

**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 25, 2023**

HOVNANIAN ENTERPRISES, INC.
(Exact Name of Registrant as Specified in its Charter)

Delaware
(State or Other
Jurisdiction
of Incorporation)

1-8551
(Commission File Number)

22-1851059
(IRS Employer
Identification No.)

**90 Matawan Road, Fifth Floor
Matawan, New Jersey 07747**
(Address of Principal Executive Offices) (Zip Code)

(732) 747-7800
(Registrant's telephone number, including area code)

Not Applicable
(Former Name or Former Address, if Changed Since
Last Report)

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:

- 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 \$0.01 par value per share	HOV	New York Stock Exchange
Preferred Stock Purchase Rights (1)	N/A	New York Stock Exchange
Depository Shares each representing 1/1,000th of a share of 7.625% Series A Preferred Stock	HOVNP	The Nasdaq Stock Market LLC

(1) Each share of Class A Common Stock includes an associated Preferred Stock Purchase Right. Each Preferred Stock Purchase Right initially represents the right, if such Preferred Stock Purchase Right becomes exercisable, to purchase from the Company one ten-thousandth of a share of its Series B Junior Preferred Stock for each share of Common Stock. The Preferred Stock Purchase Rights currently cannot trade separately from the underlying Common Stock.

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

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.

Third Amendment to Credit Agreement

On September 25, 2023, Hovnanian Enterprises, Inc. (the “Company”), K. Hovnanian Enterprises, Inc. (“K. Hovnanian”), a wholly-owned subsidiary of the Company, and the Subsidiary Guarantors (as defined below) entered into the Third Amendment (the “Third Amendment”) to the Credit Agreement, dated as of October 31, 2019 (as amended by the First Amendment to the Credit Agreement, dated as of November 27, 2019, and by the Second Amendment to the Credit Agreement, dated as of August 19, 2022), by and among K. Hovnanian, the Company, the other guarantors party thereto, Wilmington Trust, National Association, as administrative agent, and the lenders party thereto, which provides for up to \$125.0 million in aggregate amount of senior secured first lien revolving loans (the “Revolving Credit Facility”).

Upon effectiveness, the Third Amendment will (i) extend the final scheduled maturity of the Revolving Credit Facility from June 30, 2024 to June 30, 2026, (ii) increase the interest rate floor applicable to term SOFR loans from 1.00% to 3.00% and (iii) provide for certain other amendments. Borrowings under the Revolving Credit Facility will bear interest, at K. Hovnanian’s option, at either (a) a term SOFR rate (subject to a floor of 3.00%) plus an applicable margin of 4.50% or (b) an alternate base rate (subject to a floor of 4.00%) plus an applicable margin of 3.50%. In addition, K. Hovnanian will pay an unused commitment fee on the undrawn revolving commitments at a rate of 1.00% per annum. The foregoing amendments will take effect on or about October 5, 2023, subject to the satisfaction of customary closing conditions.

The foregoing summary of the Third Amendment does not purport to be complete and is qualified in its entirety by reference to the text of the Third Amendment filed as Exhibit 10.1 to this Form 8-K and incorporated by reference herein.

New Secured Notes

On September 25, 2023, the Company, K. Hovnanian and the Subsidiary Guarantors entered into a note purchase agreement with Angelo, Gordon & Co., L.P., on behalf of its investment funds, separate accounts and/or other entities owned (in whole or in part), controlled, managed and/or advised by it (collectively, “Angelo Gordon”) that become purchasers thereunder in accordance with the terms thereof, and Apollo Capital Management, L.P., on behalf of its investment funds, separate accounts and/or other entities owned (in whole or in part), controlled, managed and/or advised by it (collectively, “Apollo” and, together with Angelo Gordon, the “Specified Persons”) that become purchasers thereunder in accordance with the terms thereof, pursuant to which K. Hovnanian will issue and sell to the Specified Persons, in a private placement, \$225,000,000 aggregate principal amount of 8.0% Senior Secured 1.125 Lien Notes due 2028 (the “New 2028 Notes”) and \$430,000,000 aggregate principal amount of 11.75% Senior Secured 1.25 Lien Notes due 2029 (the “New 2029 Notes” and, together with the New 2028 Notes, the “New Secured Notes”). The issuance and sale is expected to be consummated on or about October 5, 2023, subject to the satisfaction of customary closing conditions. The net proceeds from the issuance of the New Secured Notes will be used to fund the Redemption (as described in Item 8.01 below).

Each series of New Secured Notes will be guaranteed by the Company and substantially all of its subsidiaries, except for K. Hovnanian, its home mortgage subsidiaries, certain of its title insurance subsidiaries, joint ventures and subsidiaries holding interests in joint ventures (collectively, the “Subsidiary Guarantors” and, together with the Company, the “Guarantors”). Each series of New Secured Notes and the guarantees thereof will be secured by substantially all of the assets owned by K. Hovnanian and the Guarantors, subject to permitted liens and certain exceptions. In respect of K. Hovnanian’s other secured obligations (after giving effect to the Redemption), the liens on the assets securing the New Secured Notes will be junior in priority with respect to the liens on the assets securing the Revolving Credit Facility, will be on a parity with any future secured obligations that are equal in priority with respect to the liens on the assets securing the applicable series of New Secured Notes and will be senior to the liens on the assets securing the Senior Secured 1.75 Lien Term Loans and any other future secured obligations that are junior in priority with respect to the liens on the assets securing the applicable series of New Secured Notes. Between the New Secured Notes, the liens on the assets securing the New 2028 Notes will be senior to the liens on the assets securing the New 2029 Notes.

The New 2028 Notes will bear interest at 8.0% per annum and mature on September 30, 2028. The New 2029 Notes will bear interest at 11.75% per annum and mature on September 30, 2029. Interest on each series of New Secured Notes will be payable semi-annually on March 30 and September 30 of each year, beginning on March 30, 2024, to holders of record of the applicable series of New Secured Notes at the close of business on March 15 or September 15, as the case may be, immediately preceding each such interest payment date. The New 2028 Notes are redeemable in whole or in part at K. Hovnanian's option at any time prior to September 30, 2025 at 100.0% of their principal amount plus an applicable "Make-Whole Amount." K. Hovnanian may also redeem some or all of the New 2028 Notes at 104.0% of their principal amount commencing on September 30, 2025, at 102.0% of their principal amount commencing on September 30, 2026 and at 100.0% of their principal amount commencing September 30, 2028. In addition, K. Hovnanian may also redeem up to 35.0% of the aggregate principal amount of New 2028 Notes prior to September 30, 2025 with the net cash proceeds from certain equity offerings at 108.0% of their principal amount. The New 2029 Notes are redeemable in whole or in part at K. Hovnanian's option at any time prior to March 30, 2026 at 100.0% of their principal amount plus an applicable "Make-Whole Amount." K. Hovnanian may also redeem some or all of the New 2029 Notes at 105.875% of their principal amount commencing on March 30, 2026, at 102.9375% of their principal amount commencing on September 30, 2027 and at 100.0% of their principal amount commencing on September 30, 2028. In addition, K. Hovnanian may also redeem up to 35.0% of the aggregate principal amount of New 2029 Notes prior to March 30, 2026 with the net cash proceeds from certain equity offerings at 111.75% of their principal amount.

The indentures that will govern the New Secured Notes will contain restrictive covenants that limit, among other things, and in each case, subject to certain exceptions, the ability of the Company and certain of its subsidiaries, including K. Hovnanian, to incur additional indebtedness, pay dividends and make distributions on common and preferred stock, repay certain indebtedness before one year prior to its respective stated maturity, repurchase common and preferred stock, make other restricted payments (including investments), sell certain assets (including in certain land banking transactions), incur liens, consolidate, merge, sell or otherwise dispose of all or substantially all of their assets and enter into certain transactions with affiliates. Under the terms of the indentures, K. Hovnanian will have the ability to issue additional notes under the indenture that will govern the New 2029 Notes (the "Additional 2029 Notes") in exchange for Specified Junior Debt (as defined below) or to purchase certain Specified Junior Debt. K. Hovnanian has agreed that the Specified Persons may, at their option from time to time, exchange junior lien and/or unsecured indebtedness of K. Hovnanian (the "Specified Junior Debt") into a principal amount of Additional 2029 Notes not to exceed \$150.0 million in the aggregate. In any such exchange, K. Hovnanian will be required to issue a principal amount of Additional 2029 Notes equal to (i) the price at which the Specified Persons acquired such Specified Junior Debt (the "Specified Person Purchase Price") plus (ii) 20% of the difference between the principal amount of such Specified Junior Debt and the Specified Person Purchase Price (such sum, the "Company Acquisition Price"), provided that, the Company Acquisition Price shall be reduced, if applicable, such that the per annum interest expense on the applicable issuance of Additional 2029 Notes does not exceed the per annum interest expense on the applicable Specified Junior Debt being exchanged. In addition, K. Hovnanian will have the option to purchase such Specified Junior Debt in cash at the Company Acquisition Price in lieu of consummating any such exchange. Each indenture will also contain customary events of default which would permit the holders of the New Secured Notes of the applicable series to declare such series of New Secured Notes to be immediately due and payable if not cured within applicable grace periods, including the failure to make timely payments on the New Secured Notes of such series or other material indebtedness, the failure to satisfy covenants, the failure of the documents granting security for the New Secured Notes of such series to be in full force and effect, the failure of the liens on any material portion of the collateral securing the New Secured Notes of such series to be valid and perfected and specified events of bankruptcy and insolvency (which specified events would result in immediate acceleration of the New Secured Notes of the applicable series without any further action by the holders).

Copies of the form of the indenture that will govern the New 2028 Notes, including the form of New 2028 Notes, and the form of the indenture that will govern the New 2029 Notes, including the form of New 2029 Notes, are attached as Exhibits 4.1 and 4.2, respectively, to this Current Report on Form 8-K, and are incorporated herein by reference.

In connection with the issuance of the New Secured Notes, K. Hovnanian and the Guarantors will also enter into various collateral documents, including security agreements, pledge agreements and joinders to the First Lien Intercreditor Agreement, dated as of October 31, 2019, which governs the relative rights among the parties holding K. Hovnanian's senior secured first priority secured debt (the "First Lien Debt"), and the First Lien Collateral Agency Agreement, dated as of October 31, 2019, pursuant to which Wilmington Trust, National Association was appointed as the joint first lien collateral agent for perfection purposes with respect to the liens securing the First Lien Debt.

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

The information set forth above under Item 1.01 is hereby incorporated by reference into this Item 2.03.

Item 7.01 Regulation FD Disclosure.

On September 25, 2023, the Company issued a press release announcing the refinancing transactions described herein. A copy of the press release is attached as Exhibit 99.1 to this Current Report on Form 8-K and is incorporated by reference herein.

Item 8.01 Other Events.

On September 25, 2023, K. Hovnanian issued notices of conditional full redemption notifying holders of the applicable series of notes that it has elected to redeem on October 5, 2023 all of its outstanding 7.75% Senior Secured 1.125 Lien Notes due 2026, 10.5% Senior Secured 1.25 Lien Notes due 2026 and 11.25% Senior Secured 1.5 Lien Notes due 2026, and that it has elected to redeem on November 15, 2023 all of its outstanding 10.000% Senior Secured 1.75 Lien Notes due 2025 (collectively, the “Redemption”). The Redemption is conditioned upon consummation of the sale and issuance of the New Secured Notes described herein (the “Financing Condition”). In accordance with the applicable redemption notices and indentures, if the Financing Condition has not been satisfied by the applicable initial redemption dates, K. Hovnanian, in its sole discretion, may delay the applicable Redemption until such time as the Financing Condition is satisfied or rescind the applicable Redemption at any time prior to the applicable initial redemption dates.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

- 4.1 [Form of Indenture relating to the 8.0% Senior Secured 1.125 Lien Notes due 2028, among K. Hovnanian Enterprises, Inc., Hovnanian Enterprises, Inc., the subsidiary guarantors named therein and Wilmington Trust, National Association, as Trustee and Collateral Agent, including the form of the 8.0% Senior Secured 1.125 Lien Notes due 2028.](#)
 - 4.2 [Form of Indenture relating to the 11.75% Senior Secured 1.25 Lien Notes due 2029, among K. Hovnanian Enterprises, Inc., Hovnanian Enterprises, Inc., the subsidiary guarantors named therein and Wilmington Trust, National Association, as Trustee and Collateral Agent, including the form of the 11.75% Senior Secured 1.25 Lien Notes due 2029.](#)
 - 10.1 [Third Amendment, dated as of September 25, 2023, to the Credit Agreement, dated as of October 31, 2019, among K. Hovnanian Enterprises, Inc., Hovnanian Enterprises, Inc., the subsidiary guarantors named therein, Wilmington Trust, National Association, as Administrative Agent, and the lenders party thereto.](#)
 - 99.1 [Press Release, dated September 25, 2023.](#)
 - 104 Cover Page Interactive Data File (embedded within the Inline XBRL document).
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SIGNATURES

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.

HOVNANIAN ENTERPRISES, INC.

(Registrant)

By: /s/ Brad G. O'Connor

Name: Brad G. O'Connor

Title: Senior Vice President, Treasurer and Chief Accounting
Officer

Date: September 25, 2023

K. HOVNANIAN ENTERPRISES, INC.,
as Issuer

HOVNANIAN ENTERPRISES, INC.
and
the other Guarantors party hereto

and

WILMINGTON TRUST, NATIONAL ASSOCIATION,
as Trustee and Collateral Agent

Indenture

Dated as of October 5, 2023

8.0% Senior Secured 1.125 Lien Notes due 2028

TABLE OF CONTENTS

		Page
ARTICLE I		
DEFINITIONS AND INCORPORATION BY REFERENCE		
Section 1.1.	<i>Definitions</i>	1
Section 1.2.	<i>Rules of Construction</i>	34
ARTICLE II		
THE NOTES		
Section 2.1.	<i>Form, Dating and Denominations; Legends</i>	34
Section 2.2.	<i>Execution and Authentication; Additional Notes</i>	35
Section 2.3.	<i>Registrar, Paying Agent and Authenticating Agent; Paying Agent to Hold Money in Trust</i>	36
Section 2.4.	<i>Replacement Notes</i>	37
Section 2.5.	<i>Outstanding Notes</i>	37
Section 2.6.	<i>Temporary Notes</i>	37
Section 2.7.	<i>Cancellation</i>	37
Section 2.8.	<i>CUSIP and ISIN Numbers</i>	38
Section 2.9.	<i>Registration, Transfer and Exchange</i>	38
Section 2.10.	<i>Restrictions on Transfer and Exchange</i>	40
Section 2.11.	<i>Regulation S Temporary Global Notes</i>	41
ARTICLE III		
REDEMPTION; OFFER TO PURCHASE		
Section 3.1.	<i>Optional Redemption</i>	42
Section 3.2.	<i>Redemption with Proceeds of Equity Offering</i>	43
Section 3.3.	<i>Sinking Fund; Mandatory Redemption</i>	43
Section 3.4.	<i>Method and Effect of Redemption</i>	43
Section 3.5.	<i>Offer to Purchase</i>	44
ARTICLE IV		
COVENANTS		
Section 4.1.	<i>Payment of Notes</i>	46
Section 4.2.	<i>Maintenance of Office or Agency</i>	46
Section 4.3.	<i>Existence</i>	46
Section 4.4.	<i>Payment of Taxes</i>	47
Section 4.5.	<i>[Reserved]</i>	47
Section 4.6.	<i>Limitations on Indebtedness</i>	47
Section 4.7.	<i>Limitations on Restricted Payments</i>	49
Section 4.8.	<i>Limitations on Liens</i>	53
Section 4.9.	<i>Limitations on Restrictions Affecting Restricted Subsidiaries</i>	53
Section 4.10.	<i>Limitations on Dispositions of Assets</i>	55

Section 4.11.	<i>Guarantees by Restricted Subsidiaries</i>	57
Section 4.12.	<i>Repurchase of Notes upon a Change of Control</i>	57
Section 4.13.	<i>Limitations on Transactions with Affiliates</i>	58
Section 4.14.	<i>Limitations on Mergers, Consolidations and Sales of Assets</i>	60
Section 4.15.	<i>Reports to Holders of Notes</i>	60
Section 4.16.	<i>Limitation on Prepayment of Existing Junior Lien Indebtedness and Existing Unsecured Indebtedness</i>	61
Section 4.17.	<i>Notice of Other Defaults</i>	62
Section 4.18.	<i>Collateral Requirement; Further Assurances; Costs</i>	62
Section 4.19.	<i>Limitation of Applicability of Certain Covenants if Notes Rated Investment Grade</i>	65

ARTICLE V

REMEDIES

Section 5.1.	<i>Events of Default</i>	66
Section 5.2.	<i>Other Remedies</i>	69
Section 5.3.	<i>Waiver of Defaults by Majority of Holders</i>	69
Section 5.4.	<i>Direction of Proceedings</i>	69
Section 5.5.	<i>Application of Moneys Collected by Trustee</i>	70
Section 5.6.	<i>Proceedings by Holders</i>	70
Section 5.7.	<i>Proceedings by Trustee</i>	71
Section 5.8.	<i>Remedies Cumulative and Continuing</i>	71
Section 5.9.	<i>Undertaking to Pay Costs</i>	71
Section 5.10.	<i>Notice of Defaults</i>	71
Section 5.11.	<i>Waiver of Stay, Extension or Usury Laws</i>	72
Section 5.12.	<i>Trustee May File Proof of Claim</i>	72
Section 5.13.	<i>Payment of Notes on Default; Suit Therefor</i>	72

ARTICLE VI

GUARANTEES; RELEASE OF GUARANTOR

Section 6.1.	<i>Guarantee</i>	73
Section 6.2.	<i>Obligations of each Guarantor Unconditional</i>	74
Section 6.3.	<i>Release of a Guarantor</i>	74
Section 6.4.	<i>Execution and Delivery of Guarantee</i>	75
Section 6.5.	<i>Limitation on Guarantor Liability</i>	75
Section 6.6.	<i>Article VI not to Prevent Events of Default</i>	75
Section 6.7.	<i>Waiver by the Guarantors</i>	75
Section 6.8.	<i>Subrogation and Contribution</i>	75
Section 6.9.	<i>Stay of Acceleration</i>	75

ARTICLE VII

THE TRUSTEE

Section 7.1.	<i>General</i>	75
Section 7.2.	<i>Certain Rights of the Trustee</i>	76
Section 7.3.	<i>Individual Rights of the Trustee</i>	77
Section 7.4.	<i>Trustee's Disclaimer</i>	78
Section 7.5.	<i>[Reserved]</i>	78

Section 7.6.	<i>[Reserved]</i>	78
Section 7.7.	<i>Compensation and Indemnity</i>	78
Section 7.8.	<i>Replacement of Trustee</i>	78
Section 7.9.	<i>Successor Trustee by Merger</i>	79
Section 7.10.	<i>Eligibility</i>	79
Section 7.11.	<i>Money Held in Trust</i>	79
ARTICLE VIII		
DEFEASANCE AND DISCHARGE		
Section 8.1.	<i>Legal Defeasance and Discharge</i>	80
Section 8.2.	<i>Covenant Defeasance</i>	80
Section 8.3.	<i>Conditions to Legal or Covenant Defeasance</i>	80
Section 8.4.	<i>Deposited Money and Government Securities to be Held in Trust; Other Miscellaneous Provisions</i>	81
Section 8.5.	<i>Repayment to Issuer</i>	82
Section 8.6.	<i>Reinstatement</i>	82
Section 8.7.	<i>Survival</i>	82
Section 8.8.	<i>Satisfaction and Discharge of Indenture</i>	82
ARTICLE IX		
AMENDMENTS, SUPPLEMENTS AND WAIVERS		
Section 9.1.	<i>Amendments Without Consent of Holders</i>	83
Section 9.2.	<i>Amendments with Consent of Holders</i>	84
Section 9.3.	<i>Effect of Consent</i>	85
Section 9.4.	<i>Trustee's Rights and Obligations</i>	85
ARTICLE X		
[RESERVED]		
ARTICLE XI		
COLLATERAL AND SECURITY		
Section 11.1.	<i>Security Documents</i>	85
Section 11.2.	<i>Collateral Agent</i>	86
Section 11.3.	<i>Authorization of Actions to be Taken</i>	87
Section 11.4.	<i>Release of Liens</i>	88
Section 11.5.	<i>Filing, Recording, Certificates and Opinions</i>	89
ARTICLE XII		
RELEASE OF ISSUER AND GUARANTORS		
Section 12.1.	<i>Release of Issuer</i>	89
ARTICLE XIII		
MISCELLANEOUS		
Section 13.1.	<i>Trust Indenture Act</i>	90

Section 13.2.	<i>Holder Communications; Holder Actions</i>	90
Section 13.3.	<i>Notices</i>	90
Section 13.4.	<i>Certificate and Opinion as to Conditions Precedent</i>	91
Section 13.5.	<i>Statements Required in Certificate or Opinion</i>	92
Section 13.6.	<i>Payment Date Other Than a Business Day</i>	92
Section 13.7.	<i>Governing Law; Submission to Jurisdiction; Waiver of Jury Trial</i>	92
Section 13.8.	<i>No Adverse Interpretation of Other Agreements</i>	93
Section 13.9.	<i>Successors</i>	93
Section 13.10.	<i>Duplicate Originals; Electronic Signatures</i>	93
Section 13.11.	<i>Separability</i>	93
Section 13.12.	<i>Table of Contents and Headings</i>	93
Section 13.13.	<i>No Liability of Directors, Officers, Employees, Partners, Incorporators and Stockholders</i>	93
Section 13.14.	<i>Provisions of Indenture for the Sole Benefit of Parties and Holders of Notes</i>	93

EXHIBITS

EXHIBIT A	Form of Note and Guarantee
EXHIBIT B	Form of Supplemental Indenture
EXHIBIT C	Restricted Legend
EXHIBIT D	DTC Legend
EXHIBIT E	Regulation S Certificate
EXHIBIT F	Rule 144A Certificate
EXHIBIT G	Original Issue Discount Legend
EXHIBIT H	Certificate of Beneficial Ownership
EXHIBIT I	Regulation S Temporary Global Note Legend
EXHIBIT J	Institutional Accredited Investor Certificate

SCHEDULES

SCHEDULE A	Guarantors
SCHEDULE B	Unrestricted Subsidiaries

INDENTURE, dated as of October 5, 2023, among K. HOVNANIAN ENTERPRISES, INC., a California corporation (the “**Issuer**”), HOVNANIAN ENTERPRISES, INC., a Delaware corporation (the “**Company**”), each of the other Guarantors (as defined hereafter) and WILMINGTON TRUST, NATIONAL ASSOCIATION, a national banking association, as Trustee (the “**Trustee**”) and as Collateral Agent (the “**Collateral Agent**”).

