder (or any of its successors or assignees), against any former, current or future general or limited partner, manager, member or stockholder of any Holder or any Affiliate thereof or against any former, current or future director, officer, agent, advisor, attorney, representative, employee, Affiliate, assignee, general or limited partner, stockholder, manager or member of any of the foregoing, whether by or through attempted piercing of the corporate veil, by the enforcement of any judgment or assessment or by any legal or equitable proceeding, or by virtue of any statute, regulation or other applicable law.

3.13 Specific Performance. The rights of each party to consummate the transactions contemplated hereby are agreed to be unique, and recognizing that the remedy at law for any breach or threatened breach by a party hereto of the agreements and conditions set forth herein would be inadequate, and further recognizing that any such breach or threatened breach would cause immediate, irreparable and permanent damage to the parties, the extent of which would be impossible or difficult to ascertain, the parties hereto agree that in the event of any such breach or threatened breach, and in addition to any and all remedies at law or otherwise provided herein, any party hereto may specifically enforce the terms of this Agreement and may obtain temporary and/or permanent injunctive relief (including a mandatory injunction) without the necessity of proving actual damage or the lack of an adequate remedy at law and, to the extent permissible under applicable rules, provision and statutes, a temporary injunction may be granted immediately upon the commencement of any suit hereunder regardless of whether the breaching party or parties have actually received notice thereof. Such remedy shall be cumulative and not exclusive, and shall be in addition to any other remedy or remedies available to the parties.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the parties have duly executed this Agreement as of the date first written above.

COMPANY:

DREAM FINDERS HOMES, INC.

By: _____

Name: Patrick O. Zalupski

Title: President, Chief Executive Officer and Chairman of the Board of Directors

HOLDERS:

BLACKROCK CAPITAL ALLOCATION TRUST

By: BLACKROCK ADVISORS LLC, as Investment Advisor

By: _____
Name: Henry Brennan
Title: Managing Director

BLACKROCK GLOBAL LONG/SHORT CREDIT FUND OF BLACKROCK FUNDS IV

By: BLACKROCK ADVISORS LLC, its Investment Advisor

By: _____
Name: Henry Brennan
Title: Managing Director

BLACKROCK STRATEGIC INCOME OPPORTUNITIES PORTFOLIO OF BLACKROCK FUNDS V

By: BLACKROCK ADVISORS LLC, its Investment Advisor

By: _____
Name: Henry Brennan
Title: Managing Director

BLACKROCK STRATEGIC GLOBAL BOND FUND, INC.

By: BLACKROCK ADVISORS, LLC, its Adviser AND BLACKROCK INTERNATIONAL LIMITED, its Sub-Adviser;

By: _____
Name: Henry Brennan
Title: Managing Director

STRATEGIC INCOME OPPORTUNITIES BOND FUND

By: BLACKROCK INSTITUTIONAL TRUST COMPANY, NA, not in its individual capacity but as Trustee of the STRATEGIC INCOME OPPORTUNITIES BOND FUND;

By: _____
Name: Henry Brennan
Title: Managing Director

[Signature Page to Registration Rights Agreement]

BLACKROCK TOTAL RETURN BOND FUND

By: BLACKROCK INSTITUTIONAL TRUST COMPANY, NA, not in its individual capacity but as Trustee of the BLACKROCK TOTAL RETURN BOND FUND

By: _____
Name: Henry Brennan
Title: Managing Director

BRIGHOUSE FUNDS TRUST II – BLACKROCK BOND INCOME PORTFOLIO

By: BLACKROCK ADVISORS, LLC, as Investment Advisor

By: _____
Name: Henry Brennan
Title: Managing Director

MASTER TOTAL RETURN PORTFOLIO OF MASTER BOND LLC

By: BLACKROCK FINANCIAL MANAGEMENT, INC., its Registered Sub-Advisor

By: _____
Name: Henry Brennan
Title: Managing Director

BLACKROCK GLOBAL ALLOCATION FUND, INC.

