

## Exhibit E

(Buyer may have signed a slightly different version.)

### Buyer Understanding Addendum

1. Buyer acknowledges and understands that this home belongs to Seller/Builder until close of escrow and not Buyer.
2. Buyer acknowledges and understands that this is not the type of construction contract where buyer has purchased the lot, obtained a lot and or construction loan, and contracted with Seller/Builder to build Buyer's home at cost plus. With the exception of Buyer's deposit, the home is being built using 100% of the Seller/Builder's funds. As a result, Buyer may be charged for any and all delays that result from Buyer's failure to meet Builder's course of construction timelines.
3. Buyer acknowledges and understands and agrees that the Deposit Receipt, Agreement of Sale and Joint Escrow Instructions (also known as: Sales Contract, Sales Agreement or Contract) and signed addendums, are the defining sales terms and there are no verbal agreements between Seller/Builder's architect or sales or construction staff.
4. Buyer acknowledges and understands that for their safety, and potential Seller/Builder liability, Seller/Builder's General Liability Insurance carrier requests that Buyer not be on site during the course of construction.
5. If Buyer desires to view the home during the course of construction, this must be done before or after the subcontractor's workday and Buyer must have a representative of Seller/Builder accompany them or request and receive the approval of Seller/Builder.
6. If Buyer does enter the site during the course of construction Buyer accepts full responsibility for any personal injury or property damage.

7. Buyer acknowledges and understands that Seller/Builder will use subcontractors and suppliers approved by Seller/Builder and as a general rule will not allow for any substitution of subcontractors or suppliers.
8. Buyer acknowledges and understands that the subcontractors work for Seller/Builder not Buyer, and Buyer agrees to not engage them in discussion regarding the home, construction of the home or subcontractor's work, as this may create confusion as to who the subcontractor is working for.
9. Buyer acknowledges and understands that any dollars spent above contract allowances will be at Buyer's sole expense and are over and above the contract price, and are to be collected in full at time Seller/Builder notifies Buyer of difference. It is to Buyer's advantage to know their overages in advance so that the amount of the overage can be included in the calculation of your initial contract deposit.
10. Buyer acknowledges and understands that Seller/Builder does not want any changes made by Buyer after the plans have been signed off by Buyer. Buyer acknowledges and understands that the approval of any change order that is requested by Buyer after the plans have been signed off is at the sole discretion of Seller/Builder, and will be at the sole expense of the Buyer and are over and above the contract price. Since they are not budgeted for by the Seller/Builder, the cost of approved change orders, if any, shall be collected in full at time Seller/Builder notifies Buyer of the cost. It is to the Buyer's advantage to know the changes desired by time of contract so their cost can be included in the calculation of Buyer's initial contract deposit.
11. Buyer acknowledges and understands that a \$500 fee will be charged for each change order since each change order requires additional work on the part of Seller/Builder, including but not limited to plan changes for the subcontractors involved.

12. Buyer acknowledges and understands that when given a price for a change order Seller/Builder will provide Buyer with a price for which they are willing to make said change and that Seller/Builder is under no obligation to provide a detailed cost breakdown for Buyer of the change being requested. This is not a cost plus contract.
13. Buyer acknowledges and understands that Seller/Builder has the right to build the plan as signed off by Buyer without allowing any changes whatsoever.
14. Buyer acknowledges they have read and understands the sales contract and all the addendums and governing documents, and further acknowledges and understands these documents are there to assist in answering questions Buyer may have about the community and the Homeowners Association.
15. Buyer has read and understands SB 800 (The Fix It Law) and the Builder's Limited Warranty Program. Buyer further agrees to review these documents before making a customer service request. These documents contain among other things; how long a particular item is under warranty, what the acceptable industry standards are for most components in the home as well as Buyers maintenance responsibility.
16. Buyer acknowledges and understands that Seller/Builder will make its interior design staff available to assist in design and color selections for a maximum of \_\_\_ hours. Any additional time Buyer desires the assistance of the interior design staff will be handled by an agreement directly between Buyer and interior design staff. Seller/Builder will not be a party of any agreement for design, staff assistance over and above the maximum number of hours set forth above.
17. Buyer acknowledges and understands that it is extremely difficult for Seller/Builder to give an estimated completion date until the permit to construct the home is pulled from the City.

18. Buyer acknowledges and understands that the estimated completion dates in the contract are just that, estimates. These dates can vary as a result of a number of factors, including but not limited to:

- The length of time it takes to design the home.
- The length of time it takes engineers to complete their required work and/or drawings for mechanical, structural, fire, Title 24 etc.
- The length of time it takes the City to issue the permit.
- Buyer meeting Seller/Builder timelines for selects.
- Availability of product.
- Subcontractor availability and work schedules.
- Change orders if any requested by Buyer.
- Weather.
- Other items that may be out of the direct control of Seller/Builder.

Acknowledged and Agreed:

Date: \_\_\_\_\_ Buyer: \_\_\_\_\_

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