

LAND BANK LOT PURCHASE OPTION AGREEMENT

THIS OPTION AGREEMENT (this "**Agreement**") is entered into as of the 10th day of March, 2022 (the "**Effective Date**"), by and between Heritage Land Venture III LLC, a Florida limited liability company authorized to do business in Georgia, North Carolina, and Tennessee ("**Owner**"), and **SDH ATLANTA LLC**, a Georgia limited liability company; **SDH CHARLOTTE**, a Georgia limited liability company authorized to do business in North Carolina; **SDH RALEIGH**, a Georgia limited liability company authorized to do business in North Carolina; **SDH NASHVILLE**, a Georgia limited liability company authorized to do business in Tennessee (collectively, "**Builder**").

RECITALS

A. Owner and Builder are entering this Agreement as a unified "land bank" transaction, wherein Owner is granting Builder an exclusive, irrevocable option to reacquire the Lots during the Term at the purchase price paid by Owner, all in accordance with the terms of this Agreement. Builder (i) currently owns certain finished lots and (ii) has entered and/or will enter into one or more binding purchase agreements with third party sellers to purchase finished lots in Georgia, North Carolina, and/or Tennessee (collectively the "**Lots**" or "**Property**").

B. Builder desires to sell, and/or assign the right to purchase, the Lots to Owner at the prices Builder paid, and/or contracts to pay, under third party agreements. Owner, in turn, shall have the option, but not the obligation, to purchase any of the Lots tendered by Builder hereunder, either directly from Builder or through an assignment of third-party agreements, as applicable.

C. Builder shall thereafter have the right to repurchase Lots from Owner during the Term of this Agreement at the same price and under the same terms and conditions, as further set forth herein.

AGREEMENT

1. **Account; Option Fee; Owner Option to Purchase Lots; Grant of Option to Builder**

(a) In consideration of the rights and obligations set forth herein, Owner and Builder shall jointly fund a Three Million Dollar (\$3,000,000.00) revolving land bank purchase account ("**Account**") at a mutually agreeable financial institution according to the following contribution rates: Owner shall contribute Two Million Seven Hundred Thousand Dollars (\$2,700,000.00, or 90% of the total) and Builder shall contribute Three Hundred Thousand Dollars (\$300,000.00, or 10% of the total).

(b) Builder shall pay Owner an annual option fee ("**Option Fee**") of Two Hundred Seventy Thousand Dollars (\$270,000.00). The Option Fee shall be payable in arrears and in equal payments on a quarterly basis, beginning three months after the Effective Date of this Agreement. In the event the Agreement is terminated prior to expiration of the Term, the final

payment shall be calculated on a pro rata basis from the date of the last payment and shall be due and payable within five (5) business days of termination.

(c) Owner shall use the Account funds solely for the purchase of Lots at the prices Builder paid, or contracts to pay, under third party agreements. In each instance where Builder wishes to tender Lots to Owner for purchase consideration, Builder shall send Owner notice through a take down and purchase schedule on the attached **Exhibit A** that includes the purchase price, Lot number, and requested closing date. For Lots to be purchased under assignment, the notice shall also include an assignment agreement in the form attached hereto as **Exhibit B**. Upon receipt of such notice, Owner shall thereafter have five (5) business days to notify Builder in writing of its intent to purchase the Lots tendered. If Owner notifies builder that it intends to purchase the Lots tendered, the closing of said Lots shall occur as follows: (i) if the Lots are to be purchased from a third party pursuant to an assignment, the closing shall occur in accordance with the terms of the underlying contract pertaining to the Lots, or (ii) if the Lots are to be purchased directly from Builder, the closing shall occur pursuant to the same procedures pertaining to Builder's purchase of Lots from Owner pursuant to Sections 10.1, 10.2, 11 and 12 herein.

(d) All Lots purchased by Owner, whether directly from Builder or through assignment, shall be at the purchase price paid or contracted for by Builder and shall be conveyed with fee simple title, together with all rights, privileges, easements, and other appurtenances thereto.

(e) For all Lots purchased by Owner hereunder, Builder shall have the exclusive option, in its sole discretion, to repurchase during the Term fee simple title at the price paid by Owner, together with all rights, privileges, easements, and other appurtenances thereto.

(f) This Agreement shall constitute an option, and not an agreement obligating either Owner or Builder to purchase or repurchase, as applicable, all or any number of the Lots.

(g) The term of this Agreement (the "**Term**") shall commence upon the Effective Date and shall expire three (3) years after the Effective Date of this Agreement. Except as may be otherwise provided in this Agreement, Builder may repurchase Lots at any time prior to the termination or expiration of the Agreement.

(h) Builder may terminate the Agreement at any time by providing written notice to Owner (which notice shall specify the effective date of termination), however, for avoidance of doubt, this Agreement shall not terminate until Builder has delivered to Owner (i) any accrued but unpaid portion of any Option Fee (calculated pro rata from the date of the last quarterly payment through the effective date of the termination of the Option), and (ii) any accrued but unpaid amounts payable by Builder hereunder (calculated through the effective date of the termination of the Option), including without limitation the amounts set forth in Sections 4 and 6 hereof.

2. **Acknowledgements.** [Intentionally left blank].

3. **Use.** Subject to the restrictions contained in this Agreement, Builder shall have a license to use the Property prior to exercise of any Option to repurchase for marketing purposes, purposes of inspection, making surveys and tests, staking, obtaining topographical information,

signage, parking, locating and using construction trailers and sales offices, and to show to prospective purchasers of homes from Builder, and any and all other purposes deemed necessary or desirable by Builder in connection with Builder's intended development activities. Builder shall, at its expense, comply with all existing and future laws, codes, ordinances, orders, proffers, declarations, rules, regulations and requirements of all applicable governmental and quasi-governmental authorities ("**Approving Authorities**") pertaining to the Property and Builder's activities relating thereto, including any and all environmental laws. Builder shall keep the unpurchased portions of the Property free and clear of all liens and encumbrances incurred by or resulting from the acts of Builder and its agents, employees, contractors and representatives, and Builder shall indemnify, defend and hold harmless Owner for, from and against any such liens or encumbrances.

4. **Obligations of Builder.**

(a) Expenses. It is the parties' intention that Owner shall not be required, during the term of this Agreement, to incur any expense or other charge applicable to the Property except for payment of the purchase price therefor, and as expressly set forth herein, so that all taxes, impositions, insurance premiums, utility expenses, construction costs, obligations, obligations to pay shortfalls, reserves or other amounts expressly provided in the Declaration (defined below), charges pertaining to any common area, repair and maintenance expenses and all other costs and expenses (but excluding income taxes) of whatsoever character or kind, general or special, ordinary or extraordinary, foreseen or unforeseen, and of every kind and nature whatsoever due to any homeowners' association(s) (the "**Association**") governing the Lots, shall be paid or discharged by Builder; provided, however, Owner shall have no right to incur costs relating to the Property (other than to protect Owner's interest in the Property) for which Builder shall be responsible without Builder's prior written consent. Without limiting the foregoing, during the term of this Agreement, Builder shall as a material part of the consideration to Owner in exchange for Owner's grant of the Option to Builder: (i) pay prior to delinquency all real estate taxes, special taxes, assessments and other charges, including all Association dues and charges in any way relating to the Lots, roadway, water, wastewater, impact or other fees payable to the City, County or any other Approving Authority, or otherwise payable by Owner and attributable to the Lots pursuant to the Declaration which accrue or become due during the term of this Agreement (but regardless of whether such taxes, assessments, fees or charges relate to periods prior to the term of this Agreement), (ii) maintain during the term of this Agreement at its expense the Lots in good order, condition and repair, (iii) pay prior to delinquency all charges for water, electricity, telephone service, trash removal and all other services or utilities used on or about the Lots prior to the termination of this Agreement, and (iv) perform at its expense all insurance and other obligations to be performed by Builder contained in this Agreement. A copy of each check to the applicable County Tax Assessor (or other applicable taxing authority) for taxes attributable to the Lots owned by Owner shall be sent to Owner promptly upon the submission of same to the Tax Assessor. Upon the termination of this Agreement, Builder shall immediately pay to Owner all unpaid taxes and assessments, and all other sums for which Builder is responsible, and which accrued or became payable during the term of this Agreement with respect to the Lots not acquired by Builder. The amounts payable by Builder shall be determined based upon the latest available information (apportioned on a per diem basis using a 365-day year), and when the actual bills are received, the parties shall make such payment, one to the other, as is necessary so that Builder pays the actual amount of taxes and assessments attributable to the term of this Agreement. Owner shall deliver to

Builder all tax bills and appraisal notices on the Property within five (5) business days after Owner's receipt thereof.