By: BLACKROCK ADVISORS, LLC, as Investment Adviser

By: _____
Name: Henry Brennan
Title: Managing Director

BLACKROCK GLOBAL ALLOCATION COLLECTIVE FUND

By: BLACKROCK INSTITUTIONAL TRUST COMPANY, NA, not in its individual capacity but as Trustee of the BLACKROCK GLOBAL ALLOCATION COLLECTIVE FUND

By: _____
Name: Henry Brennan
Title: Managing Director

[Signature Page to Registration Rights Agreement]

**BLACKROCK GLOBAL ALLOCATION PORTFOLIO OF BLACKROCK
SERIES FUND, INC.**

By: BLACKROCK ADVISORS, LLC, as Investment Adviser

By: _____

Name: Henry Brennan
Title: Managing Director

**BLACKROCK GLOBAL ALLOCATION V.I. FUND OF BLACKROCK
VARIABLE SERIES FUNDS, INC.**

By: BLACKROCK ADVISORS, LLC, as Investment Adviser

By: _____

Name: Henry Brennan
Title: Managing Director

[Signature Page to Registration Rights Agreement]

SCHEDULE A

Holdings

| Name | Address |
|--|---------|
| BlackRock Capital Allocation Trust | |
| BlackRock Global Long/Short Credit Fund of BlackRock Funds IV | |
| BlackRock Strategic Income Opportunities Portfolio of BlackRock Funds V | |
| BlackRock Strategic Global Bond Fund, Inc. | |
| Strategic Income Opportunities Bond Fund | |
| BlackRock Total Return Bond Fund | |
| Brighthouse Funds Trust II – BlackRock Bond Income Portfolio | |
| Master Total Return Portfolio of Master Bond LLC | |
| BlackRock Global Allocation Fund, Inc. | |
| BlackRock Global Allocation Collective Fund | |
| BlackRock Global Allocation Portfolio of BlackRock Series Fund, Inc. | |
| BlackRock Global Allocation V.I. Fund of BlackRock Variable Series Funds, Inc. | |

EXHIBIT D

Not applicable.

EXHIBIT E

PURCHASERS

| Purchaser | Number of Purchased Shares |
|--|-----------------------------------|
| BlackRock Capital Allocation Trust | 10,172 |
| BlackRock Global Long/Short Credit Fund of BlackRock Funds IV | 2,261 |
| BlackRock Strategic Income Opportunities Portfolio of BlackRock Funds V | 58,891 |
| BlackRock Strategic Global Bond Fund, Inc. | 1,320 |
| Strategic Income Opportunities Bond Fund | 1,002 |
| BlackRock Total Return Bond Fund | 5,375 |
| Brighthouse Funds Trust II – BlackRock Bond Income Portfolio | 2,628 |
| Master Total Return Portfolio of Master Bond LLC | 15,124 |
| BlackRock Global Allocation Fund, Inc. | 38,156 |
| BlackRock Global Allocation Collective Fund | 3,948 |
| BlackRock Global Allocation Portfolio of BlackRock Series Fund, Inc. | 285 |
| BlackRock Global Allocation V.I. Fund of BlackRock Variable Series Funds, Inc. | 10,838 |
| Total | 150,000 |



Dream Finders Homes to Acquire the Assets of McGuyer Homebuilders, Inc. (MHI)

JACKSONVILLE, Fla., Sept. 13, 2021 (GLOBE NEWSWIRE) – Dream Finders Homes, Inc. (NASDAQ: DFH) announced that it entered a definitive purchase and sale agreement to acquire the homebuilding, mortgage banking and title insurance assets of Houston, Texas-based homebuilder McGuyer Homebuilders, Inc. and related affiliates (collectively “MHI”). MHI, doing business as Coventry Homes, builds in Houston, Dallas, Austin and San Antonio, Texas and has been operating since 1988. MHI closed over 2,000 homes in fiscal year 2020 with an average sales price of \$441,779, generating revenues in excess of \$900 million. Throughout its history, MHI has closed over 55,000 homes across its Texas markets. DFH expects the transaction to close in the beginning of the fourth quarter of 2021.