RECITALS

The Issuer has duly authorized the execution and delivery of this Indenture to provide for the issuance on the Issue Date of \$225,000,000 aggregate principal amount of the Issuer’s 8.0% Senior Secured 1.125 Lien Notes due 2028 and, if and when issued, any Additional Notes (together, the “**Notes**”). All things necessary to make this Indenture a valid agreement of the Issuer, in accordance with its terms, have been done, and the Issuer has done all things necessary to make the Notes (in the case of any Additional Notes, when duly authorized), when duly issued and executed by the Issuer and authenticated and delivered by the Trustee, the valid obligations of the Issuer as hereinafter provided.

In addition, the Guarantors party hereto have duly authorized the execution and delivery of this Indenture as guarantors of the Notes. All things necessary to make this Indenture a valid agreement of each Guarantor, in accordance with its terms, have been done, and each Guarantor has done all things necessary to make the Guarantees (in the case of the Guarantee of any Additional Notes, when duly authorized), when duly issued and executed by each Guarantor and when the Notes have been authenticated and delivered by the Trustee, the valid obligation of such Guarantor as hereinafter provided.

THIS INDENTURE WITNESSETH

For and in consideration of the premises and the purchase of the Notes by the Holders thereof, the parties hereto covenant and agree, for the equal and proportionate benefit of all Holders, as follows:

ARTICLE I DEFINITIONS AND INCORPORATION BY REFERENCE

Section 1.1. *Definitions.*

“**1.25 Lien Collateral Agent**” means Wilmington Trust, National Association until such time, if any, a successor replaces such party in accordance with the applicable provisions of the 1.25 Lien Notes Indenture and thereafter means the successor serving thereunder.

“**1.25 Lien Notes**” means the Issuer’s 11.75% Senior Secured 1.25 Lien Notes due 2029 issued pursuant to the 1.25 Lien Notes Indenture.

“**1.25 Lien Notes Indenture**” means the Indenture, dated as of October 5, 2023, as amended or supplemented from time to time, among the Issuer, the guarantors party thereto and the 1.25 Lien Trustee and the 1.25 Lien Collateral Agent.

“**1.25 Lien Trustee**” means Wilmington Trust, National Association until such time, if any, a successor replaces such party in accordance with the applicable provisions of the 1.25 Lien Notes Indenture and thereafter means the successor serving thereunder.

“**1.75 Lien Notes**” means the Issuer’s 10.000% Senior Secured 1.75 Lien Notes due 2025 issued pursuant to the 1.75 Lien Notes Indenture.

“**1.75 Lien Notes Indenture**” means the Indenture, dated as of December 10, 2019, as amended or supplemented from time to time, among the Issuer, the guarantors party thereto and Wilmington Trust, National Association, as trustee and collateral agent.

“**1.75 Lien Obligations**” means (a) the 1.75 Lien Notes and (b) the 1.75 Lien Term Loan.

“**1.75 Lien Term Loan**” means the term loan under the Issuer’s \$81,498,000 Credit Agreement, dated as of December 10, 2019, as amended or supplemented from time to time, among the Issuer, the guarantors party thereto, the lenders party thereto and Wilmington Trust, National Association, as administrative agent.

“**1.75 Lien Trustee**” means Wilmington Trust, National Association until such time, if any, a successor replaces such party in accordance with the applicable provisions of the 1.75 Lien Notes Indenture and thereafter means the successor serving thereunder.

“**1.75 Pari Passu Lien Collateral Agent**” means Wilmington Trust, National Association, in its capacity as 1.75 Pari Passu Lien Collateral Agent as appointed under the 1.75 Lien Security Agreement, dated as of December 10, 2019, among the Issuer and the guarantors party thereto, in favor of the 1.75 Pari Passu Lien Collateral Agent, as amended, restated, supplemented or otherwise modified from time to time.

“**5.0% Senior Notes**” means the Issuer’s 5.0% Senior Notes due 2040 issued pursuant to the Indenture, dated as of February 1, 2018, as amended or supplemented from time to time, among the Issuer, the guarantors party thereto and Wilmington Trust, National Association, as trustee.

“**8.000% Senior Notes**” means the Issuer’s 8.000% Senior Notes due 2027 issued pursuant to the Indenture, dated as of November 5, 2014, as amended or supplemented from time to time, among the Issuer, the guarantors party thereto and Wilmington Trust, National Association, as trustee.

“**Acceptable Commitment**” has the meaning ascribed to it in Section 4.10(c) hereof.

“**Acquired Indebtedness**” means (a) with respect to any Person that becomes a Restricted Subsidiary (or is merged into the Company, the Issuer or any Restricted Subsidiary) after the Issue Date, Indebtedness of such Person or any of its Subsidiaries existing at the time such Person becomes a Restricted Subsidiary (or is merged into the Company, the Issuer or any Restricted Subsidiary) that was not incurred in connection with, or in contemplation of, such Person becoming a Restricted Subsidiary (or being merged into the Company, the Issuer or any Restricted Subsidiary) and (b) with respect to the Company, the Issuer or any Restricted Subsidiary, any Indebtedness expressly assumed by the Company, the Issuer or any Restricted Subsidiary in connection with the acquisition of any assets from another Person (other than the Company, the Issuer or any Restricted Subsidiary), which Indebtedness was not incurred by such other Person in connection with or in contemplation of such acquisition. Indebtedness incurred in connection with or in contemplation of any transaction described in clause (a) or (b) of the preceding sentence shall be deemed to have been incurred by the Company or a Restricted Subsidiary, as the case may be, at the time such Person becomes a Restricted Subsidiary (or is merged into the Company, the Issuer or any Restricted Subsidiary) in the case of clause (a) or at the time of the acquisition of such assets in the case of clause (b), but shall not be deemed Acquired Indebtedness.

“**Additional 1.25 Lien Notes Amount**” means (a) \$150.0 million *minus* (b) the sum of (x) the aggregate principal amount of 1.25 Lien Notes incurred after the Issue Date pursuant to clause (a)(i)(y) of the definition of “Permitted Indebtedness” and (y) the aggregate amount of Prepayments made after the Issue Date pursuant to, and in accordance with, Section 4.16(a)(iv).

“**Additional Notes**” means any Notes issued under this Indenture in addition to the Initial Notes in accordance with Section 4.6 and Section 4.8 hereof having the same terms in all respects as the Initial Notes, other than the issue date, the issue price, the first interest payment date and the first date from which interest will accrue, and any notes issued in replacement therefor.

“**Affiliate**” means, when used with reference to a specified Person, any Person directly or indirectly controlling, or controlled by or under direct or indirect common control with, the Person specified.

“**Affiliate Transaction**” has the meaning ascribed to it in Section 4.13(a) hereof.

“**Agent**” means any Registrar, Paying Agent or Authenticating Agent.

“**Agent Member**” means a member of, or a participant in, the Depository.

“**Applicable Debt**” means all Indebtedness of the Company, the Issuer or any Subsidiary Guarantor (a) under Credit Facilities or (b) for borrowed money.

“**Asset Acquisition**” means (a) an Investment by the Company, the Issuer or any Restricted Subsidiary in any other Person if, as a result of such Investment, such Person shall become a Restricted Subsidiary or shall be consolidated or merged with or into the Company, the Issuer or any Restricted Subsidiary or (b) the acquisition by the Company, the Issuer or any Restricted Subsidiary of the assets of any Person, which constitute all or substantially all of the assets or of an operating unit or line of business of such Person or which is otherwise outside the ordinary course of business.

“**Asset Disposition**” means any sale, transfer, conveyance, lease or other disposition (including, without limitation, by way of merger, consolidation or sale and leaseback or sale of shares of Capital Stock in any Subsidiary) (each, a “**transaction**”) by the Company, the Issuer or any Restricted Subsidiary to any Person of any Property having a Fair Market Value in any transaction or series of related transactions of at least \$10.0 million, *provided* that such de minimis amount shall not apply to any Land Banking Transactions (and with respect to Land Banking Transactions, the proviso in clause (b) below shall apply). The term “**Asset Disposition**” shall not include:

(a) a transaction between the Company, the Issuer and any Subsidiary Guarantor or a transaction between Subsidiary Guarantors,

(b) a transaction in the ordinary course of business, including, without limitation, sales (directly or indirectly), sales subject to repurchase options, dedications and other donations to governmental authorities, leases and sales and leasebacks of (i) homes, improved land and unimproved land and (ii) real estate (including related amenities and improvements); *provided* that in the case of any Land Banking Transaction involving sales of Collateral (other than Collateral acquired by the Company, the Issuer or any Restricted Subsidiary within 180 days prior to the entering into of a definitive agreement for such Land Banking Transaction) (“**Land Banking Collateral Sales**”) this exception (b) to the definition of “**Asset Disposition**” shall only apply if (x) on a pro forma basis after giving effect to any such Land Banking Collateral Sales, the Collateral Ratio would not be less than 150% or (y) if the Collateral Ratio is not at least 150% after giving pro forma effect thereto, any Land Banking Collateral Sales do not in the aggregate exceed a GAAP book value for all such Collateral of (i) \$50.0 million in the fiscal quarter ending October 31, 2023 *plus* (ii) an additional \$10.0 million during any fiscal quarter beginning with the fiscal quarter ending January 31, 2024 (with any unused amounts in any fiscal quarter being carried over to subsequent fiscal quarters subject to a maximum GAAP book value of \$75.0 million in any fiscal quarter),

(c) a transaction involving the sale of Capital Stock of, or the disposition of assets in, an Unrestricted Subsidiary (other than a JV Holding Company or Permitted Joint Venture, except a sale or a disposition to a Restricted Subsidiary),

(d) any exchange or swap of assets of the Company, the Issuer or any Restricted Subsidiary for assets (including Capital Stock of any Person that is or will be a Restricted Subsidiary following receipt thereof) that (i) are to be used by the Company, the Issuer or any Restricted Subsidiary in the ordinary course of its Real Estate Business and (ii) have a Fair Market Value not less than the Fair Market Value of the assets exchanged or swapped (*provided* that (except as permitted by clause (c) under the definition of “**Permitted Investment**”) to the extent that the assets exchanged or swapped were Collateral, the assets received are pledged as Collateral under the Security Documents substantially simultaneously with such exchange or swap, with the Lien on such assets received being of the same priority with respect to the Notes as the Lien on the assets disposed of),

- (e) any sale, transfer, conveyance, lease or other disposition of assets and properties that is governed by Section 4.14 hereof,
- (f) dispositions of mortgage loans and related assets and mortgage-backed securities in the ordinary course of a mortgage lending business,
- (g) the creation of a Permitted Lien and dispositions in connection with Permitted Liens,
- (h) any sale, transfer, conveyance, lease or other disposition that constitutes a Restricted Payment or Permitted Investment,
- (i) sales, transfers and other dispositions of Investments in joint ventures to the extent required by, or made pursuant to, customary buy/sell arrangements between the joint venture parties set forth in joint venture arrangements and similar binding arrangements,
- (j) the unwinding of any Hedging Obligations,
- (k) foreclosures, condemnation, eminent domain or any similar action on assets,
- (l) any financing transaction with respect to property built or acquired by the Company or any Restricted Subsidiary after the Issue Date,
- (m) any surrender or waiver of contractual rights or the settlement, release or surrender of contractual rights or other litigation claims in the ordinary course of business, and
- (n) the issuance of directors' qualifying shares and shares issued to foreign nationals or other third parties as required by applicable law.

"Attributable Debt" means, with respect to any Financing Lease Obligations, the capitalized amount thereof determined in accordance with GAAP.

"Authenticating Agent" refers to a Person engaged to authenticate the Notes in the stead of the Trustee.

"Bankruptcy Law" means title 11 of the United States Code, as amended, or any similar federal or state law for the relief of debtors.

"Board of Directors" means, when used with reference to the Issuer or the Company, as the case may be, the board of directors or any duly authorized committee of that board or any director or directors and/or officer or officers to whom that board or committee shall have duly delegated its authority.

"Business Day" means any day except a Saturday, Sunday or other day on which commercial banks in New York City or in the city where the Corporate Trust Office of the Trustee is located are authorized or required by law or regulation to close.

"Capital Stock" means, with respect to any Person, any and all shares, interests, participations or other equivalents (however designated) of or in such Person's capital stock or other equity interests, and options, rights or warrants to purchase such capital stock or other equity interests, whether now outstanding or issued after the Issue Date, including, without limitation, all Disqualified Stock and Preferred Stock, but excluding any debt security that is convertible into, or exchangeable for, Capital Stock.

“Cash Equivalents” means

- (a) U.S. dollars, Canadian dollars, euros, pounds sterling, any national currency of any participating member state in the European Union or local currencies held from time to time in the ordinary course of business;
- (b) securities issued or directly and fully guaranteed or insured by the U.S. government or any country that is a member state of the European Union or any agency or instrumentality thereof having maturities of one year or less from the date of acquisition;
- (c) certificates of deposit, time deposits, eurodollar time deposits, overnight bank deposits or bankers’ acceptances with maturities of one year or less from the date of acquisition, in each case with any domestic commercial bank having capital and surplus in excess of \$500.0 million;
- (d) marketable general obligations issued by any state of the United States of America or any political subdivision of any such state or any public instrumentality thereof maturing within one year from the date of acquisition and, at the time of acquisition, having a credit rating of at least “A” or the equivalent thereof by S&P or Moody’s, or carrying an equivalent rating by a nationally recognized Rating Agency, if both of the two named Rating Agencies cease publishing ratings of investments;
- (e) repurchase obligations for underlying securities of the types described in clauses (b), (c) and (d) of this definition entered into with any financial institution meeting the qualifications specified in clause (c) of this definition;
- (f) commercial paper rated P-1, A-1 or the equivalent thereof by Moody’s or S&P, respectively, and in each case maturing within one year after the date of acquisition;
- (g) investments with average maturities of one year or less from the date of acquisition in money market funds rated AAA- (or the equivalent thereof) or better by S&P or Aaa3 (or the equivalent thereof) or better by Moody’s; and
- (h) investments in investment companies or money market funds substantially all of the assets of which consist of securities described in the foregoing clauses (a) through (g) of this definition.

Notwithstanding the foregoing, Cash Equivalents shall include amounts denominated in currencies other than those set forth in clause (a) above; *provided* that such amounts are converted into any currency listed in clause (a) as promptly as practicable and in any event within ten business days following the receipt of such amounts.

“Cash Management Services” means any of the following to the extent not constituting a line of credit (other than an overnight overdraft facility that is not in default): ACH transactions, treasury and/or cash management services, including, without limitation, controlled disbursement services, overdraft facilities, foreign exchange facilities, deposit and other accounts and merchant services.

“cash transaction” has the meaning ascribed to it in Section 7.3(a) hereof.

“Certificate of Beneficial Ownership” means a certificate substantially in the form of Exhibit H.

“Certificated Note” means a Note in registered individual form without interest coupons.

“Change of Control” means:

(a) any sale, lease or other transfer (in one transaction or a series of transactions) of all or substantially all of the consolidated assets of the Company and its Restricted Subsidiaries to any Person (other than a Restricted Subsidiary); *provided, however*, that a transaction where the holders of all classes of Common Equity of the Company immediately prior to such transaction own, directly or indirectly, more than 50% of all classes of Common Equity of such Person immediately after such transaction shall not be a Change of Control;

(b) a **“person”** or **“group”** (within the meaning of Section 13(d) of the Exchange Act (other than (x) the Company or (y) the Permitted Hovnanian Holders)) becomes the **“beneficial owner”** (as defined in Rule 13d-3 under the Exchange Act) of Common Equity of the Company representing more than 50% of the voting power of the Common Equity of the Company; or

(c) the stockholders of the Company approve any plan or proposal for the liquidation or dissolution of the Company; *provided, however*, that a liquidation or dissolution of the Company which is part of a transaction that does not constitute a Change of Control under the proviso contained in clause (a) of this definition shall not constitute a Change of Control.

“Change of Control Offer” has the meaning ascribed to it in Section 3.1(c) hereof.

“Clearstream” means Clearstream Banking, société anonyme, Luxembourg and its successors and assigns.

“Collateral” means all property or assets of the Issuer and the Guarantors (whether now owned or hereafter arising or acquired) that secures Obligations with respect to the Notes and the Guarantees under the Security Documents.

“Collateral Agency Agreement” means the First Lien Collateral Agency Agreement, dated as of October 31, 2019, as amended, restated, supplemented or otherwise modified as of the Issue Date (including by the First Lien Joinder), among the Issuer, the Guarantors, Wilmington Trust, National Association, in its capacities as the Collateral Agent hereunder and as the Senior Credit Agreement Collateral Agent, the 1.25 Lien Collateral Agent, the 1.75 Pari Passu Lien Collateral Agent and the Joint First Lien Collateral Agent and any other representative of the holders of any other Obligations permitted to be incurred and secured under this Indenture, as such agreement may be further amended, restated, supplemented or otherwise modified from time to time, including by any other joinders thereto.

“Collateral Agent” means the party named as such in the preamble of this Indenture, including any agent appointed by the Collateral Agent to act in such capacity (which, for avoidance of doubt, includes the Joint First Lien Collateral Agent) and any successor acting in such capacity.

“Collateral Ratio” means the ratio of the aggregate fair market value of the Collateral (to the extent the Liens securing such Collateral have been perfected) (as determined in good faith by the Company’s chief financial officer) to the aggregate principal amount of Collateralized Debt as of such date of determination.

“Collateralized Debt” means (i) the aggregate principal amount of all outstanding Indebtedness and all letters of credit secured by Liens on the Collateral, plus (ii) the aggregate amount of all unfunded commitments under all revolving credit facilities or revolving lines of credit secured by Liens on the Collateral, plus (iii) without duplication, the aggregate principal amount of Indebtedness that at the time of determination would be permitted to be incurred under this Indenture and secured by Liens on the Collateral pursuant to clauses (i)(a) and (i)(e) under the definition of “Permitted Liens,” but excluding any such principal amount of potential Indebtedness to the extent any outstanding debt instrument of the Company or the Issuer would prohibit the incurrence of a Lien in respect thereof at such time, but in each case, excluding Indebtedness, letters of credit and unfunded commitments secured by Liens on the Collateral that rank junior to the Liens on the Collateral securing the Notes.