(b) Other Taxes. Builder acknowledges that it is acquiring all Lots for resale. During the term of this Agreement, and after the term of this Agreement regarding all Lots reacquired by Builder, Builder hereby assumes the liability for and agrees to pay: (i) all City, County and State reassessments, transfer taxes, sales taxes, transaction privilege taxes, and other or similar taxes or charges owing in connection with Builder's acquisition of the Lots and in connection with Builder's development and subsequent resale of the Lots, (ii) all charges in connection with fire protection, streets, sidewalks, road maintenance, refuse or other services provided to the Lots by Approving Authorities, and (iii) any tax or excise on receipts, gross receipts tax, or other tax (but excluding income taxes), however described, which is levied or assessed by the United States of America or the City, County or State against Owner in respect to all charges or payments made by Builder under this Agreement or as a result of Owner's receipt of such charges or payments, and Builder shall indemnify, defend and hold harmless Owner and its members and manager, the constituent partners and shareholders (collectively, the "**Owner-Related Persons**") for, from and against Builder's failure to pay all such amounts when due and against all liability and expense, including without limitation, penalties, interest and reasonable attorneys' fees and costs, from any such failure.

(c) Owner's Right to Act for Builder. If Builder fails to pay any amounts due under this Section 4, Owner may, in addition to any other action it may have at law or in equity, after at least three (3) business days written notice to Builder as required by Section 20(a) below, pay such amounts, and in such event Builder shall reimburse Owner for all such amounts paid by Owner, plus the cost of performing such obligation, on demand (anything contained in this Agreement to the contrary notwithstanding). Any amounts not paid within five (5) business days following written demand shall bear interest at the Default Rate of Interest as defined in Section 15 until paid in full.

(d) Underlying Contracts. Builder agrees to perform all obligations set forth in any underlying contracts or agreements for the purchase of the Lots from original sellers ("**Underlying Contracts**") and agrees to indemnify, defend and hold harmless, and hereby releases and discharges, Owner and its constituent managers and members or partners and their respective owners, employees, directors, officers, agents, affiliates, successors and assigns (collectively, the "**Owner Related Persons**"), from any claims, demands, liabilities, losses, damages, costs and expenses, including but not limited to court costs and reasonable attorneys' fees, arising out of, resulting from or in connection with the breach, default or failure to comply with the obligations of Owner under any such contracts or agreements for the purchase of the Lots after the acquisition of the Lots.

(e) Enforcement of Underlying Contracts. Builder agrees to cooperate with Owner, during the term of this Agreement and thereafter, subject to Section 20(j) hereof, to enforce the obligations of any seller under any Underlying Contract ("**Underlying Seller**") following acquisition of the Lots or any portion thereof by Owner, including without limitation the delivery by the Underlying Seller to all governmental authorities of any bonds, subdivision agreements, deposits, construction deposits or other financial assurances required with respect to the Lots, as well as any warranties, bonds and other financial assurances required to obtain initial acceptance and approval of the Lots to the extent required by applicable law. Builder agrees that upon any

termination of this Agreement it will deliver to Owner an assignment of the Underlying Contract, with respect to the Lots still owned by Owner.

(f) NPDES Compliance. Builder agrees to comply at its sole cost and expense with the National Pollution Discharge Elimination System Permit for Storm Water Discharges from Construction Activities and any substitute for or amendment to that permit ("**NPDES Permit**"), to the extent the NPDES Permit applies to Owner or the Lots. Builder shall perform all obligations of Owner, as "primary permittee" or "secondary permittee" while Owner owns any Lots in accordance with all applicable NPDES requirements. Builder shall indemnify, defend and hold harmless Owner from and against any losses, costs, damages and expenses (including reasonable attorneys' fees at trial and on appeal) incurred, paid or sustained by Owner, and arising out of, as a result of, or in connection with any claim or action brought or asserted against Owner as a result of the failure of Builder to comply with all NPDES requirements applicable to Owner or the Lots.

(g) Lot Restoration. If, during the term of this Agreement, any of the Lots owned by Owner are damaged or destroyed, Builder shall repair and restore such damage and destruction of the Lots to their respective condition immediately prior to such damage and destruction at Builder's sole cost and expense ("**Lot Restoration**"). Builder shall not be responsible for completion of Lot Restoration until expiration or termination of this Agreement.

5. Obligations of Owner.

(a) Owner, upon reasonable request of Builder and at no expense to Owner, agrees to reasonably and promptly cooperate with Builder, including executing and delivering such additional documents and agreements as may be reasonably necessary for the development and improvement of the Property consistent with this Agreement. In addition, Owner agrees to non-exclusively assign a co-ownership interest in such documents and agreements to Builder to the extent Owner is a party thereto and consistent with this Agreement and the parties' rights hereunder.

(b) Within five (5) business days after Owner's receipt, Owner will deliver written notices to Builder that it receives from governmental authorities and utility companies regarding the Property.

6. Declaration. The parties acknowledge and agree that the Lots are or will be subject to one or more Declaration of Covenants, Conditions and Restrictions for the Project (the "**Declarations**"). Builder shall be entitled to all rights of Owner, and shall at its expense, perform all of the obligations of Owner, under any Declaration accruing during the term of this Agreement including, without limitation, making the payment of all fees, assessments, dues, charges and other sums allocable to the Lots, if any, prior to the due date thereof and Builder shall otherwise during the term of this Agreement comply with all provisions of any Declaration applicable to Builder, Owner, or the Lots. Builder shall have no right to (i) record any covenants, conditions, or restrictions against any of the Lots without Owner's prior written consent, which consent Owner shall not unreasonably withhold, delay or condition, (ii) amend or terminate any Declaration or de-annex any of the Lots from any Declaration, or agree to amend or terminate any Declaration or de-annex any of the Lots from any Declaration without Owner's prior written consent, which consent Owner shall not unreasonably withhold, delay or condition, or (iii) record any other instrument, agreement, document

or memorandum against any of the Lots not owned by Builder, without Owner's prior written consent, which consent Owner shall not unreasonably withhold, delay or condition. If Builder fails to acquire or to exercise all of its rights to acquire all of the Lots pursuant to this Agreement, or if this Agreement is terminated prior to Builder having acquired all of the Lots, Builder shall execute all documents reasonably requested by Owner to facilitate Owner's continued development and sale of the remaining Lots. Builder shall not vote in favor of any amendment to any Declaration, proposed increase in the assessments, or approval of any special assessment, without first obtaining Owner's prior written consent, which consent shall not be unreasonably withheld, delayed or conditioned. In any circumstance described in the preceding sentence where Owner receives a written request for approval, such approval shall be deemed granted if within ten (10) business days after receipt of the written request Owner has not denied the request, and provided to Builder its specific reasons therefor in writing. Builder's or Owner's failure to comply with the foregoing covenants and obligations shall be deemed a breach of this Agreement after the expiration of the applicable notice and cure period.