Key Transaction Highlights

- DFH expects to acquire approximately 1,850 homes in backlog, consisting of the following metro areas: 600 in Houston, 560 in Dallas, 490 in Austin, and 200 in San Antonio.
- MHI stakeholders will retain approximately 1,000 finished lots and DFH will have the option to purchase the finished lots over the two years subsequent to the MHI acquisition effective closing date.
- DFH expects to acquire approximately 200 finished lots at closing to begin home construction imminently, as well as finished lot options to purchase an additional 4,500 lots. DFH expects the consolidated company to own and control over 40,000 lots after closing of the transaction. MHI expects to have over 100 active selling communities at closing and, post-closing on a consolidated basis, DFH expects to have over 220 active selling communities.
- DFH exercised its right for a \$300 million increase in the aggregate commitments under its senior unsecured revolving credit facility, which reached \$750 million, to finance MHI’s work in process inventory. In connection with the MHI acquisition, DFH plans to pay-off the construction lines of credit MHI has historically used to finance its inventory.
- DFH expects to issue 150,000 shares of newly-designated Series A Convertible Preferred Stock with an initial liquidation preference of \$1,000 per share and a par value \$0.01 per share (the “Convertible Preferred Stock”), for an aggregate purchase price of \$150 million. The closing of the Convertible Preferred Stock is conditioned upon the simultaneous closing of the MHI acquisition. The Convertible Preferred Stock will accumulate dividends at a 9.00% rate per annum, payable quarterly in arrears. The Convertible Preferred Stock will be perpetual with call and conversion rights; and will be redeemable at the Company’s option in years four and five. Any Convertible Preferred Stock outstanding after year five will be convertible into the Company’s Class A common stock. Builder Advisor Group acted as sole placement agent in the preferred stock issuance.

Patrick Zalupski, Dream Finders Homes, Inc. Chairman and CEO, said, “Frank and the MHI team have built a tremendous homebuilding organization over the past three decades. MHI has a reputation for being a great partner and has earned the respect of developers and homeowners across the great state of Texas. We are excited to welcome MHI employees into the Dream Finders family and look forward to growing our footprint in one of the country’s best housing markets. The MHI transaction will significantly increase our geographic operations in the Austin region and will allow us to expand into Houston, Dallas and San Antonio. These metro areas rank as some of the largest and fastest growing residential homebuilding markets nationally with aggregate permits in excess of 120,000 annually. We are excited to get to work and anticipate making significant capital investments in these new markets, with the goal of being one of the largest builders in Texas.”

Frank McGuyer, Founder of MHI, said, “I am extremely proud of the businesses we have built over the last thirty years. My strategic priority in identifying a merger partner was to ensure that our people and the Coventry brand would have the opportunity to continue to grow post merger. DFH has a proven track record of growth and will be looking to the leadership of the Coventry team to build the combined company into one of the largest home builders in Texas. I am excited to see what the future holds for Coventry and Dream Finders.”

Builder Advisor Group served as exclusive M&A advisor to MHI in the transaction.

Investor Communication

Dream Finders Homes, Inc. encourages all interested parties -- including analysts, current and potential stockholders, and other stakeholders -- to submit questions in writing about the Company's results and business to investors@dreamfindershomes.com. The Company intends to make written responses to selected questions available monthly by furnishing Current Reports on Form 8-K to the Securities and Exchange Commission and through its investor relations website at <https://investors.dreamfindershomes.com/>.

About Dream Finders Homes, Inc.

Dream Finders Homes, Inc. is based in Jacksonville, FL, and is one of the nation's fastest growing homebuilding companies, with industry leading returns on shareholder's equity. Dream Finders Homes builds homes in Florida, Texas, North Carolina, South Carolina, Georgia, Colorado, Virginia and Maryland. Dream Finders Homes achieves its industry leading growth and returns by maintaining an asset light homebuilding model.

Forward-Looking Statements

Certain statements in this press constitute "forward-looking statements" under the federal securities laws. These forward-looking statements are intended to be covered by the safe harbors created by the Private Securities Litigation Reform Act of 1995. When we use words such as "anticipate," "intend," "plan," "believe," "estimate," "expect," or similar expressions, we do so to identify forward-looking statements. These forward-looking statements regarding future events include, but are not limited to, the expected timetable, and our ability, to close and fund the MHI acquisition, the number of homes and finished lots to be acquired at closing, the number of selling communities at and after closing, capital investment in new markets, standing in the Texas market, expectations for employees, the ability to integrate the MHI acquisition and to achieve the expected operational and financial benefit of such acquisition and the timing of such benefits; and market conditions and possible or assumed future results of operations, including statements regarding the Company's strategies and expectations as they relate to market opportunities and growth. All forward-looking statements are based on Dream Finders Homes' beliefs as well as assumptions made by and information currently available to Dream Finders Homes. These statements reflect Dream Finders Homes' current views with respect to future events and are subject to various risks, uncertainties and assumptions. These risks, uncertainties and assumptions are discussed in Dream Finders Homes' Annual Report on Form 10-K for the year ended December 31, 2020, and other filings with the U.S. Securities and Exchange Commission. Dream Finders Homes undertakes no obligation to update or revise any forward-looking statement except as may be required by applicable law.

SOURCE: Dream Finders Homes, Inc.

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