“Commission” means the Securities and Exchange Commission.

“**Common Equity**” of any Person means Capital Stock of such Person that is generally entitled to (a) vote in the election of directors of such Person or (b) if such Person is not a corporation, vote or otherwise participate in the selection of the governing body, partners, managers or others that will control the management or policies of such Person.

“**Company**” has the meaning ascribed to it in the preamble hereof and shall also refer to any successor obligor under this Indenture and its Guarantee(s).

“**Consolidated Cash Flow Available for Fixed Charges**” means, for any period, Consolidated Net Income for such period plus (each to the extent deducted in calculating such Consolidated Net Income and determined in accordance with GAAP) the sum for such period, without duplication, of:

(a) provision for taxes based on income or profits or capital gains, including, without limitation, U.S. federal, state, non-U.S., franchise, excise, value added and similar taxes and foreign withholding taxes of such Person paid or accrued during such period, including any penalties and interest relating to such taxes or arising from any tax examinations,

(b) Consolidated Interest Expense,

(c) depreciation and amortization expenses and other non-cash charges to earnings,

(d) any fees, expenses, charges or losses (other than depreciation or amortization expense) related to any Equity Offering, Permitted Investment, acquisition, disposition, recapitalization or the incurrence of Indebtedness permitted to be incurred by the Indenture (including a refinancing thereof) (whether or not successful), including (i) such fees, expenses or charges related to the issuance of the Notes and (ii) any amendment or other modification of the Notes or other Indebtedness,

(e) any other non-cash charges, including any write-offs, write-downs, expenses, losses or items, excluding any such charge that represents an accrual or reserve for a cash expenditure for a future period,

(f) costs of surety bonds incurred in such period in connection with financing activities,

(g) any costs or expense incurred by the Company, the Issuer or a Restricted Subsidiary pursuant to any management equity plan or stock option plan or any other management or employee benefit plan or agreement or any stock subscription or shareholder agreement, to the extent that such cost or expenses are funded with cash proceeds contributed to the capital of the Company or net cash proceeds of an issuance of Qualified Stock solely to the extent that such net cash proceeds are excluded from the calculation set forth in clause (iii) of Section 4.7(a),

(h) effects of adjustments (including the effects of such adjustments pushed down to the Company and its Restricted Subsidiaries) in any line item in such Person’s consolidated financial statements in accordance with GAAP resulting from the application of purchase accounting, or the amortization or write-off of any amounts thereof, net of taxes,

(i) any impairment charge, asset write-off or write-down pursuant to ASC 350 and ASC 360 (formerly Financial Accounting Standards Board Statement Nos. 142 and 144, respectively) and the amortization of intangibles arising pursuant to ASC 805 (formerly Financial Accounting Standards Board Statement No. 141), and

(j) cash receipts (or any netting arrangements resulting in reduced cash expenses) not included in Consolidated Cash Flow Available for Fixed Charges in any period to the extent non-cash gains relating to such receipts were deducted in the calculation of Consolidated Cash Flow Available for Fixed Charges pursuant to clause (k) below for any previous period and not added back, *minus*

(k) non-cash gains increasing Consolidated Net Income for such period, excluding any non-cash gains which represent the reversal of any accrual of, or cash reserve for, anticipated cash charges that reduced Consolidated Cash Flow Available for Fixed Charges in any prior period; *provided* that, to the extent non-cash gains are deducted pursuant to this clause (k) for any previous period and not otherwise added back to Consolidated Cash Flow Available for Fixed Charges, Consolidated Cash Flow Available for Fixed Charges shall be increased by the amount of any cash receipts (or any netting arrangements resulting in reduced cash expenses) in respect of such non-cash gains received in subsequent periods to the extent not already included therein, and *plus* or *minus* (as applicable and without duplication) to eliminate the following items to the extent reflected in Consolidated Net Income,

(l) (i) any net gain or loss resulting in such period from currency gains or losses related to Indebtedness, intercompany balances and other balance sheet items, and (ii) any unrealized net gain or loss resulting in such period from Hedging Obligations, and the application of Financial Accounting Standards Codification No. 815—Derivatives and Hedging (formerly Financing Accounting Standards Board Statement No. 133), and its related pronouncements and interpretations (or any successor provision).

“**Consolidated Fixed Charge Coverage Ratio**” means, with respect to any determination date, the ratio of (x) Consolidated Cash Flow Available for Fixed Charges for the prior four full fiscal quarters (the “**Four Quarter Period**”) for which financial results have been reported immediately preceding the determination date (the “**Transaction Date**”), to (y) the aggregate Consolidated Interest Incurred for the Four Quarter Period. For purposes of this definition, “**Consolidated Cash Flow Available for Fixed Charges**” and “**Consolidated Interest Incurred**” shall be calculated after giving effect on a *pro forma* basis for the period of such calculation to:

(a) the incurrence or the repayment, repurchase, redemption, retirement, defeasance or other discharge or the assumption by another Person that is not an Affiliate (collectively, “**repayment**”) of any Indebtedness of the Company, the Issuer or any Restricted Subsidiary (and the application of the proceeds thereof) giving rise to the need to make such calculation, and any incurrence or repayment of other Indebtedness (and the application of the proceeds thereof), at any time on or after the first day of the Four Quarter Period and on or prior to the Transaction Date, as if such incurrence or repayment, as the case may be (and the application of the proceeds thereof), occurred on the first day of the Four Quarter Period, except that Indebtedness under revolving credit facilities shall be deemed to be the average daily balance of such Indebtedness during the Four Quarter Period (as reduced on such *pro forma* basis by the application of any proceeds of the incurrence of Indebtedness giving rise to the need to make such calculation);

(b) any Asset Disposition, Asset Acquisition (including, without limitation, any Asset Acquisition giving rise to the need to make such calculation as a result of the Company, the Issuer or any Restricted Subsidiary (including any Person that becomes a Restricted Subsidiary as a result of any such Asset Acquisition) incurring Acquired Indebtedness at any time on or after the first day of the Four Quarter Period and on or prior to the Transaction Date), Investment, merger or consolidation as if such Asset Disposition, Asset Acquisition (including the incurrence or repayment of any such Indebtedness), Investment, merger or consolidation and the inclusion, notwithstanding clause (b) of the definition of “Consolidated Net Income,” of any Consolidated Cash Flow Available for Fixed Charges associated with such Asset Acquisition or other transaction occurred on the first day of the Four Quarter Period; *provided, however*, that the Consolidated Cash Flow Available for Fixed Charges associated with any Asset Acquisition or other transaction shall not be included to the extent the net income so associated would be excluded pursuant to the definition of “Consolidated Net Income,” other than clause (b) thereof, as if it applied to the Person or assets involved before they were acquired; and

(c) the Consolidated Cash Flow Available for Fixed Charges and the Consolidated Interest Incurred attributable to discontinued operations, as determined in accordance with GAAP, shall be excluded.

Furthermore, in calculating “Consolidated Cash Flow Available for Fixed Charges” for purposes of determining the denominator (but not the numerator) of this “Consolidated Fixed Charge Coverage Ratio,”

- (a) interest on Indebtedness in respect of which a *pro forma* calculation is required that is determined on a fluctuating basis as of the Transaction Date (including Indebtedness actually incurred on the Transaction Date) and which will continue to be so determined thereafter shall be deemed to have accrued at a fixed rate per annum equal to the rate of interest on such Indebtedness in effect on the Transaction Date, and,
- (b) notwithstanding the immediately preceding clause (a), interest on such Indebtedness determined on a fluctuating basis, to the extent such interest is covered by agreements relating to Interest Protection Agreements, shall be deemed to accrue at the rate per annum resulting after giving effect to the operation of such agreements.

“**Consolidated Interest Expense**” of the Company for any period means the Interest Expense of the Company, the Issuer and the Restricted Subsidiaries for such period, determined on a consolidated basis in accordance with GAAP.

“**Consolidated Interest Incurred**” for any period means the Interest Incurred of the Company, the Issuer and the Restricted Subsidiaries for such period, determined on a consolidated basis in accordance with GAAP.

“**Consolidated Net Income**” for any period means the aggregate net income (or loss) of the Company and its Subsidiaries for such period, determined on a consolidated basis in accordance with GAAP; *provided*, that there will be excluded from such net income (loss) (to the extent otherwise included therein), without duplication:

(a) the net income (or loss) of (x) any Unrestricted Subsidiary (other than a Mortgage Subsidiary) or (y) any Person (other than a Restricted Subsidiary or a Mortgage Subsidiary) that is accounted for by the equity method of accounting, except, in each case, to the extent that any such income has actually been received by the Company, the Issuer or any Restricted Subsidiary in the form of cash dividends or similar cash distributions during such period,

(b) except to the extent includable in Consolidated Net Income pursuant to clause (a) of this definition, the net income (or loss) of any Person that accrued prior to the date that (i) such Person becomes a Restricted Subsidiary or is merged with or into or consolidated with the Company, the Issuer or any of its Restricted Subsidiaries (except, in the case of an Unrestricted Subsidiary that is redesignated a Restricted Subsidiary during such period, to the extent of its retained earnings from the beginning of such period to the date of such redesignation) or (ii) the assets of such Person are acquired by the Company or any Restricted Subsidiary,

(c) solely for the purpose of determining the amount available for Restricted Payments under clause (iii) of Section 4.7(a), the net income of any Restricted Subsidiary that is not a Guarantor to the extent that (but only so long as) the declaration or payment of dividends or similar distributions by such Restricted Subsidiary of that income is not permitted by operation of the terms of its charter or any agreement, instrument, judgment, decree, order, statute, rule or governmental regulation applicable to that Restricted Subsidiary during such period, except, the net income of any such Restricted Subsidiary for such period will be included in such Consolidated Net Income up to the aggregate amount of cash that could have been distributed by such Restricted Subsidiary during such period to the Company or another Restricted Subsidiary as a dividend,

(d) the gains or losses, together with any related provision for taxes, realized during such period by the Company, the Issuer or any Restricted Subsidiary resulting from (i) the acquisition of securities, or extinguishment of Indebtedness or Hedging Obligations or other derivative instruments (including deferred financing costs written off and premiums paid), of the Company or any Restricted Subsidiary, (ii) any Asset Disposition by the Company or any Restricted Subsidiary, (iii) any non-cash income (or loss) related to currency gains or losses related to Indebtedness, intercompany balances and other balance sheet items and to Hedging Obligations pursuant to Financial Accounting Standards Codification No. 815—Derivatives and Hedging (formerly Financing Accounting Standards Board Statement No. 133) and its related pronouncements and interpretations (or any successor provision) and (iv) any non-cash expense, income or loss attributable to the movement in mark-to-market valuation of foreign currencies, Indebtedness or derivative instruments pursuant to GAAP,

(e) any unusual and infrequent or non-recurring gain or loss (but excluding any impairment charges), in each case, less all fees and expenses relating thereto and any expenses, severance, relocation costs, curtailments or modifications to pension and post-retirement employee benefits plans, integration and other restructuring and business optimization costs, charges, reserves or expenses (including relating to acquisitions after the Issue Date), and one-time compensation charges together with any related provision for taxes, realized by the Company, the Issuer or any Restricted Subsidiary,

(f) the cumulative effect of a change in accounting principles and changes as a result of adoption or modification of accounting policies during such period,

(g) any net after-tax gains or losses on disposal of disposed, abandoned, transferred, closed or discontinued operations,

(h) any after-tax effect of gains or losses (less all fees and expenses relating thereto) attributable to asset dispositions or abandonments other than in the ordinary course of business, as determined in good faith by the Company,

(i) (i) any non-cash compensation expense recorded from grants of stock appreciation or similar rights, phantom equity, stock options, restricted stock, units or other rights to officers, directors, managers or employees and (ii) non-cash income (loss) attributable to deferred compensation plans or trusts,

(j) any fees and expenses incurred during such period, or any amortization thereof for such period, in connection with any acquisition, investment, recapitalization, Asset Disposition, issuance or repayment of Indebtedness, issuance of Capital Stock, refinancing transaction or amendment or modification of any debt instrument (in each case, including any such transaction consummated prior to the Issue Date and any such transaction undertaken but not completed) and any charges or non-recurring merger costs incurred during such period as a result of any such transaction, and

(k) to the extent covered by insurance or indemnification and actually reimbursed, or, so long as the Issuer has made a determination that there exists reasonable evidence that such amount will in fact be reimbursed by the insurer or indemnifying party and only to the extent that such amount is (i) not denied by the applicable carrier or indemnifying party in writing within 180 days and (ii) in fact reimbursed within 365 days of the date of such evidence (with a deduction for any amount so added back to the extent not so reimbursed within 365 days), losses and expenses with respect to liability or casualty events or business interruption shall be excluded;

provided, further, that for purposes of calculating Consolidated Net Income solely as it relates to clause (iii) of Section 4.7(a), clauses (d)(ii) and (h) above shall not be applicable.

“**Consolidated Tangible Assets**” of the Company as of any date means the total amount of assets of the Company and its Restricted Subsidiaries (less applicable reserves) on a consolidated basis at the end of the fiscal quarter for which financial results have been reported immediately preceding such date, as determined in accordance with GAAP, less: (a) non-recourse mortgages secured by inventory, net of debt issuance costs, (b) liabilities from inventory not owned, net of debt issuance costs, (c) any deferred tax assets and any valuation allowance recorded with respect thereto, (d) Intangible Assets and (e) appropriate adjustments on account of minority interests of other Persons holding equity investments in Restricted Subsidiaries, in the case of each of clauses (a) through (e) above, as reflected on the consolidated balance sheet of the Company and its Restricted Subsidiaries as of the end of the fiscal quarter immediately preceding such date, with such pro forma adjustments to Consolidated Tangible Assets as are appropriate and consistent with the pro forma adjustment provisions set forth in the definition of “Consolidated Fixed Charge Coverage Ratio.”

“**Consolidated Total Debt**” of the Company means, on any date of determination, the aggregate amount of Indebtedness of the Company, the Issuer and Restricted Subsidiaries incurred under (without duplication): (x) Section 4.6(a) *plus* (y) Sections 4.6(b)(ii) and 4.6(b)(iii) *plus* (z) clauses (a), (b), (c), (g), (k), (n) and (u) of the definition of “Permitted Indebtedness” outstanding on the applicable date of determination. For purposes of calculating the Secured Debt Leverage Ratio, all amounts committed but not yet incurred under the Specified Credit Facility or the Reserved Indebtedness Amount shall be deemed to have been incurred.

“**control**” when used with respect to any Person, means the power to direct the management and policies of such Person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise; and the terms “**controlling**” and “**controlled**” have meanings correlative to the foregoing.

“**Corporate Trust Office**” means the office of the Trustee at which the corporate trust business of the Trustee is principally administered, which at the date of this Indenture is located at 246 Goose Lane, Suite 105, Guilford, CT 06437.

“**Covenant Defeasance**” has the meaning ascribed to it in Section 8.2 hereof.

“**Credit Facilities**” means, with respect to the Company, the Issuer or any of its Restricted Subsidiaries, one or more debt facilities or other financing arrangements (including, without limitation, commercial paper facilities or indentures) providing for revolving credit loans, bonds, term loans, letters of credit or other long-term indebtedness, including any notes, mortgages, guarantees, collateral documents, instruments and agreements executed in connection therewith, and any amendments, supplements, modifications, extensions, renewals, restatements or refundings thereof and any indentures or credit facilities or commercial paper facilities that exchange, replace, refund, refinance, extend, renew, restate, amend, supplement or modify any part of the loans, notes, other credit facilities or commitments thereunder, including any such exchanged, replacement, refunding, refinancing, extended, renewed, restated, amended, supplemented or modified facility or indenture that increases the amount permitted to be borrowed thereunder or alters the maturity thereof (provided that such increase in borrowings is permitted under Section 4.6 hereof) or adds the Company, the Issuer or Restricted Subsidiaries as additional borrowers or guarantors thereunder and whether by the same or any other agent, trustee, lender, holder, beneficial owner or group of lenders, holders or beneficial owners.

“**Currency Agreement**” of any Person means any foreign exchange contract, currency swap agreement or other similar agreement or arrangement designed to protect such Person or any of its Subsidiaries against fluctuations in currency values. For the avoidance of doubt, any Permitted Convertible Indebtedness Call Transaction will not constitute a Currency Agreement.

“**Custodian**” means any receiver, trustee, assignee, liquidator or similar official under any Bankruptcy Law.

“**Default**” means any event, act or condition that is, or after notice or the passage of time or both would be, an Event of Default.

“**Depositary**” means the depositary of each Global Note, which will initially be DTC.

“**Designation Amount**” has the meaning ascribed to it in the definition of “Unrestricted Subsidiary.”

“**Disqualified Stock**” means any Capital Stock that, by its terms (or by the terms of any security into which it is convertible or for which it is exchangeable), or upon the happening of any event, (a) matures or is mandatorily redeemable, pursuant to a sinking fund obligation or otherwise, or is redeemable at the option of the holder thereof, in whole or in part, on or prior to the final maturity date of the Notes or (b) is convertible into or exchangeable or exercisable for (whether at the option of the issuer or the holder thereof) (i) debt securities or (ii) any Capital Stock referred to in (a) above, in each case, at any time prior to the final maturity date of the Notes; *provided, however*, that any Capital Stock that would not constitute Disqualified Stock but for provisions thereof giving holders thereof (or the holders of any security into or for which such Capital Stock is convertible, exchangeable or exercisable) the right to require the Company to repurchase or redeem such Capital Stock upon the occurrence of a change in control or asset disposition occurring prior to the final maturity date of the Notes shall not constitute Disqualified Stock if the asset disposition or change in control provision applicable to such Capital Stock are no more favorable to such holders than the provisions of Section 4.10 or Section 4.12 hereof (as applicable) and such Capital Stock specifically provides that the Company will not repurchase or redeem any such Capital Stock pursuant to such provisions prior to the Company’s repurchase of the Notes as are required pursuant to the provisions of Section 4.10 or Section 4.12 hereof (as applicable).

“**DTC**” means The Depository Trust Company and its successors and assigns.

“**DTC Legend**” means the legend set forth in Exhibit D.

“**Equity Offering**” means any public or private sale, after the Issue Date, of Qualified Stock of the Company, other than (i) an issuance by or to any Subsidiary, (ii) public offerings registered on Form S-4 or S-8 or any successor form thereto or (iii) any issuance pursuant to employee benefit plans or otherwise in compensation to officers, directors or employees.

“**Euroclear**” means Euroclear Bank S.A./N.V. and its successors or assigns, as operator of the Euroclear System.

“**Event of Default**” has the meaning ascribed to it in Section 5.1 hereof.

“**Exchange Act**” means the Securities Exchange Act of 1934, as amended.

“**Excluded Property**” means (a) to the extent the Notes are required to be registered pursuant to this Indenture or applicable law, rule or regulation or are registered with the consent of Holders of a majority in principal amount of the outstanding Notes, any pledges of stock issued by the Issuer, any Guarantor or any JV Holding Company to the extent that Rule 3-16 of Regulation S-X under the Securities Act requires or would require (or is replaced with another rule or regulation, or any other law, rule or regulation is adopted, that would require) the filing with the Commission of separate financial statements of the Issuer, such Guarantor or JV Holding Company that are not otherwise required to be filed, but only to the extent necessary to not be subject to such requirement, (b) up to \$50.0 million of assets received in connection with Asset Dispositions and asset swaps or exchanges as permitted by clause (c) of the definition of “Permitted Investment”; *provided* that such assets are not of a character that would be Collateral and the Company is not able to obtain a Lien on such assets in favor of the Collateral Agent for the benefit of the Holders of the Notes after the use of reasonable efforts, (c) personal property where the cost of obtaining a security interest or perfection thereof exceeds its benefits (as reasonably determined by the Company’s Board of Directors in a board resolution delivered to the Collateral Agent), (d) assets securing Purchase Money Indebtedness, Non-Recourse Indebtedness and Refinancing Non-Recourse Indebtedness to the extent the terms of such Indebtedness prohibit the incurrence of any other Liens thereon; *provided* that the Company uses reasonable efforts to obtain Liens on the assets securing such Indebtedness, in favor of the Collateral Agent for the benefit of the Holders of the Notes, that is junior to the Liens securing such Indebtedness and otherwise consistent with priorities set forth in the First Lien Intercreditor Agreement, (e) real property located outside the United States, (f) Unentitled Land, (g) equity interests in Unrestricted Subsidiaries, except for JV Holding Companies, (h) any property in a community under development with a dollar amount of investment as of the most recent month-end (as determined in accordance with GAAP) of less than \$2.0 million or with less than 10 lots remaining, (i) any assets or property excluded from the Collateral pursuant to clause (ii) of the proviso of Article 2 of the Security Agreement and (j) up to \$25.0 million of cash or cash equivalents that are pledged to secure obligations permitted to be secured pursuant to clause (d) of the definition of “Permitted Liens” if, after the use of reasonable efforts by the Company to obtain a Lien on such cash or cash equivalents in favor of the Collateral Agent for the benefit of the Holders of the Notes, the holders of the obligations secured by such cash and cash equivalents do not consent to the granting of such Liens.