7. **Insurance.** Only with respect to the operations of Builder, during the term of this Agreement, Builder shall, at its sole expense, procure and maintain commercial general liability and umbrella excess liability insurance against claims for bodily injury, death or property damage, occurring in, on or about the Lots, or resulting from the use or maintenance thereof, in an amount of \$3,000,000.00 for each occurrence and \$3,000,000.00 in the general aggregate. The liability policy shall name Owner and all lenders, if applicable (as advised by Owner) secured by all or part of the Property as additional insureds. The policy shall be issued by an insurance company authorized to do business in the states of Georgia, North Carolina, and Tennessee, and approved by Owner, which approval will not be unreasonably withheld. The policy shall provide that no cancellation of said insurance shall be effective unless the insurance company issuing such policy gives Owner at least thirty (30) days prior written notice thereof. The policy shall provide that it will be primary to any insurance policy otherwise purchased by Owner. During the term of this Agreement, Builder shall also, at its sole expense, procure and maintain employer's liability insurance for worker's compensation in an amount not less than the statutory limits of coverage. Builder shall deliver to Owner a certificate of insurance as evidence of such insurance as of the Effective Date and upon any modification, renewal or replacement of coverage.

8. **Indemnity.** To the fullest extent permitted by law, Builder does and shall indemnify, defend and hold harmless, and hereby releases and discharges, Owner and all Owner-Related Persons (defined in Section 4(b) above), except to the extent caused by the negligence or willful misconduct of any Owner or any Owner-Related Persons, for, from and against all claims (including third-party claims), demands, liabilities, losses, damages, costs and expenses, including but not limited to court costs and reasonable attorneys' fees and costs, arising out of or in connection with: (a) Builder's use or occupancy of the Lots, or any portion thereof; (b) any work, occurrence, conduct, act or omission maintained, performed, permitted or suffered by Builder or any representative, subcontractor or supplier of Builder, or any employee, agent, invitee or licensee of any of the foregoing, on or about or pertaining to the Lots or any portion thereof; (c) any claim pertaining or relating to the Lots during the term of this Agreement, specifically including, without limitation, any claims arising as a result of the condition of the surface and sub-surface of the Lots or any portion thereof existing, created or arising prior to or during the term of this Agreement, and/or the failure of the Lots or any portion thereof to be properly graded and compacted as necessary to minimize all risks of subsidence and any other settlement or movement of the soils existing, created or arising prior to or during the term of

this Agreement; (d) any condition of or on the Lots, or any portion thereof, or on any street, curb or sidewalk thereon or adjacent thereto or any improvement constructed or to be constructed thereon existing, created or arising prior to or during the term of this Agreement; (e) Builder's failure to perform Builder's obligations, or Builder's breach of Builder's obligations, representations or warranties, under this Agreement after the expiration of the applicable notice and cure period, (f) any act, omission, negligence or willful misconduct of Builder, or its representatives, subcontractors, suppliers, employees, agents, invitees or licensees, (g) any accident, injury or damage whatsoever caused to any person, firm or corporation in or about the Lots or any sidewalk, street or land adjacent thereto arising as a result of any act or omission during the term of this Agreement, other than the acts or omissions of Owner and Owner-Related Persons; (h) any claim, action or proceeding brought by any party to an underlying sales agreement for the Lots (j) the physical condition of the Lots or any portion thereof existing, created or arising prior to or during the term of this Agreement, and the impact of any federal, state or local law, common law, statute, ordinance, regulation, administrative rule, policy or order, now in effect or at any time hereafter enacted which pertains or is applicable to or governs: hazardous materials or substances, or the use, permitting and/or environmental condition of the Lots (including the subsurface thereof) and any property adjacent thereto, or which pertains to health, industrial hygiene or the regulation or protection of the environment; and (k) any claim, action or proceeding brought or made against Owner or the Lots relating to impact fees and/or real property taxes arising for any time periods during and before the term of this Agreement. Subject to the time limitation set forth in Section 20(j) hereof, the covenants contained in this Section 8 shall survive any termination or expiration of this Agreement and shall be continuing obligations of Builder for so long as same may be enforced within any applicable statute of limitations time periods. The indemnification obligation under this Section 8 shall not be limited by a limitation on amount or type of damages, compensation or benefits payable by or for Builder or a subcontractor under workers' or workmen's compensation acts, disability benefit acts or other employee benefit acts.

9. **Purchase Price.** Builder may repurchase Lots from time to time hereunder by paying Owner the purchase price paid by Owner for each Lot, in immediately available funds, as further set forth herein.

10. **Exercise of Option**

10.1 Builder shall repurchase Lots by providing Owner with at least five (5) business days prior written notice of the date Builder desires to consummate the purchase of specified Lots (a "**Closing**"). Such written notice shall specify the Lot or Lots to be acquired and the date of closing (the "**Closing Date**"). In such event, Owner shall deliver to Escrow Agent (defined below) a Deed (defined below) in the form attached hereto as Exhibit D and such other documents as are required to be delivered at a Closing as described in, and in accordance with, the provisions of Section 11(a) below. Builder shall provide Owner the forms of all documents necessary to be delivered at closing. Upon Escrow Agent's receipt of such documents from Owner, Escrow Agent shall immediately disburse to Owner all applicable payments received from Builder. Escrow Agent shall cause the Deed(s) to be recorded conveying to Builder the Lots as designated by Builder strictly in accordance with the provisions of this Agreement.

10.2 Each Closing shall be consummated through an escrow (the "**Escrow**") established with the escrow agent whose name and address are shown in Section 20(a) below ("**Escrow Agent**") or with such other escrow agent mutually acceptable to Owner and Builder. At or

prior to each Closing, Builder shall pay to Owner through the Escrow the purchase price and each of the parties shall execute and deliver such documents and perform such acts as are provided for herein, or as are necessary, to consummate the sale of the Lot or Lots. If at the time of any Closing, real property taxes and assessments or any other charges or fees payable by Builder as referenced in Section 4 above are delinquent with respect to any of the Lots not being acquired, Builder must, in addition to paying the purchase price for the Lot or Lots to be acquired, pay all such taxes and other amounts which are then due and payable; otherwise Owner shall have no obligation to convey any Lots to Builder.

10.3 If Builder elects not to repurchase one or more of the Lots or is in default of any of its obligations hereunder at the time of termination or expiration of this Agreement, Builder shall forfeit its Account contribution. Otherwise, Builder's Account contribution shall be returned to Builder within five (5) business days of termination or expiration of the Agreement.

10.4 Effective at the earlier to occur of (i) the time at which Builder either fails to acquire or to exercise all of its rights to acquire all of the Lots pursuant to this Agreement and such failure is not cured within ten (10) business days after receipt of written notice from Owner or (ii) at such time as Builder is in Default pursuant to Section 15(a) below and this Agreement has been terminated prior to Builder having acquired all of the Lots, Builder does hereby assign to Owner to the extent assignable (without any representation or warranty from Builder), all of Builder's rights in all governmental agreements, permits and service contracts, and all other rights with respect to the Lots not acquired by Builder and/or any similar tangible or intangible property pertaining to such Lots.