“Excluded Subsidiary” means (i) each non-wholly owned Subsidiary and (ii) each Subsidiary of the Company (other than the Issuer) that has a book value of less than \$2.0 million, measured at the end of the most recently completed fiscal year for which financial statements have been provided as set forth under Section 4.15 hereof (or if acquired or created subsequent to such delivery, measured at the most recent practicable date (or estimated in the reasonable judgment of the Company)); *provided* that in each case, such Subsidiary has not guaranteed any other Applicable Debt of the Company or the Issuer; *provided, further*, that in no event shall Excluded Subsidiaries comprise in the aggregate more than 2.0% of the Consolidated Tangible Assets, measured at the end of the most recently completed fiscal year for which financial statements have been provided as set forth under Section 4.15 hereof.

“Existing Jurisdiction” has the meaning ascribed to it in Section 4.18(c) hereof.

“Existing Unsecured Indebtedness” means (i) the Issuer’s 13.5% Senior Notes due 2026 and 5.0% Senior Notes, each issued pursuant to an indenture dated as of February 1, 2018, as amended or supplemented from time to time, among the Issuer, the guarantors party thereto and Wilmington Trust, National Association, as trustee, (ii) obligations under the Issuer’s \$212,500,000 Credit Agreement, dated as of January 29, 2018, as amended or supplemented from time to time, among the Issuer, the guarantors party thereto, the lenders party thereto and Wilmington Trust, National Association, as administrative agent and (iii) the 8.000% Senior Notes.

“expiration date” has the meaning ascribed to it in Section 3.5(b) hereof.

“Fair Market Value” means, with respect to any asset, the price (after taking into account any liabilities relating to such assets) that would be negotiated in an arm’s-length transaction for cash between a willing seller and a willing and able buyer, neither of which is under any compulsion to complete the transaction, as such price is determined in good faith by the Board of Directors of the Company or a duly authorized committee thereof, as evidenced by a resolution of such Board of Directors or committee.

“Financing Lease Obligations” of any Person means the obligations of such Person that is required to be accounted for as a financing or capital lease (and, for the avoidance of doubt, not a straight-line or operating lease) on both the balance sheet and income statement for financial reporting purposes in accordance with GAAP. At the time any determination thereof is to be made, the amount of the liability in respect of a financing or capital lease would be the amount required to be reflected as a liability on such balance sheet (excluding the footnotes thereto) in accordance with GAAP.

“First Lien Intercreditor Agreement” means the First Lien Intercreditor Agreement, dated as of October 31, 2019, as amended, restated, supplemented or otherwise modified as of the Issue Date (including by the First Lien Joinder), among the Issuer, the Guarantors, Wilmington Trust, National Association, in its capacities as the Trustee and the Collateral Agent hereunder, the Senior Credit Agreement Collateral Agent, the 1.25 Lien Trustee, the 1.25 Lien Collateral Agent, the 1.75 Lien Trustee, the 1.75 Pari Passu Lien Collateral Agent and the Joint First Lien Collateral Agent (each as defined therein) and any other representative of the holders of any other Obligations permitted to be incurred and secured under this Indenture, as such agreement may be further amended, restated, supplemented or otherwise modified from time to time, including by any other joinders thereto.

“First Lien Joinder” means the Joinder, dated as of the Issue Date, to the First Lien Collateral Agency Agreement and the First Lien Intercreditor Agreement, among Wilmington Trust, National Association, in its capacities as Trustee and Collateral Agent, with receipt acknowledged by the other first lien representatives and first lien collateral agents parties to the Collateral Agency Agreement and the First Lien Intercreditor Agreement.

“**GAAP**” means generally accepted accounting principles set forth in the opinions and pronouncements of the Accounting Principles Board of the American Institute of Certified Public Accountants and statements and pronouncements of the Financial Accounting Standards Board or in such other statements by such other entity as may be approved by a significant segment of the accounting profession of the United States, as in effect from time to time.

“**Global Note**” means a Note in registered, global form without interest coupons.

“**Guarantee**” means the guarantee of the Notes by each Guarantor under this Indenture.

“**guarantee**” means any obligation, contingent or otherwise, of any Person directly or indirectly guaranteeing any Indebtedness of any other Person and, without limiting the generality of the foregoing, any obligation, direct or indirect, contingent or otherwise, of such Person: (a) to purchase or pay (or advance or supply funds for the purchase or payment of) such Indebtedness of such other Person (whether arising by virtue of partnership arrangements, or by agreement to keep-well, to purchase assets, goods, securities or services, to take-or-pay, or to maintain financial statement conditions or otherwise) or (b) entered into for purposes of assuring in any other manner the obligee of such Indebtedness of the payment thereof or to protect such obligee against loss in respect thereof, in whole or in part; *provided*, that the term “**guarantee**” does not include endorsements for collection or deposit in the ordinary course of business. The term “**guarantee**” used as a verb has a corresponding meaning.

“**Guarantors**” means (a) initially, the Company and each of the other Guarantors signatory hereto as set forth on Schedule A hereto, and (b) each of the Company’s Subsidiaries that becomes a Guarantor of the Notes pursuant to the provisions of this Indenture, and their successors, in each case, until released from its respective Guarantee pursuant to this Indenture.

“**Hedging Obligations**” means, with respect to any Person, the obligations of such Person under any Interest Protection Agreement, commodity swap agreement, commodity cap agreement, commodity collar agreement, Currency Agreement or similar agreement providing for the transfer or mitigation of interest rate, commodity price or currency risks either generally or under specific contingencies.

“**Holder**”, “**Holders**”, “**Holder of Notes**” or “**Holders of Notes**” means the Person or each Person in whose name a Note is registered in the books of the applicable Registrar for the Notes.

“**incurrence**” has the meaning ascribed to it in Section 4.6(a) hereof.

“**Indebtedness**” of any Person means, without duplication,

(a) any liability of such Person (i) for borrowed money or under any reimbursement obligation relating to a letter of credit or other similar instruments (other than standby letters of credit or similar instruments issued for the benefit of, or surety, performance, completion or payment bonds, earnest money notes or similar purpose undertakings or indemnifications issued by, such Person in the ordinary course of business), (ii) evidenced by a bond, note, debenture or similar instrument (including a purchase money obligation) given in connection with the acquisition of any businesses, properties or assets of any kind or with services incurred in connection with capital expenditures (other than any obligation to pay a contingent purchase price which, as of the date of incurrence thereof, is not required to be recorded as a liability in accordance with GAAP), or (iii) in respect of Financing Lease Obligations (to the extent of the Attributable Debt in respect thereof),

(b) any Indebtedness of others that such Person has guaranteed to the extent of the guarantee; *provided, however*, that Indebtedness of the Company and its Restricted Subsidiaries will not include the obligations of the Company or a Restricted Subsidiary under warehouse lines of credit of Mortgage Subsidiaries to repurchase mortgages at prices no greater than 98% of the principal amount thereof, and upon any such purchase the excess, if any, of the purchase price thereof over the Fair Market Value of the mortgages acquired, will constitute Restricted Payments subject to Section 4.7 hereof,

(c) to the extent not otherwise included, the obligations of such Person under Hedging Obligations to the extent recorded as liabilities not constituting Interest Incurred, net of amounts recorded as assets in respect of such obligations, in accordance with GAAP, and

(d) all Indebtedness of others secured by a Lien on any asset of such Person, whether or not such Indebtedness is assumed by such Person;

provided, that Indebtedness shall not include accounts payable, liabilities to trade creditors of such Person or other accrued expenses arising in the ordinary course of business or completion guarantees entered into in the ordinary course of business. The amount of Indebtedness of any Person at any date shall be (i) the outstanding balance at such date of all unconditional obligations as described above, net of any unamortized discount to be accounted for as Interest Expense, in accordance with GAAP, (ii) the maximum liability of such Person for any contingent obligations under clause (a) of this definition at such date, net of an unamortized discount to be accounted for as Interest Expense in accordance with GAAP, (iii) in the case of clause (c) above, zero if permitted under clause (f) of the definition of “Permitted Indebtedness” or, otherwise, the net termination amount payable in respect thereof, and (iv) in the case of clause (d) above, the lesser of (x) the fair market value of any asset subject to a Lien securing the Indebtedness of others on the date that the Lien attaches and (y) the amount of the Indebtedness secured.

For the avoidance of doubt, obligations of any Person under a Permitted Bond Hedge transaction or a Permitted Warrant transaction shall be deemed not to constitute Indebtedness.

“**Indenture**” means this indenture, as amended or supplemented from time to time.

“**Initial Notes**” means the Notes of the Issuer issued under this Indenture on the Issue Date and any Notes issued in replacement thereof.

“**Institutional Accredited Investor Certificate**” means a certificate substantially in the form of Exhibit J hereto.

“**Intangible Assets**” of the Company means all unamortized debt discount and expense, unamortized deferred charges, goodwill, patents, trademarks, service marks, trade names, copyrights and all other items (other than any deferred tax assets) which would be treated as intangibles on the consolidated balance sheet of the Company and its Restricted Subsidiaries prepared in accordance with GAAP.

“**Intercreditor Agreements**” means, collectively, the First Lien Intercreditor Agreement and the Junior Lien Intercreditor Agreement.

“**Interest Expense**” of any Person for any period means, without duplication, the aggregate amount of (a) interest which, in conformity with GAAP, would be set opposite the caption “interest expense” or any like caption on an income statement for such Person (including, without limitation, imputed interest included in Financing Lease Obligations, all commissions, discounts and other fees and charges owed with respect to letters of credit and bankers’ acceptance financing, the net costs (but reduced by net gains) associated with Currency Agreements and Interest Protection Agreements, amortization of other financing fees and expenses, the interest portion of any deferred payment obligation, amortization of discount or premium, if any, and all other noncash interest expense (other than interest and other charges amortized to cost of sales)), and (b) all interest actually paid by the Company or a Restricted Subsidiary under any guarantee of Indebtedness (including, without limitation, a guarantee of principal, interest or any combination thereof) of any Person other than the Company, the Issuer or any Restricted Subsidiary during such period; *provided*, that Interest Expense shall exclude any expense associated with the complete write-off of financing fees and expenses in connection with the repayment of any Indebtedness.

“**Interest Incurred**” of any Person for any period means, without duplication, the aggregate amount of (a) Interest Expense and (b) all capitalized interest and amortized debt issuance costs.

“**Interest Payment Date**” means each March 30 and September 30 of each year, commencing March 30, 2024.

“**Interest Protection Agreement**” of any Person means any interest rate swap agreement, interest rate collar agreement, option or futures contract or other similar agreement or arrangement designed to protect such Person or any of its Subsidiaries against fluctuations in interest rates with respect to Indebtedness permitted to be incurred under this Indenture. For the avoidance of doubt, any Permitted Convertible Indebtedness Call Transaction will not constitute an Interest Protection Agreement.

“**Investment Grade**” means, with respect to a debt rating of the Notes, a rating of Baa3 (or the equivalent) or higher by Moody’s together with a rating of BBB- (or the equivalent) or higher by S&P or, in the event S&P or Moody’s or both shall cease rating the Notes (for reasons outside the control of the Company or the Issuer) and the Company shall select any other Rating Agency, the equivalent of such ratings by such other Rating Agency.

“**Investments**” of any Person means (a) all investments by such Person in any other Person in the form of loans, advances or capital contributions, (b) all guarantees of Indebtedness of any other Person by such Person, (c) all purchases (or other acquisitions for consideration) by such Person of Indebtedness, Capital Stock or other securities of any other Person and (d) all other items that would be classified as investments in any other Person (including, without limitation, purchases of assets outside the ordinary course of business) on a balance sheet of such Person prepared in accordance with GAAP.

“**Issue Date**” means October 5, 2023.

“**Issuer**” has the meaning ascribed to it in the preamble hereof and shall also refer to any successor obligor under this Indenture.

“**Joint First Lien Collateral Agent**” means Wilmington Trust, National Association, in its capacity as Joint First Lien Collateral Agent under the Collateral Agency Agreement.

“**Junior Lien Indebtedness**” has the meaning ascribed to it in Section 4.16.

“**Junior Lien Intercreditor Agreement**” means any intercreditor agreement setting forth the relative priority of Liens securing the Obligations subject to the First Lien Intercreditor Agreement, on the one hand, and the Second Lien Obligations, on the other hand, which shall be on substantially the same terms as the First Lien Intercreditor Agreement (with the Notes being treated as senior priority obligations under such intercreditor agreement), including with respect to the release of Guarantees and Collateral (or on terms not materially less favorable to the Holders as established by the Officer’s Certificate delivered pursuant to the terms of Section 9.1 hereof), in a form reasonably satisfactory to the Issuer, the Guarantors and Wilmington Trust, National Association, in its capacities as the Trustee and the Collateral Agent hereunder and as the Joint First Lien Collateral Agent.

“**JV Holding Company**” means a Subsidiary of JV Holdings, the only material asset of which constitutes Capital Stock of one or more joint ventures owned on the Issue Date or Permitted Joint Ventures in existence on the Issue Date or acquired or formed after the Issue Date; *provided* that neither JV Holdings nor K. Hovnanian JV Services Company, L.L.C. shall be deemed a JV Holding Company.

“**JV Holdings**” means K. Hovnanian JV Holdings, L.L.C.

“**L/C Collateral**” means cash and cash equivalents that secure obligations permitted to be secured pursuant to clause (d) of the definition of “Permitted Liens”.

“**Land Banking Collateral Sales**” has the meaning ascribed to it in the definition of “Asset Disposition”.

“**Land Banking Transaction**” means an arrangement relating to Property now owned or hereafter acquired whereby the Company, the Issuer or a Restricted Subsidiary sells such Property to a Person (other than the Company, the Issuer or a Restricted Subsidiary) and the Company, the Issuer or a Restricted Subsidiary, as applicable, has an option to purchase such Property back on a specified schedule.

“**Legal Defeasance**” has the meaning ascribed to it in Section 8.1 hereof.

“**Lien**” means, with respect to any Property, any mortgage, lien, pledge, charge, security interest or encumbrance of any kind in respect of such Property. For purposes of this definition, a Person shall be deemed to own, subject to a Lien, any Property which it has acquired or holds subject to the interest of a vendor or lessor under any conditional sale agreement, capital lease or other title retention agreement relating to such Property.

“**Make-Whole Amount**” has the meaning ascribed to it in Section 3.1(a) hereof.

“**Marketable Securities**” means (a) equity securities that are listed on the New York Stock Exchange, the NYSE MKT or The Nasdaq Stock Market and (b) debt securities that are rated by a nationally recognized rating agency, listed on the New York Stock Exchange, the NYSE MKT or covered by at least two reputable market makers.

“**Moody’s**” means Moody’s Investors Service, Inc. or any successor to its debt rating business.

“**Mortgage**” means the mortgages, deeds of trust, deed to secure debts, or similar instruments in favor of the Collateral Agent, granting liens and security interests in the real property owned by the Company, the Issuer or any Guarantor to secure the Indebtedness and related Obligations under the Notes and the Guarantees, as each may be amended, restated, supplemented, or otherwise modified from time to time.

“**Mortgage Subsidiary**” means any Subsidiary of the Company substantially all of whose operations consist of the mortgage lending business.

“**Most Recent Fiscal Quarter**” means the most recently completed fiscal quarter for which financial statements have been provided pursuant to Section 4.15 hereof.

“**Net Cash Proceeds**” means with respect to an Asset Disposition, payments received in cash (including any such payments received by way of deferred payment of principal pursuant to a note or installment receivable or otherwise (including any cash received upon sale or disposition of such note or receivable), but only as and when received), excluding any other consideration received in the form of assumption by the acquiring Person of Indebtedness or other obligations relating to the Property disposed of in such Asset Disposition or received in any other non-cash form unless and until such non-cash consideration is converted into cash therefrom, in each case, net of all legal, title and recording tax expenses, commissions and other fees and expenses incurred, and all federal, state and local taxes required to be accrued as a liability under GAAP as a consequence of such Asset Disposition, and in each case, net of a reasonable reserve for the after-tax cost of any indemnification or other payments (fixed and contingent) attributable to the seller’s indemnities or other obligations to the purchaser undertaken by the Company, the Issuer or any of its Restricted Subsidiaries in connection with such Asset Disposition, and net of all payments made on any Indebtedness which is secured by or relates to such Property (other than Indebtedness secured by Liens on the Collateral) in accordance with the terms of any Lien or agreement upon or with respect to such Property or which such Indebtedness must by its terms or by applicable law be repaid out of the proceeds from such Asset Disposition, and net of all contractually required distributions and payments made to minority interest holders in Restricted Subsidiaries or joint ventures as a result of such Asset Disposition.

“**New Secured Notes**” means, collectively, the Notes and the 1.25 Lien Notes.

“**Non-Recourse Indebtedness**” with respect to any Person means Indebtedness of such Person for which (a) the sole legal recourse for collection of principal and interest on such Indebtedness is against the specific property, including for the avoidance of doubt, assets directly related thereto or derived therefrom, identified in the instruments evidencing or securing such Indebtedness or other property of such Person financed pursuant to the Credit Facility of such Person under which such Indebtedness was incurred (*provided* that the aggregate principal amount of the total Indebtedness shall not exceed the purchase price or cost (including financing costs) of the properties financed thereby), (b) such properties were acquired (directly or indirectly, including through the purchase of Capital Stock of the Person owning such property), constructed or improved with the proceeds of such Indebtedness or such Indebtedness was incurred within 365 days after the acquisition (directly or indirectly, including through the purchase of Capital Stock of the Person owning such property) or completion of such construction or improvement and (c) no other assets of such Person may be realized upon in collection of principal or interest on such Indebtedness. Indebtedness which is otherwise Non-Recourse Indebtedness will not lose its character as Non-Recourse Indebtedness because there is recourse to the borrower, any guarantor or any other Person for (i) environmental warranties, covenants and indemnities, (ii) indemnities for and liabilities arising from fraud, misrepresentation, misapplication or non-payment of rents, profits, deposits, insurance and condemnation proceeds and other sums actually received by the borrower from secured assets to be paid to the lender, waste and mechanics’ liens, breach of separateness covenants, and other customary exceptions, (iii) in the case of the borrower thereof only, other obligations in respect of such Indebtedness that are payable solely as a result of a voluntary or collusive non-voluntary bankruptcy filing (or similar filing or action) by such borrower or (iv) similar customary “bad-boy” guarantees.

“**Non-Recourse Indebtedness Amount**” has the meaning ascribed to it in Section 4.6(b) hereof.

“**Non-U.S. Person**” means a Person that is not a “U.S. person,” as such term is defined in Regulation S.

“**Notes**” has the meaning ascribed to it in the Recitals hereof.

“**Obligations**” means with respect to any Indebtedness, all obligations (whether in existence on the Issue Date or arising afterwards, absolute or contingent, direct or indirect) for or in respect of principal (when due, upon acceleration, upon redemption, upon mandatory repayment or repurchase pursuant to a mandatory offer to purchase, or otherwise), premium, interest, penalties, fees, indemnification, reimbursement and other amounts payable and liabilities with respect to such Indebtedness, including all interest accrued or accruing after the commencement of any bankruptcy, insolvency or reorganization or similar case or proceeding at the contract rate (including, without limitation, any contract rate applicable upon default) specified in the relevant documentation, whether or not the claim for such interest is allowed as a claim in such case or proceeding.

“**offer**” has the meaning ascribed to it in Section 3.5(a) hereof.

“**Offer to Purchase**” has the meaning ascribed to it in Section 3.5(a) hereof.

“**Officer**,” when used with respect to the Issuer or the Company, means the chairman of the Board of Directors, the president or chief executive officer, any vice president, the chief financial officer, the treasurer, any assistant treasurer, the controller, any assistant controller, the secretary or any assistant secretary of the Issuer or the Company, as the case may be.

“**Officer’s Certificate**,” when used with respect to the Issuer or the Company, means a certificate signed by the chairman of the Board of Directors, the president, the chief executive officer, any vice president, the chief financial officer, the treasurer, any assistant treasurer, the controller, any assistant controller, the secretary or any assistant secretary of the Issuer or the Company, as the case may be.

“**Opinion of Counsel**” means a written opinion signed by legal counsel of the Issuer or the Company, who may be an employee of, or counsel to, the Issuer or the Company, and who shall be reasonably satisfactory to the Trustee.

“**Original Issue Discount Legend**” means the legend set forth in Exhibit G.

“**Pari Secured Debt Obligations**” has the meaning ascribed to it in subclause (i)(a) of the definition of “Permitted Liens”.

“**Paying Agent**” refers to a Person engaged to perform the obligations of the Trustee in respect of payments made or funds held hereunder in respect of the Notes.

“**Permanent Regulation S Global Note**” means a Regulation S Global Note that does not bear the Regulation S Temporary Global Note Legend.

“**Permitted Bond Hedge**” means any call or capped call option (or substantively equivalent derivative transaction) on the Company’s Capital Stock purchased by the Company, the Issuer or any Restricted Subsidiary in connection with the issuance of any Permitted Convertible Indebtedness; *provided* that the purchase price for such Permitted Bond Hedge, less the proceeds received by the Company, the Issuer or the Restricted Subsidiaries from the sale of any related Permitted Warrant, does not exceed the net proceeds received by the Company, the Issuer or the Restricted Subsidiaries from the sale of such Permitted Convertible Indebtedness issued in connection with the Permitted Bond Hedge.

“**Permitted Convertible Indebtedness**” means Indebtedness of the Company, the Issuer or any Restricted Subsidiary permitted to be incurred under the terms of this Indenture that is either (a) convertible or exchangeable into Capital Stock of the Company (and cash in lieu of fractional shares) and/or cash (in an amount determined by reference to the price of such Capital Stock) or (b) sold as units with call options, warrants or rights to purchase (or substantively equivalent derivative transactions) that are exercisable for Capital Stock of the Company and/or cash (in an amount determined by reference to the price of such Capital Stock).

“**Permitted Convertible Indebtedness Call Transaction**” means any Permitted Bond Hedge and any Permitted Warrant.

“**Permitted Hovnanian Holders**” means, collectively, Ara K. Hovnanian, the members of his immediate family and the members of the immediate family of the late Kevork S. Hovnanian, the respective estates, spouses, heirs, ancestors, lineal descendants, legatees and legal representatives of any of the foregoing and the trustee of any *bona fide* trust of which one or more of the foregoing are the sole beneficiaries or the grantors thereof, or any entity of which any of the foregoing, individually or collectively, beneficially own more than 50% of the Common Equity. Any Person or group whose acquisition of beneficial ownership constitutes a Change of Control in respect of which a Change of Control Offer is made in accordance with the requirements of the Indenture (or would result in a Change of Control Offer in the absence of the waiver of such requirement by Holders in accordance with the Indenture) will thereafter constitute Permitted Hovnanian Holders.

“**Permitted Indebtedness**” means:

(a) Indebtedness under (i) any Credit Facilities in an aggregate principal amount outstanding at any one time (including for the purposes of determining amounts outstanding under this clause (a)(i), the 1.25 Lien Notes (and the guarantees thereof) and any Refinancing Indebtedness in respect of Indebtedness incurred or deemed incurred under this clause (a)(i) (and any subsequently incurred Refinancing Indebtedness with respect to Refinancing Indebtedness included in this clause (a)(i) for purposes of determining amounts outstanding under this clause (a)(i))) not to exceed (x) \$430.0 million plus (y) “additional notes” issued under the 1.25 Lien Notes Indenture to Specified Persons in an aggregate principal amount not to exceed the Additional 1.25 Lien Notes Amount and (ii) any Specified Credit Facility (and the guarantees thereof), in an aggregate amount outstanding at any one time and at the stated maturity thereof not to exceed \$125.0 million;

(b) Indebtedness incurred under (i) any Credit Facilities in an aggregate principal amount outstanding at any one time (including for the purposes of determining amounts outstanding under this clause (b)(i), the Notes and any Additional Notes (and Guarantees thereof) and any Refinancing Indebtedness in respect of Indebtedness incurred or deemed incurred under this clause (b)(i) (and any subsequently incurred Refinancing Indebtedness with respect to Refinancing Indebtedness included in this clause (b)(i) for purposes of determining amounts outstanding under this clause (b)(i))) not to exceed \$225.0 million and (ii) prior to November 20, 2023, the 1.75 Lien Notes not to exceed \$159.0 million (and the guarantees thereof);

(c) Indebtedness outstanding on the Issue Date, excluding Indebtedness constituting Permitted Indebtedness pursuant to clauses (a), (b), (d) through (s) and (u) of this definition, which shall be deemed to be incurred pursuant to such clauses;

(d) Indebtedness in respect of obligations of the Company and its Subsidiaries to the trustees under indentures for debt securities;

(e) intercompany debt obligations of (i) the Company to the Issuer, (ii) the Issuer to the Company, (iii) the Company or the Issuer to any Subsidiary Guarantor and (iv) any Restricted Subsidiary to the Company or the Issuer or any other Subsidiary Guarantor; *provided, however*, that any Indebtedness of any Subsidiary Guarantor or the Issuer or the Company owed to any Subsidiary Guarantor or the Issuer that ceases to be a Subsidiary Guarantor shall be deemed to be incurred and shall be treated as an incurrence for purposes of Section 4.6 hereof at the time the Subsidiary Guarantor in question ceases to be a Subsidiary Guarantor;

(f) Indebtedness of the Company or the Issuer or any Subsidiary Guarantor under Hedging Obligations, in the case of any Currency Agreements or Interest Protection Agreements in a notional amount no greater than the payments due (at the time the related Currency Agreement or Interest Protection Agreement is entered into) with respect to the Indebtedness or currency being hedged, to the extent entered into in the ordinary course of business and not for speculative purposes;

(g) Purchase Money Indebtedness and Financing Lease Obligations entered into in the ordinary course of business in an aggregate principal amount (including for purposes of determining amounts outstanding under this clause (g), any Refinancing Indebtedness in respect thereof (and any subsequently incurred Refinancing Indebtedness with respect to Refinancing Indebtedness included in this clause (g) for purposes of determining amounts outstanding under this clause (g))) at any one time outstanding not to exceed \$30.0 million;

(h) obligations for, pledge of assets in respect of, and guaranties of, bond financings of political subdivisions or enterprises thereof in the ordinary course of business;

(i) [reserved];

(j) Indebtedness under warehouse lines of credit, repurchase agreements and Indebtedness secured only by mortgage loans and related assets of mortgage lending Subsidiaries in the ordinary course of a mortgage lending business;

(k) Indebtedness under any Credit Facilities in an aggregate principal amount outstanding under this clause (k) at any one time (including for purposes of determining amounts outstanding under this clause (k), the Existing Unsecured Indebtedness (and guarantees thereof) and any Refinancing Indebtedness in respect of Indebtedness incurred or deemed incurred under this clause (k) (and any subsequently incurred Refinancing Indebtedness with respect to Refinancing Indebtedness included in this clause (k) for purposes of determining amounts outstanding under this clause (k))) not to exceed \$247.0 million;

(l) obligations in respect of self-insurance, performance, bid, appeal and surety bonds and completion guarantees and similar obligations provided by the Company or any Restricted Subsidiary or obligations in respect of letters of credit, bank guarantees or similar instruments related thereto, in each case, in the ordinary course of business;

(m) [reserved];

(n) Indebtedness under any Credit Facilities in an aggregate principal amount outstanding under this clause (n) at any one time (including for purposes of determining amounts outstanding under this clause (n), the 1.75 Lien Term Loan (and the guarantees thereof) and any Refinancing Indebtedness in respect of Indebtedness incurred or deemed incurred under this clause (n) (and any subsequently incurred Refinancing Indebtedness with respect to Refinancing Indebtedness included in this clause (n) for purposes of determining amounts outstanding under this clause (n))) not to exceed \$400.0 million;

(o) Indebtedness arising from the honoring by a bank or other financial institution of a check, draft or similar instrument drawn against insufficient funds in the ordinary course of business;

(p) Indebtedness of the Company or any Restricted Subsidiary supported by a letter of credit (which letter of credit is incurred pursuant to another clause hereof (other than clause (l) of this definition)), in a principal amount not in excess of the stated amount of such letter of credit;

(q) Indebtedness of the Company or any Restricted Subsidiary consisting of (i) the financing of insurance premiums or (ii) take or pay obligations contained in supply arrangements, in each case incurred in the ordinary course of business;

(r) Indebtedness of the Company or any of its Restricted Subsidiaries in respect of Cash Management Services;

(s) obligations (other than Indebtedness for borrowed money) of the Company or any of its Restricted Subsidiaries under an agreement with any governmental authority, quasi-governmental entity, utility, adjoining (or common master plan) landowner or seller of real property, in each case entered into in the ordinary course of business in connection with the acquisition of real property, to entitle, develop or construct infrastructure thereupon;

(t) the incurrence by the Company or any Restricted Subsidiary of Indebtedness deemed to exist pursuant to the terms of a joint venture agreement as a result of a failure of the Company or such Restricted Subsidiary to make a required capital contribution therein; *provided* that the only recourse on such Indebtedness is limited to the Company's or such Restricted Subsidiary's equity interests in the related joint venture; and

(u) Indebtedness of the Company, the Issuer or a Subsidiary Guarantor which, together with all other Indebtedness under this clause (u), does not exceed \$75.0 million aggregate principal amount outstanding at any one time (including for purposes of determining amounts outstanding under this clause (u), any Refinancing Indebtedness in respect thereof (or of such Refinancing Indebtedness), which Refinancing Indebtedness shall be deemed to have been incurred under this clause (u)).

"Permitted Investment" means

(a) Cash Equivalents;

(b) any Investment in the Company, the Issuer or any Subsidiary Guarantor or any Person that becomes a Subsidiary Guarantor as a result of such Investment or that is consolidated or merged with or into, or transfers all or substantially all of the assets of it or an operating unit or line of business to, the Company or a Subsidiary Guarantor;

(c) any receivables, loans or other consideration taken by the Company, the Issuer or any Restricted Subsidiary in connection with any asset sale otherwise permitted by this Indenture; *provided* that non-cash consideration received in an Asset Disposition or an exchange or swap of assets shall be pledged as Collateral under the Security Documents to the extent the assets subject to such Asset Disposition or exchange or swap of assets constituted Collateral, with the Lien on such Collateral securing the Notes being of the same priority with respect to the Notes as the Lien on the assets disposed of; *provided, further*, that notwithstanding the foregoing clause, if such assets are not of a character that would be Collateral and the Company is not able to obtain a Lien on such assets in favor of the Collateral Agent for the benefit of the Holders of the Notes after the use of reasonable efforts, up to an aggregate of \$50.0 million of (x) non-cash consideration and consideration received as referred to in Section 4.10(b)(ii), (y) assets invested pursuant to Section 4.10(c) and (z) assets received pursuant to clause (d) under the definition of “Asset Disposition” may be designated by the Company or the Issuer as Excluded Property not required to be pledged as Collateral;

(d) Investments received in connection with any bankruptcy or reorganization proceeding, or as a result of foreclosure, perfection or enforcement of any Lien or any judgment or settlement of any Person in exchange for or satisfaction of Indebtedness or other obligations or other property received from such Person, or for other liabilities or obligations of such Person created, in accordance with the terms of this Indenture;

(e) Investments in Hedging Obligations described in the definition of “Permitted Indebtedness”;

(f) any loan or advance to an executive officer, director or employee of the Company or any Restricted Subsidiary made in the ordinary course of business or in accordance with past practice; *provided, however*, that any such loan or advance exceeding \$1.0 million shall have been approved by the Board of Directors of the Company or a committee thereof consisting of disinterested members;

(g) Investments in interests in issuances of collateralized mortgage obligations, mortgages, mortgage loan servicing, or other mortgage related assets;

(h) obligations of the Company or a Restricted Subsidiary under warehouse lines of credit of Mortgage Subsidiaries to repurchase mortgages;

(i) Investments in an aggregate amount at any time outstanding not to exceed the greater of (x) \$20.0 million and (y) 1.4% of Consolidated Tangible Assets (measured at the time made and without giving effect to subsequent changes in value);

(j) Guarantees issued in accordance with Section 4.6 hereof;

(k) Investments in existence on the Issue Date (other than Restricted Payments described in Section 4.7(b)(xii)) not otherwise constituting Permitted Investments pursuant to clause (b) above;

(l) Permitted Bond Hedges which constitute Investments;

(m) extensions of trade credit and credit in connection with the sale of land owned by the Company or a Restricted Subsidiary which is zoned by the applicable governmental authority having jurisdiction for construction and use as a detached or attached (including town homes or condominium) single-family house (but excluding mobile homes), or the sale of a detached or attached (including town homes or condominium) single-family house (but excluding mobile homes) owned by the Company or a Restricted Subsidiary which is completed or for which there has been a start of construction and which has been or is being constructed on any such land;

(n) obligations (but not payments thereon) with respect to homeowners association obligations, community facility district bonds, metro district bonds, mello-roos bonds and subdivision improvement bonds and similar bonding requirements arising in the ordinary course of business of a homebuilder;

(o) guarantee obligations, including completion guarantee or indemnification obligations (other than for the payment of borrowed money) entered into in the ordinary course of business and incurred for the benefit of any adjoining landowner, lender, seller of real property or municipal government authority (or enterprises thereof) in connection with the acquisition, construction, subdivision, entitlement and development of real property;

(p) Investments the payment for which consists of Qualified Stock of the Company; *provided* that such Qualified Stock will not increase the amount available for Restricted Payments under clause (iii) of Section 4.7(a);

(q) advances, loans or extensions of trade credit in the ordinary course of business by the Company or any of the Restricted Subsidiaries;

(r) intercompany current liabilities owed by or to Unrestricted Subsidiaries or joint ventures incurred in the ordinary course of business in connection with the cash management operations of the Company and its Subsidiaries; and

(s) insurance, lease, utility and workers' compensation, performance and other similar deposits made in the ordinary course of business.

"Permitted Joint Venture" means any joint venture between the Issuer, the Company or any of its Subsidiaries, on the one hand, and any other person that is not an affiliate of the Company, on the other; *provided* that (i) such joint venture is solely engaged in the business of the development, construction and sale of homes and has no assets, liabilities or operations other than those reasonably related to such business, and (ii) such person owns no Capital Stock or other equity interests in the Issuer or any of its Restricted Subsidiaries and owns no Indebtedness (except in the case of the Company, any Applicable Debt that constitutes "capital markets" or bank lending Indebtedness) and makes no Investments in the Company or any of its Restricted Subsidiaries.

"Permitted Liens" means

(a) Liens for taxes, assessments or governmental or quasi-governmental charges or claims that (i) are not yet delinquent for a period of more than 30 days, (ii) are being contested in good faith by appropriate proceedings and as to which appropriate reserves have been established or other provisions have been made in accordance with GAAP, if required, or (iii) encumber solely property abandoned or in the process of being abandoned;

(b) statutory Liens of landlords and carriers', warehousemen's, mechanics', suppliers', materialmen's, repairmen's or other Liens imposed by law and arising in the ordinary course of business and with respect to amounts that, to the extent applicable, either (i) are not yet delinquent for a period of more than 30 days or (ii) are being contested in good faith by appropriate proceedings and as to which appropriate reserves have been established or other provisions have been made in accordance with GAAP, if required;

(c) Liens (other than any Lien imposed by the Employer Retirement Income Security Act of 1974, as amended) incurred or deposits made in the ordinary course of business in connection with workers' compensation, unemployment insurance and other types of social security or similar legislation or other insurance related obligations (including, but not limited to, in respect of deductibles, self-insured retention amounts and premiums and adjustments thereto) or indemnification obligations of (including obligations in respect of letters of credit or bank guarantees for the benefit of) insurance carriers providing property, casualty or liability insurance, or good faith deposits in connection with bids, tenders, contracts (other than for the payment of Indebtedness) or leases to which such Person is a party, or deposits to secure public or statutory obligations of such Person or deposits of cash or U.S. government bonds to secure surety, stay, customs or appeal bonds to which such Person is a party, or deposits as security for contested taxes or import duties or for the payment of rent, performance and return-of-money bonds and other similar obligations (including letters of credit issued in lieu of any such bonds or to support the issuance thereof and including those to secure health, safety and environmental obligations);

(d) Liens incurred or deposits made to secure the performance of tenders, bids, leases, statutory obligations, surety and appeal bonds, development obligations, progress payments, government contracts, utility services, developer's or other obligations to make on-site or off-site improvements and other obligations of like nature (exclusive of obligations for the payment of borrowed money but including the items referred to in the parenthetical in clause (a)(i) of the definition of "Indebtedness"), in each case incurred in the ordinary course of business of the Company, the Issuer and the Restricted Subsidiaries;

(e) attachment or judgment Liens not giving rise to a Default or an Event of Default;

(f) easements, dedications, assessment district or similar Liens in connection with municipal or special district financing, rights-of-way, restrictions, reservations and other similar charges, burdens, and other similar charges or encumbrances not materially interfering with the ordinary course of business of the Company, the Issuer and the Restricted Subsidiaries;

(g) zoning restrictions, licenses, restrictions on the use of real property or minor irregularities in title thereto, which do not materially impair the use of such real property in the ordinary course of business of the Company, the Issuer and the Restricted Subsidiaries;

(h) Liens securing Indebtedness incurred pursuant to clause (j) of the definition of "Permitted Indebtedness";

(i) Liens on the Collateral and other assets not constituting Collateral pursuant to clause (a) of the definition of "Excluded Property" securing:

(a) (i) Indebtedness incurred or deemed incurred under clause (b)(i) of the definition of "Permitted Indebtedness" and (ii) any Refinancing Indebtedness in respect thereof (and any subsequently incurred Refinancing Indebtedness in respect of any such Refinancing Indebtedness) (Indebtedness so secured under clauses (a)(i) and (ii), collectively, the "**Pari Secured Debt Obligations**"); *provided* that the Liens incurred pursuant to this clause (a) shall rank equal to or junior to the Liens securing the Notes pursuant to the terms of the First Lien Intercreditor Agreement, the Junior Lien Intercreditor Agreement or other intercreditor agreement that is substantially similar to such intercreditor agreements (in the case of any junior Liens, with the Notes being treated as senior priority obligations thereunder), as applicable;

(b) (i) Indebtedness incurred or deemed incurred under clause (a)(i) of the definition of "Permitted Indebtedness" and (ii) any Refinancing Indebtedness in respect thereof (and any subsequently incurred Refinancing Indebtedness in respect of any such Refinancing Indebtedness), *provided* that the Liens incurred pursuant to this clause (b) shall rank junior to the Liens securing the Notes pursuant to the terms of the First Lien Intercreditor Agreement, the Junior Lien Intercreditor Agreement or other intercreditor agreement that is substantially similar to such intercreditor agreements (with the Notes being treated as senior priority obligations thereunder), as applicable;

(c) Indebtedness incurred or deemed incurred under clause (b)(ii) of the definition of "Permitted Indebtedness", *provided* that the Liens incurred pursuant to this clause (c) shall rank junior to the Liens securing the Notes pursuant to the terms of the First Lien Intercreditor Agreement (with the Notes being treated as senior priority obligations thereunder);

(d) (i) Indebtedness incurred or deemed incurred under clause (n) of the definition of "Permitted Indebtedness" and (ii) any Refinancing Indebtedness in respect thereof (and any subsequently incurred Refinancing Indebtedness in respect of any such Refinancing Indebtedness), *provided* that the Liens incurred pursuant to this clause (d) shall rank junior to the Liens securing the Notes pursuant to the terms of the First Lien Intercreditor Agreement, the Junior Lien Intercreditor Agreement or other intercreditor agreement that is substantially similar to such intercreditor agreements (with the Notes being treated as senior priority obligations thereunder), as applicable;

(e) Indebtedness under clause (a)(ii) of the definition of “Permitted Indebtedness”, *provided* that the Liens incurred pursuant to this clause (e) may secure Senior Priority Lien Obligations;