10.5 If Builder fails to acquire or to exercise all of its rights to acquire all of the Lots pursuant to this Agreement, or if this Agreement is terminated prior to Builder having acquired all of the Lots, Builder shall (without any representation or warranty from Builder): (i) execute all documents and take all actions described in this Agreement to then be taken and as otherwise reasonably requested by Owner; (ii) deliver to Owner legible copies or originals of all reports, analyses, test results and other documents (other than pro formas, financial, proprietary and other internally generated documents, including home plans, drawings, and elevations) within the possession of Builder or any of its affiliates (or which Builder or any of its affiliates has the right to possess) that in any manner relate to the Lots retained by Owner; (iii) transfer to Owner all signs and billboards on the Lots retained by Owner (provided, however, Builder shall have the right to first remove from such signs all intellectual property, information or identifying marks of Builder) or, at the written request of Owner, remove the same from the Lots retained by Owner; and (iv) remove all other personal property of Builder from the Lots retained by Owner. Notwithstanding anything contained in this Agreement to the contrary, any items delivered to Owner pursuant to this Section shall be used by Owner only in connection with the development of the Lots and the construction of residences on the Lots, and Owner agrees to treat all such items as strictly confidential and proprietary to Builder.

11. **Title; Conveyance.**

(a) Upon a Closing, title to each Lot purchased shall be conveyed to Builder by limited or special warranty deed (individually, a "**Deed**" and collectively, the "**Deeds**") duly executed

by Owner and delivered and recorded at Closing, subject to: (i) real property taxes and assessments (general, special or other) that are a lien but not yet delinquent and for subsequent assessments for prior years due to changes in the use or ownership, or both; (ii) reservations in patents, water rights, claims or title to water and all easements, rights-of-way, encumbrances, liens, covenants, conditions, restrictions, obligations, liabilities, and all other matters of record as of the Effective Date; (iii) any Declaration; (iv) any matters shown on any final plat; (v) any lien or encumbrance relating to general or special assessments levied against the Lots by any federal, state or local governmental or quasi-governmental entity or agency from and after the Effective Date and not arising as a result of any act of Owner; (vi) any additional matters arising in connection with any action or request of Builder or its employees, contractors, agents or representatives, any other matter not caused by the act (but not mere omission) or authorization of Owner; (vii) utility or other easements created by Builder or any affiliate of Builder; (viii) utility or other easements benefiting and not adversely affecting the Lots; (ix) the standard pre-printed exceptions contained in Builder Title Commitment and Builder's Owner's Title Insurance Policy; and (x) any additional matters that would be disclosed by an inspection or survey of the Property (collectively, the "**Permitted Exceptions**").

(b) Notwithstanding the foregoing to the contrary, any Lot subject to a title defect caused by Owner after the Effective Date of this Agreement other than the Permitted Exceptions shall be deemed an "**Excluded Lot**" and Owner shall have ninety (90) days from receipt of written notice from Builder describing such title defect within which to cure the same and provide Builder with notice of such cure. If the title defect creating an Excluded Lot is not cured within ninety (90) days from the date Owner receives notice from Builder of the title defect pertaining to the Excluded Lot, Owner shall notify Builder of its inability to cure the defect, and Builder, within five (5) business days following receipt of such notice from Owner, shall elect either (i) to waive the title defect and acknowledge that the Lot is no longer an Excluded Lot, or (ii) to renounce its right to acquire the Excluded Lot. If Builder fails either to waive the title defect or to renounce its right to acquire the Excluded Lot within such five (5) business day period, Builder shall be deemed to have elected to waive the title defect and to acknowledge that the Lot is no longer an Excluded Lot. If Builder renounces its right to acquire an Excluded Lot pursuant to the terms of this Section 11, such Excluded Lot shall not be considered in determining whether Builder has acquired all of the Lots.

(c) The Deed shall be in substantially the form of **Exhibit C** attached hereto. At a Closing, Owner shall execute and deliver to Builder (i) all documentation, including, without limitation, all applications and notices that are required to transfer to Builder a sewer tap permit issued by the County for each Lot being transferred, (ii) a Non-Foreign Affidavit, (iii) an owner's affidavit in a form reasonably acceptable to Owner and Title Company (as hereinafter defined), and (iv) such written notices as may be required pursuant to applicable state law and to obtain title insurable by Commonwealth Land Title Insurance Company (acting as agent for a title insurance company reasonably acceptable to Builder) (the "**Title Company**") or such other title company as Owner and Builder may mutually agree upon in the future. Builder shall be entitled to obtain title insurance policies for each of the Lots, provided that the acquisition of such insurance shall be at Builder's sole expense and shall not delay any Closing. All closing costs, including without limitation title premiums, tax pro-rations, transfer taxes, water, sewer and all other utility bills and charges, attorney's fees for Owner and Builder, escrow fees, expenses and charges, all other closing attorney fees, expenses and charges, documentary fees, taxes (other than income taxes

payable by Owner), all costs and expenses of Builder's financing, intangible taxes, and recording costs, shall be paid by Builder.

12. **Property Condition.** Builder shall purchase the Lots strictly in their "AS IS" condition, and Builder accepts and agrees to bear all risks regarding all attributes and conditions, latent or otherwise, of the Lots purchased by Builder. Builder has made or will make prior to each Closing its own inspection and investigation of the Lots, including, without limitation, their subsurface, soil, engineering and other conditions and requirements, whether there are any eminent domain or other public or quasi-public takings of the Lots contemplated, and all zoning and regulatory matters pertinent to the Lots. Builder shall purchase the Lots upon Builder's own inspection and investigation and not in reliance on any statement, representation, inducement or agreement of Owner except as specifically provided herein. Builder agrees that neither Owner nor anyone acting on behalf of Owner has made any representation, guarantee or warranty whatsoever, either written or oral, concerning the Lots except as specifically set forth herein. Except for conditions caused by Owner or Owner's employees, contractors, agents or representatives (Builder and its employees, contractors, agents or representatives being expressly excluded from any of the foregoing), Owner shall have no responsibility, liability or obligation subsequent to each Closing with respect to any conditions, including, without limitation, environmental conditions, or as to any other matters whatsoever respecting in any way the Lots purchased by Builder, and Builder hereby fully and forever releases Owner and all Owner-Related Persons, with respect to such conditions.

13. **Commissions.** Each party represents and warrants to the other that it has not employed any broker or finder in connection with the transactions contemplated by this Agreement. Each party shall indemnify, defend and hold harmless the other from all liability and expense, including without limitation reasonable attorneys' fees and costs, arising from any claim by any broker, agent or finder for commissions, finder's fees or similar charges, because of any act of such party.

14. **Regulatory Matters.**

(a) **Interstate Land Sales Full Disclosure Act.** Owner and Builder believe and intend that the sales provided for herein are exempt from the Interstate Land Sales Full Disclosure Act by reason of being within one or more of the exemptions set forth therein or in the regulations promulgated pursuant thereto. In the support of such exemption, Builder represents and warrants to Owner as follows, which representation and warranty shall be true and correct at all times during the term of this Agreement and shall survive the term of this Agreement: Builder is regularly engaged in the business of constructing residential, commercial or industrial buildings and/or reselling or leasing lots to persons engaged in such business, is acquiring the Lots in the ordinary course of that business and otherwise meets the exemption prerequisites set forth in 15 U.S.C. Section 1702(a)(7). Builder shall indemnify, defend and hold harmless Owner and all Owner-Related Persons for, from and against any and all claims, demands, liabilities, obligations, costs and expenses (including, without limitation, attorneys' fees and costs) incurred as a result of any misrepresentation by Builder in this Section 14.