(f) [reserved]; and

(g) any other Indebtedness (including Refinancing Indebtedness) permitted to be incurred under this Indenture in an aggregate amount at any time outstanding not to exceed \$100.0 million; *provided* that the Liens securing any such Indebtedness incurred pursuant to this clause (g) shall rank junior to the Liens on the Collateral securing the Notes pursuant to the terms of the Junior Lien Intercreditor Agreement (with the Notes being treated as senior priority obligations thereunder), as applicable;

(j) Liens securing Non-Recourse Indebtedness and Refinancing Non-Recourse Indebtedness of the Company, the Issuer or any Restricted Subsidiary; *provided*, that such Liens apply only to (i) the property financed, constructed or improved with the proceeds of such Non-Recourse Indebtedness, and, including for the avoidance of doubt, assets directly related thereto or derived therefrom or other property of the Company, the Issuer or any Restricted Subsidiary financed pursuant to the Credit Facility of such person under which the Non-Recourse Indebtedness or Refinancing Non-Recourse Indebtedness was incurred, or (ii) licenses, permits, authorizations, consent forms or contracts related to the acquisition, development, use or improvement of such property; *provided*, that the Company uses reasonable efforts to obtain Liens on the assets securing such Indebtedness, in favor of the Collateral Agent for the benefit of the Holders of the Notes, that is junior to the Liens securing such Indebtedness and otherwise consistent with priorities set forth in the First Lien Intercreditor Agreement;

(k) Liens securing Purchase Money Indebtedness; *provided*, that such Liens apply only to (i) the property financed, designed, installed, constructed, leased or improved with the proceeds of such Purchase Money Indebtedness, and, including for the avoidance of doubt, assets directly related thereto or derived therefrom or other property of the Company, the Issuer or any Restricted Subsidiary financed pursuant to the Credit Facility of such person under which the Purchase Money Indebtedness was incurred, or (ii) licenses, permits, authorizations, consent forms or contracts related to the acquisition, development, use or improvement of such property;

(l) Liens on property or assets of the Company, the Issuer or any Subsidiary Guarantor securing Indebtedness of the Company, the Issuer or any Subsidiary Guarantor owing to the Company, the Issuer or one or more Subsidiary Guarantors;

(m) leases, subleases, licenses or sublicenses (including of intellectual property) granted to others not materially interfering with the ordinary course of business of the Company and the Restricted Subsidiaries;

(n) Financing Lease Obligations; *provided*, that such Liens apply only to the Property acquired and the related Indebtedness is incurred within 365 days after the acquisition of such Property;

(o) any right of first refusal, right of first offer, option, contract or other agreement to sell an asset; *provided* that such sale is not otherwise prohibited under this Indenture;

(p) any right of a lender or lenders to which the Company, the Issuer or a Restricted Subsidiary may be indebted to offset against, or appropriate and apply to the payment of such, Indebtedness and any and all balances, credits, deposits, accounts or money of the Company, the Issuer, or a Restricted Subsidiary with or held by such lender or lenders or its Affiliates;

(q) any pledge or deposit of cash or property in conjunction with obtaining surety, performance, completion or payment bonds and letters of credit or other similar instruments or providing earnest money obligations, escrows or similar purpose undertakings or indemnifications in the ordinary course of business of the Company, the Issuer and the Restricted Subsidiaries;

(r) Liens for homeowner, condominium, property owner association developments and similar fees, assessments and other payments;

(s) Liens securing Refinancing Indebtedness (except Liens securing Refinancing Indebtedness in respect of Indebtedness secured pursuant to clause (i) under this definition); *provided*, that such Liens extend only to the assets securing the Indebtedness being refinanced and have the same or junior priority as the initial Liens;

(t) Liens incurred in the ordinary course of business as security for the obligations of the Company, the Issuer and the Restricted Subsidiaries with respect to indemnification in respect of title insurance providers;

(u) Liens on property of a Person existing at the time such Person is merged with or into or consolidated with the Company or any Subsidiary of the Company or becomes a Subsidiary of the Company; *provided*, that such Liens were in existence prior to the contemplation of such merger or consolidation or acquisition and do not extend to any assets other than those of the Person merged into or consolidated with the Company or the Subsidiary or acquired by the Company or its Subsidiaries;

(v) Liens on property existing at the time of acquisition thereof by the Company or any Subsidiary of the Company, *provided*, that such Liens were in existence prior to the contemplation of such acquisition;

(w) Liens existing on the Issue Date (other than Liens securing Obligations under Indebtedness secured pursuant to clause (i) under this definition) and any extensions, renewals, refinancings or replacements thereof;

(x) Liens on specific items of inventory or other goods and proceeds of any Person securing such Person's obligations in respect of bankers' acceptances issued or created for the account of such Person to facilitate the purchase, shipment or storage of such inventory or other goods;

(y) pledges, deposits and other Liens existing under, or required to be made in connection with, (i) earnest money obligations, escrows or similar purpose undertakings or indemnifications in connection with any purchase and sale agreement, (ii) development agreements or other contracts entered into with governmental authorities (or an entity sponsored by a governmental authority) in connection with the entitlement of real property or (iii) agreements for the funding of infrastructure, including in respect of the issuance of community facility district bonds, metro district bonds, subdivision improvement bonds and similar bonding requirements arising in the ordinary course of business of a homebuilder;

(z) Liens securing obligations of the Company or any Restricted Subsidiary to any third party in connection with any option, repurchase right or right of first refusal to purchase real property granted to the master developer or the seller of real property that arises as a result of the non-use or non-development of such real property by the Company or any Restricted Subsidiary and joint development agreements with third parties to perform and/or pay for or reimburse the costs of construction and/or development related to or benefiting property (and additions, accessions, improvements and replacements and customary deposits in connection therewith and proceeds and products therefrom) of the Company or any Restricted Subsidiary and property belonging to such third parties, in each case entered into in the ordinary course of business; *provided* that such Liens do not at any time encumber any property, other than the property (and additions, accessions, improvements and replacements and customary deposits in connection therewith and proceeds and products therefrom) financed by such Indebtedness and the proceeds and products thereof;

- (aa) Liens securing Hedging Obligations and Cash Management Services permitted to be incurred under this Indenture, so long as the related Indebtedness is, and is permitted under this Indenture to be, secured by a Lien on the same property securing such Hedging Obligations or Cash Management Services;
- (bb) Liens arising from Uniform Commercial Code (or equivalent statute) financing statement filings regarding operating leases or consignments entered into by the Company or any Restricted Subsidiary in the ordinary course of business;
- (cc) Liens in favor of the Issuer or any Guarantor;
- (dd) deposits made or other security provided to secure liabilities to insurance carriers under insurance or self-insurance arrangements in the ordinary course of business;
- (ee) Liens in favor of customs and revenue authorities arising as a matter of law to secure payment of customs duties in connection with the importation of goods in the ordinary course of business;
- (ff) Liens (i) of a collection bank arising under Section 4-210 of the Uniform Commercial Code or any comparable or successor provision on items in the course of collection, and (ii) in favor of banking or other financial institutions or electronic payment service providers arising as a matter of law encumbering deposits (including the right of set-off) and which are within the general parameters customary in the banking or finance industry;
- (gg) the rights reserved or vested in any Person by the terms of any lease, license, grant or permit held by the Company or any of its Restricted Subsidiaries or by a statutory provision, to terminate any such lease, license, grant or permit, or to require annual or periodic payments as a condition to the continuance thereof;
- (hh) restrictive covenants affecting the use to which real property may be put; *provided* that the covenants are complied with;
- (ii) security given to a public utility or any municipality or governmental authority when required by such utility or authority in connection with the operations of that Person in the ordinary course of business;
- (jj) zoning by-laws and other land use restrictions, including, without limitation, site plan agreements, development agreements and contract zoning agreements;
- (kk) Liens arising out of conditional sale, title retention, consignment or similar arrangements for sale of goods entered into by the Company or any Restricted Subsidiary in the ordinary course of business;
- (ll) Liens on the Equity Interests of a Mortgage Subsidiary securing Indebtedness of the type set forth under clause (j) of the definition of "Permitted Indebtedness";
- (mm) [Reserved];
- (nn) any encumbrance or restriction (including put and call arrangements) with respect to capital stock of any joint venture or similar arrangement pursuant to any joint venture or similar agreement, to the extent that such encumbrance or restriction does not secure Indebtedness;
- (oo) Liens on property or assets used to defease or to irrevocably satisfy and discharge Indebtedness; *provided* that such defeasance or satisfaction and discharge is not prohibited by the Indenture;
- (pp) easements, rights-of-way, dedications, covenants, conditions, restrictions, reservations and assessment district or similar Liens in connection with municipal or special district financing, agreements with adjoining landowners or state or local government authorities, quasi-governmental entities or utilities and other similar charges or encumbrances incurred in the ordinary course of business and which do not, in the aggregate, materially interfere with the ordinary course of business of the Company and its Subsidiaries; and

(qq) Liens securing obligations not to exceed \$25.0 million at any one time outstanding; *provided* that any Liens on the Collateral securing any Indebtedness (or Obligations in respect thereof) incurred pursuant to this clause (qq) shall rank junior to the Liens securing the Notes pursuant to the terms of the First Lien Intercreditor Agreement, the Junior Lien Intercreditor Agreement or other intercreditor agreement that is substantially similar to such intercreditor agreements (with the Notes being treated as senior priority obligations thereunder), as applicable.

For purposes of determining compliance with this definition of “Permitted Liens”, (x) a Lien need not be incurred solely by reference to one category of Permitted Liens described in this definition but may be incurred under any combination of such categories (including in part under one such category and in part under any other such category) and (y) in the event that a Lien (or any portion thereof) meets the criteria of one or more of such categories of Permitted Liens, the Issuer shall, in its sole discretion, classify or reclassify such Lien (or any portion thereof) in any manner that complies with this definition.

“**Permitted Warrant**” means any call option on, warrant or right to purchase (or substantively equivalent derivative transaction) the Company’s Capital Stock sold by the Company, the Issuer or any Restricted Subsidiary substantially concurrently with any purchase by the Company, the Issuer or any Restricted Subsidiary of a related Permitted Bond Hedge.

“**Person**” means any individual, corporation, partnership, limited liability company, joint venture, incorporated or unincorporated association, joint stock company, trust, unincorporated organization or government or any agency or political subdivision thereof.

“**Pledge Agreement**” means the 1.125 Lien Pledge Agreement, dated as of the Issue Date, among the Issuer and the Guarantors, in favor of the Collateral Agent and the Joint First Lien Collateral Agent for the benefit of itself, the Trustee and the Holders, as amended, restated, supplemented or otherwise modified from time to time.

“**Preferred Stock**” of any Person means all Capital Stock of such Person which has a preference in liquidation or with respect to the payment of dividends.

“**Prepay**”, “**Prepaid**” and “**Prepayment**” have the meanings ascribed to them in Section 4.16 hereof.

“**Prepayment Indebtedness**” has the meaning ascribed to it in Section 4.16 hereof.

“**Property**” of any Person means all types of real, personal, tangible, intangible or mixed property owned by such Person, whether or not included in the most recent consolidated balance sheet of such Person and its Subsidiaries under GAAP.

“**purchase amount**” has the meaning ascribed to it in Section 3.5(b) hereof.

“**purchase date**” has the meaning ascribed to it in Section 3.5(b) hereof.

“**Purchase Money Indebtedness**” means Indebtedness of the Company, the Issuer or any Restricted Subsidiary incurred for the purpose of financing all or any part of the purchase price, or the cost of design, installation, construction, lease or improvement, of any property to be used in the business of the Company, the Issuer and the Restricted Subsidiaries; *provided, however*, that (a) the aggregate principal amount of such Indebtedness shall not exceed such purchase price or cost (including financing costs) and (b) such Indebtedness shall be incurred no later than 365 days after the acquisition of such property or completion of such design, installation, construction, lease or improvement.

“**Qualified Stock**” means Capital Stock of the Company other than Disqualified Stock.

“**Rating Agency**” means a statistical rating agency or agencies, as the case may be, nationally recognized in the United States and selected by the Company (as certified by a resolution of the Board of Directors of the Company) which shall be substituted for S&P or Moody’s, or both, as the case may be.

“**Real Estate Business**” means homebuilding, housing construction, real estate development or construction and the sale of homes and related real estate activities, including the provision of mortgage financing or title insurance.

“**Record Date**” for the interest payable on any Interest Payment Date means the March 15 or September 15 (whether or not a Business Day) immediately preceding such Interest Payment Date.

“**Refinancing Indebtedness**” means Indebtedness that refunds, refinances or extends any Indebtedness of the Company, the Issuer or any Restricted Subsidiary (excluding Non-Recourse Indebtedness or Permitted Indebtedness described under clauses (a)(ii), (b)(ii), (d), (e), (f), (h), (j), (l) and (o) through (t) of the definition thereof), but only to the extent that:

(a) the Refinancing Indebtedness is subordinated, if at all, to the Notes or the Guarantees, as the case may be, to the same extent as the Indebtedness being refunded, refinanced or extended;

(b) the Refinancing Indebtedness is scheduled to mature either (x) no earlier than the Indebtedness being refunded, refinanced or extended or (y) no earlier than 91 days after the maturity date of the Notes;

(c) the portion, if any, of the Refinancing Indebtedness that is scheduled to mature on or prior to the maturity date of the Notes has a Weighted Average Life to Maturity at the time such Refinancing Indebtedness is incurred that is equal to or greater than the Weighted Average Life to Maturity of the portion of the Indebtedness being refunded, refinanced or extended that is scheduled to mature on or prior to the maturity date of the Notes;

(d) such Refinancing Indebtedness is in an aggregate principal amount that is equal to or less than the aggregate principal amount then outstanding under the Indebtedness being refunded, refinanced or extended (plus all accrued interest thereon and the amount of any premiums (including tender premiums) and fees, costs and expenses incurred in connection with the refinancing thereof);

(e) such Refinancing Indebtedness, if secured, is (x) secured only by Permitted Liens at the time of such refinancing, refunding or extension (it being understood that secured Indebtedness may be refinanced with unsecured Indebtedness and unsecured Indebtedness may be refinanced with secured Indebtedness) and (y) to the extent the Indebtedness being refunded, refinanced or extended was not secured by any assets other than the Collateral, such Refinancing Indebtedness is not secured by any assets other than the Collateral; and

(f) such Refinancing Indebtedness may not be incurred or guaranteed by any Person that is not the Issuer or a Guarantor hereunder;

provided, that for purposes of determining the principal amount outstanding under clauses (a)(i), (b)(i), (g), (k), (n) and (u) of “Permitted Indebtedness” and clauses (i) and (qq) of “Permitted Liens”, the principal amount referred to in such clauses shall be calculated excluding any principal amount that was incurred in respect of amounts set forth in the parenthetical in clause (d) of this definition and such principal amount shall nonetheless be permitted under such clauses.

“**Refinancing Non-Recourse Indebtedness**” has the meaning ascribed to it in Section 4.6(b) hereof.

“**Register**” has the meaning ascribed to it in Section 2.9(a) hereof.

“**Registrar**” means a Person engaged to maintain the Register.

“**Regulation S**” means Regulation S under the Securities Act.

“**Regulation S Certificate**” means a certificate substantially in the form of Exhibit E hereto.

“**Regulation S Global Note**” means a Global Note representing Notes issued and sold pursuant to Regulation S.

“**Regulation S Temporary Global Note**” means a Regulation S Global Note that bears the Regulation S Temporary Global Note Legend.

“**Regulation S Temporary Global Note Legend**” means the legend set forth in Exhibit I.

“**Repurchase Date**” has the meaning ascribed to it in Section 4.12(a) hereof.

“**Reserved Indebtedness Amount**” has the meaning ascribed to it in Section 4.6(k) hereof.

“**Responsible Officer**,” when used with respect to the Trustee, means any officer in the corporate trust department of the Trustee with direct responsibility for the administration of the trust created by this Indenture.

“**Restricted Investment**” means any Investment other than a Permitted Investment.

“**Restricted Legend**” means the legend set forth in Exhibit C.

“**Restricted Payment**” means any of the following:

(a) the declaration or payment of any dividend or any other distribution on Capital Stock of the Company, the Issuer or any Restricted Subsidiary or any payment made to the direct or indirect holders (in their capacities as such) of Capital Stock of the Company, the Issuer or any Restricted Subsidiary (other than (i) dividends or distributions payable solely in Qualified Stock and (ii) in the case of the Issuer or Restricted Subsidiaries, dividends or distributions payable to the Company, the Issuer or a Restricted Subsidiary);

(b) the purchase, redemption or other acquisition or retirement for value of any Capital Stock of the Company, the Issuer or any Restricted Subsidiary (other than a payment made to the Company, the Issuer or any Restricted Subsidiary); and

(c) any Investment (other than any Permitted Investment), including any Investment in an Unrestricted Subsidiary (including by the designation of a Subsidiary of the Company as an Unrestricted Subsidiary).

“**Restricted Period**” means the relevant 40-day “distribution compliance period” as such term is defined in Regulation S, which, for each relevant Note, commences on the date such Note is issued.

“**Restricted Subsidiary**” means any Subsidiary of the Company which is not an Unrestricted Subsidiary.

“**Reversion Date**” has the meaning ascribed to it in Section 4.19(a) hereof.

“**Rule 144A**” means Rule 144A under the Securities Act.

“**Rule 144A Certificate**” means a certificate substantially in the form of Exhibit F hereto.

“**Rule 144A Global Note**” means a Global Note that bears the Restricted Legend representing Notes issued, transferred or exchanged pursuant to Rule 144A.

“**S&P**” means S&P Global Ratings, a division of S&P Global, Inc., and its successors.

“**Second Commitment**” has the meaning ascribed to it in Section 4.10(c) hereof.

“**Second Lien Indebtedness**” means all Indebtedness of the Company, the Issuer or any Restricted Subsidiary secured by Liens on the Collateral that are junior in priority to the Liens on the Collateral securing the New Secured Notes pursuant to the terms of the Junior Lien Intercreditor Agreement.

“**Second Lien Obligations**” means the Second Lien Indebtedness and all Obligations in respect thereof.

“**Secured Debt Leverage Ratio**” means, as of any date of determination, the ratio of (x) Consolidated Total Debt that is secured by a Lien (which shall include Non-Recourse Indebtedness regardless of whether such Non-Recourse Indebtedness is secured by a Lien) to (y) Consolidated Cash Flow Available for Fixed Charges for the Four Quarter Period for which financial results have been reported immediately preceding the determination date, with such pro forma adjustments to Consolidated Total Debt and Consolidated Cash Flow Available for Fixed Charges as are appropriate and consistent with the pro forma adjustment provisions set forth in the definition of “Consolidated Fixed Charge Coverage Ratio.”

“**Secured Indebtedness**” means any Indebtedness of the Company or any of its Restricted Subsidiaries secured by a Lien on the Collateral and subject to the Intercreditor Agreements.

“**Secured Obligations**” means all Secured Indebtedness and all Obligations in respect thereof.

“**Securities Act**” means the Securities Act of 1933, as amended.

“**Security Agreement**” means the 1.125 Lien Security Agreement, dated as of the Issue Date, among the Issuer and the Guarantors, in favor of the Collateral Agent and the Joint First Lien Collateral Agent for the benefit of itself, the Trustee and the Holders, as amended, restated, supplemented or otherwise modified from time to time.

“**Security Documents**” means (i) the Security Agreement, (ii) the Pledge Agreement (iii) the First Lien Intercreditor Agreement, (iv) the Collateral Agency Agreement, (v) the Junior Lien Intercreditor Agreement, (vi) the First Lien Joinder and (v) the security documents or any other agreement, document or instrument granting or perfecting a security interest in any assets of any Person to secure the Indebtedness and related Obligations under the Notes and the Guarantees or under which rights or remedies with respect to any such liens are governed, as each may be amended, restated, supplemented or otherwise modified from time to time.

“**self-liquidating paper**” has the meaning ascribed to it in Section 7.3(b) hereof.

“**Senior Credit Facility**” means the \$125,000,000 Credit Agreement, dated as of October 31, 2019, as amended by the First Amendment to the Credit Agreement dated as of November 27, 2019, the Second Amendment to the Credit Agreement dated as of August 19, 2022 and the Third Amendment to the Credit Agreement dated as of the Issue Date, among the Issuer, the Company, the other guarantors party thereto, and the lenders party thereto, as further amended, restated, supplemented, replaced, refinanced or otherwise modified from time to time hereafter, including any such amendment, restatement, supplement, replacement, refinancing or other modification that increases the amount permitted to be borrowed thereunder or alters the maturity thereof (to the extent such increase in borrowings is permitted under Section 4.6 hereof) or adds the Company, the Issuer or Subsidiaries as additional borrowers or guarantors thereunder and whether by the same or any other agent, lender or group of lenders; *provided* that any amendment, restatement, supplement, replacement, refinancing or other modification of a Senior Credit Facility must comply with the last proviso in the definition of “Specified Credit Facility”.

“**Senior Priority Lien Obligations**” means all Indebtedness secured by Liens on the Collateral that are senior in priority to the Liens on the Collateral securing the Notes pursuant to the terms of the First Lien Intercreditor Agreement or other intercreditor agreement that is substantially similar to such intercreditor agreement (regardless of any priority level among such Senior Priority Lien Obligations), including the Senior Credit Facility.

“**Significant Subsidiary**” means any Subsidiary of the Company which would constitute a “**significant subsidiary**” as defined in Rule 1-02(w)(1) or (2) of Regulation S-X under the Securities Act and the Exchange Act as in effect on the Issue Date.

“**Specified Credit Facility**” means the Senior Credit Facility and, with respect to the Company, the Issuer or any of its Subsidiary Guarantors, one or more debt facilities (including, without limitation, commercial paper facilities (including indentures)) providing for revolving credit loans, term loans, letters of credit or other long-term indebtedness, including any notes, guarantees, instruments and agreements executed in connection therewith, and any amendments, supplements, modifications, extensions, renewals, restatements or refundings thereof and any indentures, credit facilities or commercial paper facilities that exchange, replace, refund, refinance, extend, renew, restate, amend, supplement or modify any part of the loans, notes, other credit facilities or commitments thereunder, including any such exchanged, replacement, refunding, refinancing, extended, renewed, restated, amended, supplemented or modified facility or indenture that increases the amount permitted to be borrowed thereunder or alters the maturity thereof (provided that such increase in borrowings is permitted under Section 4.6 hereof) or adds the Company, the Issuer or Subsidiary Guarantors as additional borrowers or guarantors thereunder and whether by the same or any other agent, trustee, lender, holder, beneficial owner or group of lenders, holder or beneficial owners; *provided, further*, that the amount of any payment made pursuant to prepayment penalty, make-whole or applicable premium of any kind shall be taken into account in determining the aggregate principal amount outstanding under any such Specified Credit Facility.

“**Specified Letter Agreement**” means that certain side letter, dated October 5, 2023, by and among the Issuer, the Company, Angelo, Gordon & Co., L.P., on behalf of its investment funds, separate accounts and/or other entities owned (in whole or in part), controlled, managed and/or advised by it, and Apollo Capital Management, L.P., on behalf of its investment funds, separate accounts and/or other entities owned (in whole or in part), controlled, managed and/or advised by it.

“**Specified Persons**” means (i) one or more investment funds, separate accounts and/or other entities owned (in whole or in part), controlled, managed and/or advised by Angelo, Gordon & Co., L.P. and (ii) one or more investment funds, separate accounts and/or other entities owned (in whole or in part), controlled, managed and/or advised by Apollo Capital Management, L.P., in each case, that are identified to the Company and the Issuer from time to time in accordance with the Specified Letter Agreement.

“**Subordinated Indebtedness**” means Indebtedness subordinated in right of payment to the Notes pursuant to a written agreement.

“**Subsidiary**” of any Person means any corporation or other entity of which a majority of the Capital Stock having ordinary voting power to elect a majority of the board of directors or other persons performing similar functions is at the time directly or indirectly owned or controlled by such Person.

“**Subsidiary Guarantor**” means any Subsidiary that is a Guarantor.

“**Successor**” has the meaning ascribed to it in Section 4.14(a) hereof.

“**Suspended Covenants**” has the meaning ascribed to it in Section 4.19(a) hereof.

“**Suspension Date**” has the meaning ascribed to it in Section 4.19(a) hereof.

“**Suspension Period**” has the meaning ascribed to it in Section 4.19(a) hereof.

“**Treasury Rate**” has the meaning ascribed to it in Section 3.1(a) hereof.

“**Trust Indenture Act**” or “**TIA**” means the Trust Indenture Act of 1939, as amended.

“**Trustee**” means the party named as such in the preamble of this Indenture until such time, if any, a successor replaces such party in accordance with the applicable provisions of this Indenture and thereafter means the successor serving hereunder.

“**U.S. Government Obligations**” means non-callable, non-payable bonds, notes, bills or other similar obligations issued or guaranteed by the United States government or any agency thereof the full and timely payment of which are backed by the full faith and credit of the United States and denominated and payable in U.S. dollars only.

“**Unentitled Land**” means land owned by the Issuer or a Guarantor which has not been granted preliminary approvals ((i) in New Jersey, as defined in the Municipal Land Use Law (N.J.S.A. 40:55D-1 et seq.) and (ii) for states other than New Jersey, a point in time equivalent thereto) for residential development.

“**Unrestricted Subsidiary**” means any Subsidiary of the Company so designated by a resolution adopted by the Board of Directors of the Company or a duly authorized committee thereof as provided below and *provided* that any such Subsidiary (including any JV Holding Company and any Permitted Joint Venture) so designated as an Unrestricted Subsidiary is used solely in the ordinary course of business consistent with past practice, including, without limitation, the provision of mortgage financing or title insurance and joint venture operations, and has no assets, liabilities or operations other than those reasonably related to such business purpose; *provided further*, that the holders of Indebtedness thereof do not have direct or indirect recourse against the Company, the Issuer or any Restricted Subsidiary, and neither the Company, the Issuer nor any Restricted Subsidiary otherwise has liability for, any payment obligations in respect of such Indebtedness (including any undertaking, agreement or instrument evidencing such Indebtedness), except, in each case, to the extent that the amount thereof constitutes a Restricted Payment or Permitted Investment permitted by this Indenture, in the case of Non-Recourse Indebtedness, to the extent such recourse or liability is for the matters discussed in the last sentence of the definition of “Non-Recourse Indebtedness,” or to the extent such Indebtedness is a guarantee by such Subsidiary of Indebtedness of the Company, the Issuer or a Restricted Subsidiary. As of the Issue Date, the Unrestricted Subsidiaries are the Subsidiaries of the Company named in Schedule B hereto.

Subject to the foregoing, the Board of Directors of the Company or a duly authorized committee thereof may designate any Subsidiary in addition to those named in Schedule B hereto to be an Unrestricted Subsidiary; *provided, however*, that (a) the net amount (the “**Designation Amount**”) then outstanding of all previous Investments by the Company and the Restricted Subsidiaries in such Subsidiary will be deemed to be a Restricted Payment at the time of such designation and will reduce the amount available for Restricted Payments under Section 4.7 hereof to the extent provided therein, (b) the Company must be permitted under Section 4.7 hereof or pursuant to the definition of “Permitted Investment” to make the Restricted Payment deemed to have been made pursuant to clause (a) of this paragraph, and (c) after giving effect to such designation, no Default or Event of Default shall have occurred or be continuing. In accordance with the foregoing, and not in limitation thereof, Investments made by any Person in any Subsidiary of such Person prior to such Person’s merger with the Company or any Restricted Subsidiary (but not in contemplation or anticipation of such merger) shall not be counted as an Investment by the Company or such Restricted Subsidiary if such Subsidiary of such Person is designated as an Unrestricted Subsidiary.

The Board of Directors of the Company or a duly authorized committee thereof may also redesignate an Unrestricted Subsidiary to be a Restricted Subsidiary; *provided, however*, that (a) the Indebtedness of such Unrestricted Subsidiary as of the date of such redesignation could then be incurred under Section 4.6 hereof and (b) immediately after giving effect to such redesignation and the incurrence of any such additional Indebtedness, (A) the Company and the Restricted Subsidiaries could incur \$1.00 of additional Indebtedness under Section 4.6(a) hereof or (B) the Consolidated Fixed Charge Coverage Ratio would be equal to or greater than the Consolidated Fixed Charge Coverage Ratio immediately prior to such redesignation. Any such designation or redesignation by the Board of Directors of the Company or a committee thereof will be evidenced to the Trustee by the filing with the Trustee of a certified copy of the resolution of the Board of Directors of the Company or a committee thereof giving effect to such designation or redesignation and an Officer's Certificate certifying that such designation or redesignation complied with the foregoing conditions and setting forth the underlying calculations of such Officer's Certificate. The designation of any Person as an Unrestricted Subsidiary shall be deemed to include a designation of all Subsidiaries of such Person as Unrestricted Subsidiaries; *provided, however*, that the ownership of the general partnership interest (or a similar member's interest in a limited liability company) by an Unrestricted Subsidiary shall not cause a Subsidiary of the Company of which more than 95% of the equity interest is held by the Company or one or more Restricted Subsidiaries to be deemed an Unrestricted Subsidiary.

"Weighted Average Life to Maturity" means, when applied to any Indebtedness or portion thereof at any date, the number of years obtained by dividing (a) the sum of the products obtained by multiplying (i) the amount of each then remaining installment, sinking fund, serial maturity or other required payment of principal, including, without limitation, payment at final maturity, in respect thereof, by (ii) the number of years (calculated to the nearest one-twelfth) that will elapse between such date and the making of such payment by (b) the sum of all such payments described in clause (a)(i) of this definition.

"\$" means U.S. dollars.

Section 1.2. *Rules of Construction.* Unless the context otherwise requires or except as otherwise expressly provided:

- (a) an accounting term not otherwise defined has the meaning assigned to it in accordance with GAAP;
- (b) "herein," "hereof" and other words of similar import refer to this Indenture as a whole and not to any particular Section, Article or other subdivision;
- (c) all references to Sections or Articles or Exhibits refer to Sections or Articles or Exhibits of or to this Indenture unless otherwise indicated;
- (d) references to agreements or instruments, or to statutes or regulations, are to such agreements or instruments, or statutes or regulations, as amended from time to time (or to successor statutes and regulations); and
- (e) in the event that a transaction meets the criteria of more than one category of permitted transactions or listed exceptions, the Issuer may classify such transaction as it, in its sole discretion, determines.

ARTICLE II THE NOTES

Section 2.1. *Form, Dating and Denominations; Legends.* (a) The Notes shall be issued in one series, designated as the "**8.0% Senior Secured 1.125 Lien Notes due 2028**". The Notes and the Trustee's certificate of authentication shall be substantially in the form attached as Exhibit A. The terms and provisions contained in the form of such Notes annexed as Exhibit A constitute and are hereby expressly made a part of this Indenture. The Notes may have notations, legends or endorsements required by this Indenture, law, rules of or agreements with national securities exchanges to which the Issuer is subject, or usage. Each Note shall be dated the date of its authentication. The Notes shall be issuable in denominations of \$2,000 in principal amount and any multiple of \$1,000 in excess thereof.

(b) (i) Except as otherwise provided in clause (c) of this Section 2.1, Section 2.9(b)(iv), Section 2.10(b)(iii), Section 2.10(b)(v), or Section 2.10(c), each Initial Note or Additional Note shall bear the Restricted Legend.

(ii) Each Global Note, whether or not an Initial Note or Additional Note, shall bear the DTC Legend.

(iii) Initial Notes and Additional Notes offered and sold in reliance on any exception under the Securities Act other than Regulation S and Rule 144A shall be issued, and upon the request of the Issuer to the Trustee, Initial Notes and Additional Notes offered and sold in reliance on Rule 144A may be issued, in the form of Certificated Notes.

(iv) Each Regulation S Temporary Global Note shall bear the Regulation S Temporary Global Note Legend.

(v) Initial Notes and Additional Notes offered and sold in reliance on Regulation S shall be issued as provided in Section 2.11(a).

(vi) If any Note is issued with original issue discount for United States federal income tax purposes, such Note shall bear the Original Issue Discount Legend.

(c) If the Issuer determines (upon the advice of counsel and after consideration of other certifications and evidence as the Issuer may reasonably require) that a Note is eligible for resale pursuant to Rule 144 under the Securities Act (or a successor provision) without being subject to any conditions as provided in such Rule and that the Restricted Legend is no longer necessary or appropriate in order to ensure that subsequent transfers of the Note (or a beneficial interest therein) are effected in compliance with the Securities Act, then, the Issuer may instruct the Trustee to cancel the Note and issue to the Holder thereof (or to its transferee) a new Note of like tenor and amount, registered in the name of the Holder thereof (or its transferee), that does not bear the Restricted Legend, and the Trustee shall comply with such instruction.

(d) By its acceptance of any Note bearing the Restricted Legend (or any beneficial interest in such a Note), each Holder thereof and each owner of a beneficial interest therein acknowledges the restrictions on transfer of such Note (and any such beneficial interest) set forth in this Indenture and in the Restricted Legend and agrees that it will transfer such Note (and any such beneficial interest) only in accordance with this Indenture and such legend.

Section 2.2. Execution and Authentication; Additional Notes. (a) An Officer shall execute the Notes for the Issuer by facsimile or manual signature in the name and on behalf of the Issuer. If an Officer whose signature is on a Note no longer holds that office at the time the Note is authenticated, the Note will still be valid.

(b) A Note shall not be valid until the Trustee manually signs the certificate of authentication on the Note, with the signature conclusive evidence that the Note has been authenticated under this Indenture.

(c) At any time and from time to time after the execution and delivery of this Indenture, the Issuer may deliver Notes executed by the Issuer to the Trustee for authentication. The Trustee shall authenticate and deliver:

(i) Initial Notes for original issue in the aggregate principal amount not to exceed \$225,000,000, and

(ii) Additional Notes from time to time for original issue in the aggregate principal amounts specified by the Issuer after the following conditions have been met:

- (A) Receipt by the Trustee of an Officer's Certificate specifying:
- (1) the amount of Notes to be authenticated and the date on which the Notes are to be authenticated,
 - (2) whether the Notes are to be Initial Notes or Additional Notes,
 - (3) in the case of Additional Notes, that the issuance of such Notes does not contravene any provision of Article IV,
 - (4) whether the Notes are to be issued as one or more Global Notes or Certificated Notes, and
 - (5) other information the Issuer may determine to include or the Trustee may reasonably request.
- (B) Receipt by the Trustee of an Officer's Certificate and an Opinion of Counsel specifying:
- (1) that the issuance of the Notes is authorized and permitted by the terms of this Indenture,
 - (2) that the Notes constitute a legal, valid and binding obligation of the Issuer, enforceable against the Issuer in accordance with their terms (subject to customary exceptions), and
 - (3) all conditions precedent provided for in this Indenture to the issuance of the Notes have been complied with.

Section 2.3. *Registrar, Paying Agent and Authenticating Agent; Paying Agent to Hold Money in Trust.* (a) The Issuer may appoint one or more Registrars and one or more Paying Agents, and the Trustee may appoint an Authenticating Agent, in which case, each reference in this Indenture to the Trustee in respect of the obligations of the Trustee to be performed by that Agent shall be deemed to be references to the Agent. The Issuer may act as Registrar or (except for purposes of Article VIII) Paying Agent. In each case, the Issuer and the Trustee shall enter into an appropriate agreement with the Agent implementing the provisions of this Indenture relating to the obligations of the Trustee to be performed by the Agent and the related rights.

(b) The Issuer shall require each Paying Agent other than the Trustee to agree in writing that the Paying Agent shall hold in trust for the benefit of the Holders or the Trustee all money held by the Paying Agent for the payment of principal of, premium, if any, and interest, if any, on, the Notes and shall promptly notify the Trustee of any default by the Issuer in making any such payment. The Issuer at any time may require a Paying Agent to pay all money held by it to the Trustee and account for any funds disbursed, and the Trustee may at any time during the continuance of any payment default, upon written request to a Paying Agent, require the Paying Agent to pay all money held by it to the Trustee and to account for any funds disbursed. Upon doing so, the Paying Agent shall have no further liability for the money so paid over to the Trustee.

(c) The Issuer initially appoints the Trustee as Registrar and Paying Agent with respect to the Notes.

Section 2.4. Replacement Notes. If a mutilated Note is surrendered to the Trustee or if a Holder claims that its Note has been lost, destroyed or wrongfully taken, the Issuer shall issue and the Trustee shall authenticate a replacement Note of like tenor and principal amount and bearing a number not contemporaneously outstanding. Every replacement Note is an additional obligation of the Issuer and entitled to the benefits of this Indenture. If required by the Trustee or the Issuer, an indemnity or security must be furnished that is sufficient in the judgment of both the Trustee and the Issuer to protect the Issuer and the Trustee from any loss they may suffer if a Note is replaced. The Issuer and the Trustee may charge the Holder for the expenses of the Issuer and the Trustee in replacing a Note. In case the mutilated, lost, destroyed or wrongfully taken Note has become or is about to become due and payable, the Issuer in its discretion may pay the Note instead of issuing a replacement Note.

Section 2.5. Outstanding Notes. (a) Notes outstanding at any time are all Notes that have been authenticated by the Trustee except for:

(i) Notes cancelled by the Trustee or delivered to it for cancellation;

(ii) any Note which has been replaced pursuant to Section 2.4 unless and until the Trustee and the Issuer receive proof satisfactory to them that the replaced Note is held by a protected purchaser; and

(iii) on or after the maturity date or any redemption date or date for purchase of the Notes pursuant to an Offer to Purchase, those Notes payable or to be redeemed or purchased on that date for which the Trustee (or Paying Agent, other than the Issuer or an Affiliate of the Issuer) holds money sufficient to pay all amounts then due.

(b) A Note does not cease to be outstanding because the Issuer or one of its Affiliates holds the Note; *provided*, that in determining whether the Holders of the requisite principal amount of the outstanding Notes have given or taken any request, demand, authorization, direction, notice, consent, waiver or other action hereunder, Notes owned by the Issuer or any Affiliate of the Issuer shall be disregarded and deemed not to be outstanding (it being understood that in determining whether the Trustee is protected in relying upon any such request, demand, authorization, direction, notice, consent, waiver or other action, only Notes which a Responsible Officer of the Trustee has been notified in writing to be so owned shall be so disregarded). Notes so owned which have been pledged in good faith may be regarded as outstanding if the pledgee establishes to the satisfaction of the Trustee the pledgee's right so to act with respect to such Notes and that the pledgee is not the Issuer or any Affiliate of the Issuer.

Section 2.6. Temporary Notes. Until definitive Notes are ready for delivery, the Issuer may prepare and the Trustee shall authenticate temporary Notes. Temporary Notes shall be substantially in the form of definitive Notes but may have insertions, substitutions, omissions and other variations determined to be appropriate by the Officer of the Issuer executing the temporary Notes, as evidenced by the execution of the temporary Notes. If temporary Notes are issued, the Issuer shall cause definitive Notes to be prepared without unreasonable delay. After the preparation of definitive Notes, the temporary Notes shall be exchangeable for definitive Notes upon surrender of the temporary Notes at the office or agency of the Issuer designated for the purpose pursuant to Section 4.2 without charge to the Holder. Upon surrender for cancellation of any temporary Notes, the Issuer shall execute and the Trustee shall authenticate and deliver in exchange therefor a like principal amount of definitive Notes of authorized denominations. Until so exchanged, the temporary Notes shall be entitled to the same benefits under this Indenture as definitive Notes.

Section 2.7. Cancellation. The Issuer at any time may deliver to the Trustee for cancellation any Notes previously authenticated and delivered hereunder which the Issuer may have acquired in any manner whatsoever, and may deliver to the Trustee for cancellation any Notes previously authenticated hereunder which the Issuer has not issued and sold. Any Registrar or the Paying Agent shall forward to the Trustee any Notes surrendered to it for transfer, exchange or payment. The Trustee shall cancel all Notes surrendered for transfer, exchange, payment or cancellation and dispose of them in accordance with its normal procedures or the written instructions of the Issuer. The Issuer may not issue new Notes to replace Notes that it has paid in full or delivered to the Trustee for cancellation.

Section 2.8. CUSIP and ISIN Numbers. The Issuer in issuing the Notes may use “CUSIP” and “ISIN” numbers, and if the Issuer uses CUSIP and ISIN numbers, the Trustee shall use CUSIP numbers or ISIN numbers in notices of redemption or exchange or in Offers to Purchase as a convenience to Holders, the notice to state that no representation is made as to the correctness of such numbers either as printed on the Notes or as contained in any notice of redemption or exchange or Offer to Purchase. The Issuer shall promptly notify the Trustee in writing of any change in any CUSIP or ISIN numbers. Any Additional Notes that are not fungible with the Initial Notes for United States federal income tax purposes shall be issued with CUSIP and ISIN numbers different from the CUSIP and ISIN numbers assigned to the Initial Notes.