(b) **Subdivision Laws.** Builder shall have the responsibility, at Builder's cost and expense, to do all things necessary to comply in all respects with all applicable subdivision laws and

regulations to permit the sale of Lots to Builder as contemplated under this Agreement. Owner shall cooperate with Builder as may be necessary or appropriate, at no cost or expense to Owner, in accomplishing the foregoing.

15. **Default and Remedies.**

(a) **Defaults.** If either party fails to (i) pay any sum of money when due as provided in this Agreement and such failure continues for a period of at least ten (10) business days after the delivery of written notice thereof by the other party or (ii) perform any other material covenant, agreement or condition as provided in this Agreement and such failure continues for a period of at least thirty (30) days after the delivery of written notice thereof by the other party, the non-performing party shall be deemed to have caused a "**Default**" hereunder.

(b) **Remedies.**

(i) **Owner's Default.** Subject to the following sentence, in the event of a Default hereunder by Owner, Builder shall be entitled to: (i) pursue a claim for damages; (ii) specifically enforce Owner's obligations hereunder, it being understood and agreed that the Lots are unique and that the right of specific performance is a just and equitable remedy on account of Owner's default; or (iii) cause the Default by Owner to be cured and receive an offset for the costs incurred by Builder in connection with such cure against amounts coming due and payable hereunder by Builder to Owner.

Notwithstanding anything to the contrary in this Agreement, Builder agrees to look solely to Owner's interest in the Lots for the recovery of any judgment from Owner, it being agreed by Builder that, under no circumstances whatsoever shall any other assets of Owner or any Owner-Related Persons be personally liable for any judgment of Builder against Owner or for any debt or obligation of Owner to Builder; however, in no event shall Builder be entitled to seek recovery of, nor recover, any exemplary, punitive or other monetary damages other than Builder's actual damages. This paragraph does not apply to a cause of action against Owner by Builder for recovery of Builder's contribution to the Account in the event of an Owner default under this Agreement.

(ii) **Builder's Default.** In the event of a Default by Builder hereunder, Owner shall be entitled as its sole and exclusive remedy to terminate this Agreement and retain any funds in the Account, and all other amounts paid by Builder to, or for the benefit of, Owner pursuant to this Agreement. The parties have agreed that Owner's actual damages in the event of a default by Builder would be extremely difficult or impracticable to determine. The parties acknowledge that the amount of the remaining funds in the Account and all other amounts paid by Builder to, or for the benefit of, Owner pursuant to this Agreement, has been agreed upon, after negotiation, as the parties' reasonable estimate of Owner's damages and as Owner's exclusive remedy against Builder, at law or in equity, in the event of a default by Builder under this Agreement and that payment of such amount to Owner as liquidated damages is not intended as a forfeiture or penalty. Notwithstanding anything contained in this Agreement to the contrary, except for the provisions of Section 20(j), the foregoing limitation on Owner's remedies on account of Builder's Default shall not be deemed to apply to Owner's remedies for breach of Builder's obligations under Sections 3, 4, 6, 7, 14 and 17 nor in any

way limit or abrogate any rights or remedies Owner may have in connection with all indemnification provisions set forth in this Agreement; provided, however, in no event shall Owner be entitled to consequential, exemplary, punitive or speculative damages.

(c) Costs and Fees. If there is any legal action or proceeding between the parties to enforce or interpret any provisions of this Agreement or to protect or establish any right or remedy of any of them hereunder, the unsuccessful party to such action or proceeding shall pay to the prevailing party all costs and expenses (including, but not limited to, reasonable attorneys' fees and costs) incurred by such prevailing party in such action or proceeding. If any party secures a judgment in any such action or proceeding, then any costs and expenses (including, but not limited to, reasonable attorneys' fees and costs) incurred by the prevailing party in enforcing such judgment, or any costs and expenses (including, but not limited to, reasonable attorneys' fees and costs) incurred by the prevailing party in any appeal from such judgment in connection with such appeal shall be recoverable separately from and in addition to any other amount included in such judgment. The preceding sentence is intended to be severable from the other provisions of this Agreement and shall survive and shall not be merged into any such judgment.

(d) Default Interest. If any monies become payable by one party to the other pursuant to this Agreement and are not paid when due (other than failure to pay the applicable purchase price for a Lot as and when due and payable), then all sums unpaid shall bear interest at the rate of twenty-five percent (25%) per annum ("**Default Rate of Interest**") from the date due until such sums (and all interest accrued thereon) have been paid. Notwithstanding the foregoing, if such rate of interest as provided above exceeds the maximum permissible rate of interest allowed under applicable law, then the maximum rate of interest to be charged hereunder as default interest shall be the highest lawful contractual rate allowed by law.

(e) Waiver. Excuse or waiver of the performance by the other party of any obligation under this Agreement shall only be effective if evidenced by a written statement signed by the party so excusing. No delay in exercising any right or remedy shall constitute a waiver thereof, and no waiver by Owner or Builder of the breach of any covenant of this Agreement shall be construed as a waiver of any preceding or succeeding breach of the same or any other covenant or condition of this Agreement.

16. Representations and Warranties of Owner. Owner hereby makes the following representations and warranties to Builder as of the date of this Agreement, and shall be deemed to remake same as of the date of each Closing:

(a) Authority. Owner is a limited liability company duly organized, validly existing and in good standing under the laws of the State of Florida and is qualified to do business in Georgia, North Carolina, and Tennessee. Owner has the full right, power and authority to sell and convey the Lots to Builder as provided in this Agreement and Owner will have throughout the term of this Agreement the full right, power and authority to carry out its obligations hereunder.

(b) Individual Authority. The person executing this Agreement and all documents related thereto on behalf of Owner has and will have authority to do so.

(c) No Liens. There are no judgments or other encumbrances against Owner that will attach to and become a lien against the Lots. During the term of this Agreement, Owner will not grant any liens against the Lots.

(d) Violations; Defaults. Neither the execution of this Agreement nor the performance by Owner of its obligations under this Agreement will result in any breach or violation of the terms of any law, rule, ordinance or regulation or of any decree, judgment or order to which Owner or any member of Owner is a party now in effect from any court or governmental body. The execution and delivery of this Agreement and performance by Owner of its obligations under this Agreement will not conflict with or result in a breach or default (or constitute an event which, with the giving of notice or the passage of time, or both, would constitute a default) under Owner's Certificate of Formation or any indenture, mortgage, agreement or other instrument to which Owner is a party or by which Owner or any of its assets may be bound.

(e) Foreign Person. Owner is not a foreign person as such term is defined under the Internal Revenue Code 1445.

(f) Litigation / Judgments. Neither Owner nor any of its managers or members is a party to any pending or threatened action, suit, proceeding or investigation, at law or in equity or otherwise, in, for or by any court or governmental board, commission, agency or department relating to the past or present operations or activities of Owner. Owner is not subject to any judgments or orders of any courts or any other governmental authorities.

17. **Representations and Warranties of Builder.** Builder hereby makes the following representations and warranties to Owner as of the date of this Agreement, and shall be deemed to remake same as of the date of each Closing:

(a) Authority. Builder has the full right, power and authority to purchase the Lots from Owner as provided in this Agreement and Builder will have throughout the term of this Agreement the full right, power and authority to carry out its obligations hereunder.

(b) Individual Authority. The person executing this Agreement and all documents related thereto on behalf of Builder has and will have authority to do so.

(c) Due Diligence. Builder has conducted, prepared and performed such examinations of the Property and all improvements thereon as may be necessary or appropriate for the intended use, including, but not limited to, the physical condition of the improvements, the availability of access, water, sewer and other utilities and services to the Property and the costs of securing same, the existence of hazardous or toxic substances or pollutants, and the zoning and applicable governmental regulations, statutes and ordinances pertaining to the Property; has conducted, prepared and performed such surveys, appraisals, and hydrological, topographical, environmental, traffic, feasibility and other engineering tests, studies and reports; and has examined such reports, surveys, studies, documents, approvals, drawings, plats, plans, specifications, filings or similar writings pertaining to drainage, soil, flood, hazardous or toxic substance or pollutants, archaeological or environmental conditions, or power or transmission lines on or adjacent to the Property, as well as all topographical surveys, "as-built" drawings, engineering drawings, plans and

specifications for utilities or roadways, title reports, subdivision reports, and approvals received from any city or agency, as shall have been necessary or appropriate in order for Builder to enter into this Agreement. Builder hereby fully and forever releases Owner and all Owner-Related Persons with respect to such conditions.

(d) Violations; Defaults. Neither the execution of this Agreement nor the performance by Builder of its obligations under this Agreement will result in any breach or violation of the terms of any law, rule, ordinance or regulation or of any decree, judgment or order to which Builder or any member of Builder is a party now in effect from any court or governmental body. The execution and delivery of this Agreement and performance by Builder of its obligations under this Agreement will not conflict with or result in a breach or default (or constitute an event which, with the giving of notice or the passage of time, or both, would constitute a default) under Builder's Articles of Organization or any indenture, mortgage, agreement or other instrument to which Builder is a party or by which Builder or any of its assets may be bound.

18. Condemnation. Within ten (10) days following receipt by Owner of any written notice of an existing or threatened legal proceeding that could result in the taking of all or any of the Lots or any portion thereof under the power of eminent domain or the conveyance by Owner under the threat thereof (a "**Condemnation**"), Owner shall give Builder written notice of such existing or threatened Condemnation action together with an indication of the Lots affected thereby (the "**Condemned Lots**"). Builder shall then have the right, within ten (10) business days from receipt of such notice, to give written notice to Owner of whether Builder elects to retain its Option to acquire all of the Condemned Lots or whether Builder elects to exclude all of the Condemned Lots from the Option. If Builder fails to give notice within such ten (10) business day period, Builder shall be deemed to have elected to retain the right to acquire the Condemned Lots in accordance with the provisions of this Agreement, and, notwithstanding anything to the contrary contained herein, any title matters pertaining to any such Condemnation shall be deemed to be Permitted Title Exceptions. If at any time thereafter Builder acquires all of the Condemned Lots, Builder shall be entitled to all Condemnation awards associated therewith other than with respect to any portion of such award attributable to, or awarded on account of, expenses (including reasonable attorneys' fees and costs) incurred by Owner in handling or contesting such Condemnation. If Builder elects to exclude all of the Condemned Lots, as provided hereinabove, this Agreement shall terminate with respect to the Condemned Lots upon such election, and such termination shall not constitute a Default hereunder or otherwise affect the rights and obligations of the parties with respect to all other Lots. Builder hereby waives any statutory rights of termination, which may arise by reason of any partial taking of the Lots under the power of eminent domain.

19. Utility Deposits and Refunds. Builder shall be responsible for all deposits, fees and charges (collectively, "**Utility Deposits**") required by any utility company or agency in connection with the construction or installation of the improvements on the Lots. Builder shall indemnify, defend and hold harmless Owner and all Owner-Related Persons for, from and against all claims, demands, liabilities, losses, damages, costs and expenses, including but not limited to court costs and reasonable attorneys' fees and costs, arising out of or in connection with any claim by a utility company or agency for any Utility Deposits. The foregoing indemnity shall survive the sale of any or all of the Lots and the expiration or termination of this Agreement. Builder shall be entitled to all utility refunds, returned Utility Deposits, credits and discounts of any nature; however, Owner has no obligation or

responsibility to insure Builder that houses or any other improvements are constructed on any Lots not purchased by Builder, nor otherwise take any action that may be required to enable Builder to obtain any utility refunds, returned Utility Deposits, credits and discounts, provided, however, that Owner shall cooperate, to the extent in its control, with Builder in Builder's efforts to obtain such utility refunds, returned Utility Deposits, credits and discounts.

20. **Miscellaneous.**

(a) Notices. No notice, consent, approval or other communication provided for herein or given in connection herewith shall be validly given, made, delivered or served unless it is in writing and (a) delivered personally or by commercial courier, (b) sent by overnight courier including without limitation Federal Express, (c) sent by certified United States mail, postage prepaid, with return receipt requested, or (d) sent by email (to the email addresses immediately below, provided that if such email notice is given, that an original counterpart of such communication shall be sent in the manner specified in the foregoing clauses [a], [b] or [c] within one [1] business day following the date of transmission of such email notice) to:

Owner at: Heritage Land Venture III LLC
Attn: Howe D. Whitman
4821 North Church Lane SE, Suite B
Atlanta, Georgia 30339
Email: howe@howewhitman.com

With a copy to: Vincent B. Merkle
P.O. Box 725589
Atlanta, GA 31139
V@heritage-equities.com

Builder at: SDH Birmingham LLC
Attn: Edward W. Kleid IV, Director of Finance
110 Village Trail, Suite 215
Woodstock, GA 30188
Email: ekleid@smithdouglas.com

With a copy to: SDH Birmingham LLC
Attn: Nicole Swartz, Associate General Counsel
110 Village Trail, Suite 215
Woodstock, GA 30188
Email: nswartz@smithdouglas.com

Escrow Agent at: McMichael & Gray, PC
Attn: Nathan Byerly, Esq.
Address: 2055 North Brown Rd, Suite 25
Lawrenceville, Georgia 30043

Phone: 678-582-9108

E-Mail: nathan@mcmichaelandgray.com

or to such other addresses as any party hereto may from time to time designate in writing and deliver in a like manner to the other party and Escrow Agent. Notices, consents, approvals, and communications shall be deemed given and received upon the earlier of seventy-two (72) hours after deposit in the United States mail in the manner provided above, if given by mail, or upon delivery to the respective addresses set forth above, if delivered personally or sent by commercial courier, or one (1) business day following delivery to the overnight courier for next business day delivery, if given by overnight courier, or upon transmission by the sending party if sent by email to the email addresses set forth above (as applicable). The inability to deliver because of a changed address of which no notice was given, or any rejection or other refusal to accept any notice, shall be deemed to be the receipt of the notice as of the date of such inability to deliver or rejection or refusal to accept. Any notice to be given by any party hereto may be given by legal counsel for such party.

(b) Interpretation. The captions of the Sections of this Agreement are for convenience only and shall not govern or influence the interpretation hereof. This Agreement is the result of negotiations between the parties and, accordingly, shall not be construed for or against either party regardless of which party drafted this Agreement or any portion thereof. As used in this Agreement, references to Builder having acquired or purchased Lots, or words of similar import, shall be deemed to mean that Owner has received the required purchase price payable to Owner in connection with such Lots at the times (including any applicable cure periods) and manner required pursuant to the provisions of this Agreement, regardless of whether legal title has actually transferred to Builder.

(c) Successors and Assigns. All of the provisions hereof shall inure to the benefit of and be binding upon the personal representatives, heirs, successors and assigns of Owner and Builder. Builder shall not have any right to assign its interest hereunder without the prior written consent of Owner, which shall not be unreasonably withheld or delayed, and any such assignment without Owner's consent shall be voidable at Owner's option; however, Builder may assign its rights to an affiliate, including a joint venture, partnership, or limited liability company in which Builder holds at least forty percent (40%) of the equity, or a successor to all or substantially all of Builder's assets of Builder so long as such affiliate or successor executes a written assumption agreement wherein such affiliate or successor expressly acknowledges that it is bound by the terms and provisions of this Agreement, and that it assumes all of Builder's covenants and obligations under this Agreement. Upon any such assignment and assumption, Builder shall be released and relieved of its obligations and liabilities under this Agreement. Notwithstanding anything herein to the contrary, Owner may not assign its right, title, interest and obligations hereunder without first obtaining the consent of Builder, which consent shall be not unreasonably withheld, conditioned or delayed.

(d) No Partnership; Third Person. It is not intended by this Agreement to, and nothing contained in this Agreement shall, create any partnership or joint venture or other arrangement or lender-borrower relationship between Owner and Builder. No term or provision of this Agreement is intended to, or shall, be for the benefit of any person, firm, corporation or other

entity not a party hereto (including, without limitation, any broker), and no such party shall have any right or cause of action hereunder.

(e) Entire Agreement. This Agreement constitutes the entire agreement between and the reasonable expectations of the parties pertaining to the subject matter hereof. All prior and contemporaneous agreements, representations and understandings of the parties, oral or written, are hereby superseded and merged herein. No change or addition is to be made to this Agreement except by a written agreement executed by all of the parties.

(f) Further Documents. Builder and Owner shall execute and deliver all such documents and perform all such acts as reasonably requested by the other party from time to time, prior to and following each Closing, to carry out the matters contemplated by this Agreement.

(g) Incorporation of Exhibits. All exhibits attached to this Agreement are by this reference incorporated herein.

(h) Date of Performance. If the date of performance of any obligation or the last day of any time period provided for herein should fall on a Saturday, Sunday or legal holiday, then the obligation shall be due and owing, and the time period shall expire, on the first day thereafter which is not a Saturday, Sunday or legal holiday. Unless otherwise stated, all references in this Agreement to days shall refer to calendar days. Business days shall be defined to mean all days except Saturdays, Sundays and legal holidays. Except as may otherwise be set forth herein, any performance provided for herein shall be timely made if completed no later than 5:00 p.m., Eastern Standard Time, on the day of performance. The funds required from Builder shall be good and sufficient funds and wire transferred to Owner on the day of performance or the first business day available to be disbursed. Owner shall not be deemed to have been paid any sums from Builder until such sums are actually received by Owner in good and sufficient funds.

(i) Builder's Interest. The parties acknowledge and agree that Builder's interest in the Lots shall be strictly limited to the option interests expressly described herein and it is the intent of the parties that, unless and until Builder exercises its rights to purchase the Lots as described herein, Builder shall have no fee interest in the Lots and that fee title to the Lots shall be held by Owner.

(j) Survival. Unless expressly provided to the contrary herein, it is agreed that all of the terms, conditions, provisions, obligations and indemnities contained in this Agreement shall survive each and every exercise of the Option and Closing of the sale of any Lot and the recordation of any Deed pursuant thereto; and all obligations and indemnities contained in this Agreement shall survive the expiration, cancellation or termination of this Agreement, so that all such obligations and indemnities shall continue to be binding upon the parties hereto and their respective successors and assigns. Notwithstanding the foregoing, in no event shall any claims, obligations, or liabilities arising hereunder or in connection herewith survive after that date which is two (2) years after the final closing hereunder. Any and all claims, obligations, or liabilities which are not asserted by a written instrument, delivered to the other party within such two-year period of time shall conclusively be deemed released and forever discharged.

(k) Time of the Essence. Time is of the essence of this Agreement.

(l) Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State in which the Lots are located.

(m) No Third-Party Beneficiary. Builder's covenants set forth in this Agreement are solely for the benefit of Owner and shall be enforceable by no other individual or entity.

(n) Counterparts. This Agreement shall be executed simultaneously or in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same agreement.


(o) Intent. It is recognized that Owner and Builder are sophisticated real estate entities with substantial experience in the residential home building industry and each party is advised by experienced legal counsel. It is the intent of Owner and Builder that the transaction described in this Agreement be treated as an option on the part of Builder to acquire Lots.

(p) WAIVER OF JURY TRIAL. OWNER AND BUILDER EACH HEREBY WAIVE AND UNCONDITIONALLY RELINQUISH THE RIGHT TO SEEK OR OBTAIN A JURY TRIAL IN ANY ACTION OR PROCEEDING ARISING UNDER OR RELATING TO THIS AGREEMENT OR THE SUBJECT MATTER HEREOF.

IN WITNESS WHEREOF the parties hereto have entered into this Agreement under seal as of the date first set forth above.

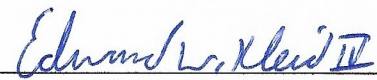
OWNER:

Heritage Land Venture III LLC, a Florida limited liability company

By:  [SEAL]
Howe D. Whitman, Manager

BUILDER:

SDH BIRMINGHAM LLC, a Georgia limited liability company

By:  [SEAL]
Edward W. Kleid IV, Vice President, Finance

ESCROW AGENT ACCEPTANCE

Escrow Agent accepts this Agreement as its escrow instructions and agrees to perform the acts applicable to Escrow Agent in accordance with the terms of this Agreement. Escrow Agent acknowledges it has received a fully executed original of this Agreement as of the date set forth underneath its signature below.

MCMICHAEL & GRAY, PC

By: _____
Print Name: _____
Title: _____

EXHIBIT B

PARTIAL ASSIGNMENT AGREEMENT (_____ Lots in _____)

This Partial Assignment Agreement ("**Agreement**") is entered into as of _____, 202____, by _____, LLC, a Florida limited liability company ("**Assignee**"), and SDH BIRMINGHAM LLC, a Georgia limited liability company ("**Builder**"). Assignee and Builder are sometimes hereinafter referred to collectively as the "**Parties**" and individually as a "**Party**".

RECITALS

A. Builder, as buyer, and _____, an _____ ("**Seller**"), as seller, entered into that certain _____ dated _____, 202____ (the "**Purchase Agreement**"), as amended, which provides for, among other things, the sale by Seller and the purchase by Builder of _____ lots contained within the community known as _____.

B. Builder desires to partially assign to Assignee Builder's right, title and interest in, to and under the Purchase Agreement solely with respect to the property legally described in **Exhibit "A"** attached hereto ("**Property**") to purchase the Property and assign to Assignee any representations, warranties and indemnification and post-closing obligations of Seller and rights being assigned by Seller to Builder as contained in the Purchase Agreement solely with respect to the Property, and Assignee desires to accept such assignment, on the terms and conditions and for the consideration set forth below.

C. Concurrently herewith, Assignee is entering into an Option Agreement with Builder (the "**Option Agreement**") to grant Builder an option to purchase all of the Lots within the Property.

AGREEMENT

NOW, THEREFORE, in consideration of the premises and the mutual covenants hereinafter set forth, the Parties hereto agree as follows:

1. Subject to the express terms of this Agreement, Builder hereby assigns to Assignee Builder's right, title and interest in, to and under the Purchase Agreement solely with respect to the Property. Notwithstanding the foregoing, Builder's right, title and interest in the Earnest Money (as defined in the Purchase Agreement) and Builder's right, title and interest in any county tax credit related to the Property from the Seller at Closing shall remain with Builder and shall not be assigned to Assignee. Assignee hereby accepts such assignment and hereby assumes the following obligations under the Purchase Agreement (solely with respect to the Property): (a) Builder's obligation to pay the purchase price for the Property in the amount of \$ _____ .00 as and when due under the terms of the Purchase Agreement, and (b) Builder's obligation to execute, acknowledge and deliver all documents and funds required

under the Purchase Agreement to be delivered by Builder at the Closing. Except as otherwise expressly provided in this Agreement and the Option Agreement, Builder shall retain all other obligations under the Purchase Agreement.

2. Builder, hereby represents, warrants and covenants to Assignee that: (a) the Purchase Agreement has not been amended or modified (except as described above) and remains in full force and effect; (b) Builder has not received any notice of default from Seller with respect to the Purchase Agreement; (c) to Builder's actual knowledge, without any duty of investigation, Seller is not in default under the Purchase Agreement; (d) Builder has not discovered or become aware of any information that would constitute a material breach by Seller of its representations and warranties contained in the Purchase Agreement; (e) except as set forth below, Builder has not previously assigned any of its rights in and to the Purchase Agreement relating to the Property to any third party, and Builder is the sole owner of all such rights free and clear of any liens, claims or encumbrances; (f) Builder is a limited liability company duly organized, validly existing and in good standing; and (g) this Agreement will be duly authorized, executed and delivered by Builder and, thereafter, will be a legal, valid, and binding obligation of Builder that will not violate any provisions of any agreement or judicial order to which Builder is a party or to which it is subject thereto.

3. Assignee hereby represents, warrants and covenants to Builder that (a) Assignee is a limited liability company duly organized, validly existing and in good standing, (b) this Agreement will be duly authorized, executed, and delivered by Assignee and, thereafter, will be a legal, valid, and binding obligation of Assignee that will not violate any provisions of any agreement or judicial order to which Assignee is a party or to which it is subject thereto, and (c) Assignee shall not further assign the Purchase Agreement or any other rights assigned to Assignee hereunder.

4. Assignee and Builder acknowledge and agree that this Agreement shall be effective only upon: (a) its execution by Assignee and Builder; and (b) the execution by Assignee and Builder of the Option Agreement. Assignee and Builder further acknowledge and agree that Assignee shall have no right or obligation to purchase the Property unless and until this Agreement has become effective. Builder and Assignee acknowledge and agree that, upon this Agreement becoming effective, Assignee shall, subject to Seller's performance of its obligations under the Purchase Agreement, purchase the Property as contemplated by, and in accordance with the terms of, the Purchase Agreement. If Assignee fails to purchase the Property as and when required to do so under the Purchase Agreement, then (w) this Agreement and the Option Agreement shall automatically simultaneously terminate, (x) Assignee shall have no rights whatsoever in and to the Property nor any rights under the Purchase Agreement or the Option Agreement, (y) all such rights to the Property shall remain with Builder.

5. Assignee's address, for purposes of notices under the Purchase Agreement, is as follows:

Heritage Land Venture III LLC
Attn: Howe D. Whitman
4821 North Church Lane SE, Suite B
Atlanta, Georgia 30339

Email: howe@howewhitman.com

With a copy to: Vincent B. Merkle
P.O. Box 725589
Atlanta, GA 31139
V@heritage-equities.com

6. Concurrently with Builder's delivery of all written communications, notices or demands to Seller pursuant to or in connection with the Purchase Agreement, Builder shall deliver to Assignee a copy of any and all such written communications, notices or demands by Builder to Seller in accordance with the procedure set forth in the Option Agreement for giving notices to Assignee. Builder will deliver to Assignee, promptly upon receipt, a copy of all notices received from Seller pertaining to the Purchase Agreement or the Property.

7. This Agreement may be amended or modified only by a written instrument executed by Builder and Assignee.

8. THE PARTIES HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVE THE RIGHT TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION BASED HEREON, OR ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS AGREEMENT AND ANY DOCUMENT EXECUTED IN CONNECTION HEREWITH OR RELATED HERETO, OR ANY COURSE OR CONDUCT, COURSE OF DEALING, STATEMENTS (WHETHER ORAL OR WRITTEN) OR ACTIONS OF EITHER PARTY. THIS PROVISION IS A MATERIAL INDUCEMENT FOR THE PARTIES TO ENTER INTO THIS AGREEMENT.

9. In the event that any portion of this Agreement shall be illegal, null or void, the remaining portions of this Agreement shall not be affected thereby and shall remain in force and effect to the fullest extent permitted by law, provided the Parties shall receive the material benefits of their bargain.

10. If any legal or other proceedings are instituted in connection with this Agreement, the prevailing Party shall be entitled to recover from the other Party all reasonable costs and expenses of such action or proceeding, including its reasonable attorneys' fees and costs.

11. This Agreement shall be executed simultaneously or in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same agreement. Electronic transmission of any signed original documents (e.g., email of a .pdf) shall be the same as personal delivery of the original. The Parties may store executed originals of this Agreement in electronic format and the same when reproduced shall be as if an original had been provided.

[NO FURTHER TEXT - SIGNATURES FOLLOW]

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the day and year first above written.

Assignee:

Heritage Land Venture III LLC, a Florida limited liability company

By: _____ [SEAL]
Howe D. Whitman, Manager

BUILDER:

SDH BIRMINGHAM LLC, a Georgia limited liability company

By: _____ [SEAL]
Edward W. Kleid IV, Vice President, Finance

[NEED TO ATTACH EXHIBIT "A" WHEN USING THIS DOCUMENT]

**EXHIBIT D
FORM OF
LIMITED WARRANTY DEED**

WARRANTY DEED

This instrument was prepared by:

Send tax notice to:

Smith Douglas Building Services LLC
Attn: Edward Kleid
110 Village Trail, Suite 215
Woodstock, GA 30188

STATE OF _____

COUNTY OF _____

Know All Men by These Presents: That in consideration of _____ **Dollars (\$ _____,000.00)**, to the undersigned Grantor, in hand paid by the Grantee herein, the receipt of which is acknowledged, a Florida limited liability company (herein referred to as Grantor) does hereby grant, bargain, sell and convey unto **SDH _____, LLC**, a Georgia limited liability company (herein referred to as Grantee), the following described real estate, situated in County, _____, to-wit:

Lots _____, according to the _____.

Subject to mineral and mining rights if not owned by Grantor. Subject to existing easements, restrictions, set-back lines, rights of way, limitations, if any of record.

This instrument is executed as required by the Articles of Incorporation and Operating Agreement and same have not been modified or amended.

And the Grantor does for itself, its successors and assigns, covenant with said Grantee, its successors and assigns, that it is lawfully seized in fee simple of said premises; that it is free from all encumbrances, unless otherwise stated above; that it has a good right to sell and convey the same as aforesaid; that it will and its successors and assigns shall warrant and defend the same to the said Grantee, its successors and assigns forever, against the lawful claims of all persons owning, holding or claiming by, through or under Grantor, but not otherwise.

In Witness Whereof, the said Grantor, by Howe D. Whitman, its Manager, who is authorized to execute this conveyance, has hereunto set its signature and seal this ____ day of _____, 202__.

Heritage Land Venture III
LLC, a Florida limited liability company

By: _____ [SEAL]
Howe D. Whitman, Its Manager

STATE OF _____

COUNTY OF _____

I, _____, a Notary Public in and for said County, in said State, hereby certify that Howe D. Whitman, whose name as Manager, is signed to the foregoing conveyance, and who is known to me acknowledged before me on this date, that being informed of the contents of this conveyance he as such officer and with full authority, executed the same voluntarily for and as the act of said corporation.

Given under my hand and official seal this ____ day of _____, 202__.

Notary Public
My Commission Expires:_____