Section 2.9. Registration, Transfer and Exchange. (a) The Notes shall be issued in registered form only, without coupons, and the Issuer shall cause the Registrar to maintain a register (the “**Register**”) of the Notes, for registering the record ownership of the Notes by the Holders and transfers and exchanges of the Notes.

(b) (i) Each Global Note shall be registered in the name of the Depository or its nominee and, so long as DTC is serving as the Depository thereof, shall bear the DTC Legend.

(ii) Each Global Note shall be delivered to the Trustee as custodian for the Depository. Transfers of a Global Note (but not a beneficial interest therein) shall be limited to transfers thereof in whole, but not in part, to the Depository, its successors or their respective nominees, except (A) as set forth in Section 2.9(b)(iv) and (B) transfers of portions thereof in the form of Certificated Notes may be made upon request of an Agent Member (for itself or on behalf of a beneficial owner) by 20 days’ prior written notice given to the Trustee by or on behalf of the Depository in accordance with customary procedures of the Depository and in compliance with this Section and Section 2.10.

(iii) Agent Members shall have no rights under this Indenture with respect to any Global Note held on their behalf by the Depository, and the Depository may be treated by the Issuer, the Trustee and any agent of the Issuer or the Trustee as the absolute owner and Holder of such Global Note for all purposes whatsoever. Notwithstanding the foregoing, the Depository or its nominee may grant proxies and otherwise authorize any Person (including any Agent Member and any Person that holds a beneficial interest in a Global Note through an Agent Member) to take any action which a Holder is entitled to take under this Indenture or the Notes, and nothing herein shall impair, as between the Depository and its Agent Members, the operation of customary practices governing the exercise of the rights of a holder of any security. None of the Issuer, the Trustee, any Paying Agent or the Registrar will have any responsibility or liability for any aspect of the records relating to or payments made on account of beneficial ownership interests of a Note in global form or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests. The Trustee may rely and shall be fully protected in relying upon information furnished by the Depository with respect to its members, participants and any beneficial owners.

(iv) If (x) the Depository (i) notifies the Issuer that it is unwilling or unable to continue as Depository for a Global Note and a successor depository is not appointed by the Issuer within 90 days of the notice or (ii) has ceased to be a clearing agency registered under the Exchange Act, (y) the Issuer, at its option, notifies the Trustee in writing that it elects to cause the issuance of Certificated Notes or (z) the Depository directs the Trustee in writing to do so following the occurrence and during the continuation of an Event of Default with respect to the Notes, the Trustee shall promptly exchange each beneficial interest in the Global Note for one or more Certificated Notes in authorized denominations having an equal aggregate principal amount registered in the name of the owner of such beneficial interest, as identified to the Trustee by the Depository, and thereupon the Global Note shall be deemed canceled. If such Note does not bear the Restricted Legend, then the Certificated Notes issued in exchange therefor shall not bear the Restricted Legend. If such Note bears the Restricted Legend, then the Certificated Notes issued in exchange therefor shall bear the Restricted Legend; *provided*, that any Holder of any such Certificated Note issued in exchange for a beneficial interest in a Regulation S Temporary Global Note will have the right upon presentation to the Trustee of a duly completed Certificate of Beneficial Ownership after the Restricted Period to exchange such Certificated Note for a Certificated Note of like tenor and amount that does not bear the Restricted Legend, registered in the name of such Holder.

(c) Each Certificated Note shall be registered in the name of the holder thereof or its nominee.

(d) A Holder may transfer a Note (or a beneficial interest therein) to another Person or exchange a Note (or a beneficial interest therein) for another Note or Notes of any authorized denomination by presenting to the Trustee a written request therefor stating the name of the proposed transferee or requesting such an exchange, accompanied by any certification, opinion or other document required by Section 2.10. The Trustee shall promptly register any transfer or exchange that meets the requirements of this Section and Section 2.10 noting the same in the register maintained by the Trustee for the purpose; *provided*, that

(i) no transfer or exchange shall be effective until it is registered in such register, and

(ii) the Trustee shall not be required (x) to issue or register the transfer of or exchange any Note for a period of 15 days before a selection of Notes to be redeemed or purchased pursuant to an Offer to Purchase, (y) to register the transfer of or exchange any Note so selected for redemption or purchase in whole or in part, except, in the case of a partial redemption or purchase, that portion of any Note not being redeemed or purchased, or (z) if a redemption or a purchase pursuant to an Offer to Purchase or a transfer is to occur after a Record Date but on or before the corresponding Interest Payment Date, to register the transfer of or exchange any Note on or after the Record Date and before the date of redemption or purchase. Prior to the registration of any transfer, the Issuer, the Trustee and their agents shall treat the Person in whose name the Note is registered as the owner and Holder thereof for all purposes (whether or not the Note is overdue), and shall not be affected by notice to the contrary.

From time to time the Issuer shall execute and the Trustee shall authenticate additional Notes as necessary in order to permit the registration of a transfer or exchange in accordance with this Section.

No service charge shall be imposed in connection with any transfer or exchange of any Note, but the Issuer or the Trustee may require payment of a sum sufficient to cover any transfer tax or similar governmental charge payable in connection therewith (other than a transfer tax or other similar governmental charge payable upon exchange pursuant to subsection (b)(iv)).

(e) (i) *Global Note to Global Note*. If a beneficial interest in a Global Note is transferred or exchanged for a beneficial interest in another Global Note, the Trustee shall (x) record a decrease in the principal amount of the Global Note being transferred or exchanged equal to the principal amount of such transfer or exchange and (y) record a like increase in the principal amount of the other Global Note. Any beneficial interest in one Global Note that is transferred to a Person who takes delivery in the form of an interest in another Global Note, or exchanged for an interest in another Global Note, shall, upon transfer or exchange, cease to be an interest in such Global Note and become an interest in the other Global Note and, accordingly, shall thereafter be subject to all transfer and exchange restrictions, if any, and other procedures applicable to beneficial interests in such other Global Note for as long as it remains such an interest.

(ii) *Global Note to Certificated Note*. If a beneficial interest in a Global Note is transferred or exchanged for a Certificated Note, the Trustee shall (x) record a decrease in the principal amount of such Global Note equal to the principal amount of such transfer or exchange and (y) deliver one or more new Certificated Notes in authorized denominations having an equal aggregate principal amount to the transferee (in the case of a transfer) or the owner of such beneficial interest (in the case of an exchange), registered in the name of such transferee or owner, as applicable.

(iii) *Certificated Note to Global Note*. If a Certificated Note is transferred or exchanged for a beneficial interest in a Global Note, the Trustee shall (x) cancel such Certificated Note, (y) record an increase in the principal amount of such Global Note equal to the principal amount of such transfer or exchange and (z) in the event that such transfer or exchange involves less than the entire principal amount of the canceled Certificated Note, deliver to the Holder thereof one or more new Certificated Notes in authorized denominations having an aggregate principal amount equal to the untransferred or unexchanged portion of the canceled Certificated Note, registered in the name of the Holder thereof.

(iv) *Certificated Note to Certificated Note*. If a Certificated Note is transferred or exchanged for another Certificated Note, the Trustee shall (x) cancel the Certificated Note being transferred or exchanged, (y) deliver one or more new Certificated Notes in authorized denominations having an aggregate principal amount equal to the principal amount of such transfer or exchange to the transferee (in the case of a transfer) or the Holder of the canceled Certificated Note (in the case of an exchange), registered in the name of such transferee or Holder, as applicable, and (z) if such transfer or exchange involves less than the entire principal amount of the canceled Certificated Note, deliver to the Holder thereof one or more Certificated Notes in authorized denominations having an aggregate principal amount equal to the untransferred or unexchanged portion of the canceled Certificated Note, registered in the name of the Holder thereof.

Section 2.10. *Restrictions on Transfer and Exchange*. (a) The transfer or exchange of any Note (or a beneficial interest therein) may only be made in accordance with this Section and Section 2.9 and, in the case of a Global Note (or a beneficial interest therein), the applicable rules and procedures of the Depository. The Trustee shall refuse to register any requested transfer or exchange that does not comply with the preceding sentence.

(b) Subject to paragraph (c) of this Section, the transfer or exchange of any Note (or a beneficial interest therein) of the type set forth in column A below for a Note (or a beneficial interest therein) of the type set forth opposite in column B below may only be made in compliance with the certification requirements (if any) described in the clause of this paragraph set forth opposite in column C below.

A	B	C
Rule 144A Global Note	Rule 144A Global Note	(i)
Rule 144A Global Note	Regulation S Global Note	(ii)
Rule 144A Global Note	Certificated Note	(iii)
Regulation S Global Note	Rule 144A Global Note	(iv)
Regulation S Global Note	Regulation S Global Note	(i)
Regulation S Global Note	Certificated Note	(v)
Certificated Note	Rule 144A Global Note	(iv)
Certificated Note	Regulation S Global Note	(ii)
Certificated Note	Certificated Note	(iii)

(i) No certification is required.

(ii) The Person requesting the transfer or exchange must deliver or cause to be delivered to the Trustee a duly completed Regulation S Certificate; *provided*, that if the requested transfer or exchange is made by the Holder of a Certificated Note that does not bear the Restricted Legend, then no certification is required.

(iii) The Person requesting the transfer or exchange must deliver or cause to be delivered to the Trustee (x) a duly completed Rule 144A Certificate, (y) a duly completed Regulation S Certificate or (z) a duly completed Institutional Accredited Investor Certificate, and/or an opinion of counsel and such other certifications and evidence as the Issuer or the Trustee may reasonably require in order to determine that the proposed transfer or exchange is being made in compliance with the Securities Act and any applicable securities laws of any state of the United States; *provided*, that if the requested transfer or exchange is made by the Holder of a Certificated Note that does not bear the Restricted Legend, then no certification is required. In the event that a Rule 144A Global Note or a Certificated Note that does not bear the Restricted Legend is surrendered for transfer or exchange, upon transfer or exchange the Trustee shall deliver a Certificated Note that does not bear the Restricted Legend.

(iv) The Person requesting the transfer or exchange must deliver or cause to be delivered to the Trustee a duly completed Rule 144A Certificate and must comply with all applicable securities laws of any state of the United States or any other jurisdiction.

(v) If the requested transfer involves a beneficial interest in a Regulation S Temporary Global Note, the Person requesting the registration of transfer must deliver or cause to be delivered to the Trustee (x) a duly completed Rule 144A Certificate or (y) a duly completed Institutional Accredited Investor Certificate and/or an opinion of counsel and such other certifications and evidence as the Issuer or the Trustee may reasonably require in order to determine that the proposed transfer is being made in compliance with the Securities Act and any applicable securities laws of any state of the United States. If the requested transfer or exchange involves a beneficial interest in a Permanent Regulation S Global Note, no certification is required and the Trustee will deliver a Certificated Note that does not bear the Restricted Legend. Notwithstanding anything to the contrary contained herein, no such exchange is permitted if the requested exchange involves a beneficial interest in a Regulation S Temporary Global Note.

(c) No certification is required in connection with any transfer or exchange of any Note (or a beneficial interest therein) after such Note is eligible for resale pursuant to Rule 144 under the Securities Act (or a successor provision) without being subject to any conditions as provided in such Rule; *provided*, that the Issuer has provided the Trustee with an Officer's Certificate to that effect, and the Issuer or the Trustee may require from any Person requesting a transfer or exchange in reliance upon this clause an opinion of counsel and any other reasonable certifications and evidence in order to support such certificate.

Any Certificated Note delivered in reliance upon this paragraph shall not bear the Restricted Legend.

(d) The Trustee shall retain copies of all certificates, opinions and other documents received in connection with the registration of transfer or exchange of a Note (or a beneficial interest therein), and the Issuer shall have the right to inspect and make copies thereof at any reasonable time upon written notice to the Trustee. Neither the Company nor the Trustee shall have an obligation or duty to monitor, determine or inquire as to compliance with any restrictions on transfer imposed under this Indenture or under applicable law with respect to any transfer of any interest in any Note (including any transfers between or among Depository participants, members or beneficial owners in any Global Note) other than to require delivery of such certificates and other documentation or evidence as are expressly required by the terms of this Indenture and to examine the same to determine compliance as to form with the express requirements hereof.

Section 2.11. Regulation S Temporary Global Notes. (a) Each Initial Note and Additional Note originally sold in reliance upon Regulation S will be evidenced by one or more Regulation S Global Notes that bear the Regulation S Temporary Global Note Legend.

(b) An owner of a beneficial interest in a Regulation S Temporary Global Note (or a Person acting on behalf of such an owner) may provide to the Trustee (and the Trustee will accept) a duly completed Certificate of Beneficial Ownership at any time after the Restricted Period (it being understood that the Trustee will not accept any such certificate during the Restricted Period). Promptly after acceptance of a Certificate of Beneficial Ownership with respect to such a beneficial interest, upon the Issuer's order, the Trustee will cause such beneficial interest to be exchanged for an equivalent beneficial interest in a Permanent Regulation S Global Note, and will (x) permanently reduce the principal amount of such Regulation S Temporary Global Note by the amount of such beneficial interest and (y) increase the principal amount of such Permanent Regulation S Global Note by the amount of such beneficial interest.

(c) Notwithstanding anything to the contrary contained herein, beneficial interests in a Regulation S Temporary Global Note may be held through the Depository only through Euroclear or Clearstream and their respective direct and indirect participants.

ARTICLE III
REDEMPTION; OFFER TO PURCHASE

Section 3.1. Optional Redemption. (a) The Issuer may, at its option, redeem the Notes, in whole, at any time, or in part, from time to time, prior to September 30, 2025, at a redemption price equal to the sum of:

(i) 100% of the principal amount thereof, plus accrued and unpaid interest thereon to, but excluding, the redemption date, if any (subject to the right of Holders of record on the relevant Record Date to receive interest on the relevant Interest Payment Date); *plus*

(ii) the Make-Whole Amount.

The term “**Make-Whole Amount**” shall mean, in connection with any optional redemption of any Note, the greater of:

(i) the excess, if any, of (x) the present value at such redemption date of (A) the redemption price of the Note at September 30, 2025 (such redemption price being set forth in the table appearing in Section 3.1(b) hereof) plus (B) all required interest payments due on the Note through September 30, 2025 (excluding accrued but unpaid interest), computed using a discount rate equal to the Treasury Rate as of such redemption date plus 50 basis points *over* (y) the principal amount of the Note being redeemed; and

(ii) 1.0% of the principal amount of the Note being redeemed.

In no case shall the Trustee be responsible for calculating, verifying or determining the Make-Whole Amount.

“**Treasury Rate**” means, in connection with the calculation of any Make-Whole Amount with respect to any Note, as calculated by the Company, the yield to maturity at the time of computation of United States Treasury securities with a constant maturity, as compiled by and published in the most recent Federal Reserve Statistical Release H.15 (519) that has become publicly available at least two Business Days prior to the redemption date (or, if such Statistical Release is no longer published, any publicly available source or similar market data), most nearly equal to the period from the redemption date to September 30, 2025; *provided, however*, that if the period from the redemption date to September 30, 2025 is not equal to the constant maturity of a United States Treasury security for which a weekly average yield is given, the Treasury Rate shall be obtained by linear interpolation (calculated to the nearest one-twelfth of a year) from the weekly average yields of United States Treasury securities for which such yields are given, except that if the period from the redemption date to September 30, 2025 is less than one year, the weekly average yield on actually traded United States Treasury securities adjusted to a constant maturity of one year will be used.

(b) At any time and from time to time on or after September 30, 2025, the Issuer may redeem the Notes, in whole or in part, at a redemption price equal to the percentage of the principal amount set forth below for the period during which the redemption date falls plus accrued and unpaid interest thereon, if any, to, but excluding, the applicable redemption date (subject to the right of Holders of record on the relevant Record Date to receive interest on the relevant Interest Payment Date).

Period Commencing	Percentage
September 30, 2025	104.000%
September 30, 2026	102.000%
September 30, 2027 and thereafter	100.000%

(c) If Holders of not less than 90% in aggregate principal amount of the outstanding Notes validly tender and do not validly withdraw such Notes in an Offer to Purchase in connection with a Change of Control (a “**Change of Control Offer**”) and the Issuer, or any third party making a Change of Control Offer in lieu of the Issuer as permitted by Section 4.12 hereof, purchases of all of the Notes validly tendered and not validly withdrawn by such Holders, the Issuer or such third party shall have the right, upon not less than 10 nor more than 60 days’ prior notice to the Holders (with a copy to the Trustee), given not more than 30 days following such purchase pursuant to the Change of Control Offer described in Section 4.12 hereof, to redeem all Notes that remain outstanding following such purchase at a redemption price in cash equal to 101% of the principal amount thereof plus accrued and unpaid interest, if any, to, but not including, the date of redemption.

Section 3.2. Redemption with Proceeds of Equity Offering. At any time and from time to time prior to September 30, 2025, the Issuer may redeem the Notes with the net cash proceeds received by the Issuer from any Equity Offering at a redemption price equal to 108.000% of the principal amount plus accrued and unpaid interest, if any, to, but excluding, the applicable redemption date (subject to the right of Holders of record on the relevant Record Date to receive interest on the relevant Interest Payment Date), in an aggregate principal amount for all such redemptions not to exceed 35% of the original aggregate principal amount of the Notes (including Additional Notes), *provided that*:

- (i) in each case the redemption takes place not later than 60 days after the closing of the related Equity Offering, and
- (ii) not less than 65% of the original aggregate principal amount of the Notes (including Additional Notes) remains outstanding immediately thereafter.

Section 3.3. Sinking Fund; Mandatory Redemption. There is no sinking fund for, or mandatory redemption of, the Notes.

Section 3.4. Method and Effect of Redemption. (a) If the Issuer elects to redeem Notes, it must notify the Trustee of the redemption date and the principal amount of Notes to be redeemed by delivering an Officer’s Certificate at least five days before the redemption date (unless a shorter period is satisfactory to the Trustee). If fewer than all of the Notes are being redeemed, the Notes to be redeemed shall be selected by the Trustee by lot, pro rata or such other method as the Trustee deems fair and appropriate in consultation with the Issuer, subject to applicable procedures of DTC (in the case of Global Notes) and compliance with the rules of any securities exchange on which the Notes may be listed. Notes shall be redeemed in denominations of \$2,000 principal amount or any multiple of \$1,000 in excess thereof. The Trustee will notify the Issuer promptly of the Notes or portions of Notes to be called for redemption. Notice of redemption must be delivered electronically or mailed by first-class mail, postage prepaid, by the Issuer or, at the Issuer’s request, by the Trustee in the name and at the expense of the Issuer to Holders whose Notes are to be redeemed at least 10 days but not more than 60 days before the redemption date at such Holder’s registered address or otherwise in accordance with the applicable procedures of DTC (in the case of Global Notes), except that redemption notices may be mailed more than 60 days prior to a redemption date if the notice is issued in connection with a defeasance of such Notes or a satisfaction and discharge of the Indenture. Notices of any redemption may be given prior to the completion thereof, and may, at the Issuer’s discretion, be subject to one or more conditions precedent, including, but not limited to, completion of an Equity Offering, another offering or another transaction or event.

- (b) The notice of redemption shall identify the Notes to be redeemed and shall include or state the following:
 - (i) the redemption date;

(ii) the redemption price, including the portion thereof representing any accrued interest, if any;

(iii) the place or places where Notes are to be surrendered for redemption (Notes called for redemption must be so surrendered in order to collect the redemption price);

(iv) that on the redemption date, the redemption price shall become due and payable on Notes called for redemption, and interest on Notes called for redemption shall cease to accrue on and after the redemption date;

(v) that if any Note is redeemed in part, the portion of the principal amount thereof to be redeemed, and that on and after the redemption date, upon surrender of such Note, new Notes equal in principal amount to the unredeemed portion shall be issued;

(vi) if any Note contains a CUSIP or ISIN number, no representation is being made as to the correctness of the CUSIP or ISIN number either as printed on the Notes or as contained in the notice of redemption and that the Holder should rely only on the other identification numbers printed on the Notes; and

(vii) if such redemption is subject to satisfaction of one or more conditions precedent, such notice shall describe each such condition, and if applicable, shall state that, in the Issuer's discretion, the redemption date may be delayed until such time as any or all such conditions shall be satisfied, or such redemption may not occur and such notice may be rescinded in the event that any or all such conditions shall not have been satisfied by the redemption date, or by the redemption date as so delayed.

(c) Once notice of redemption is sent to the Holders, Notes called for redemption become due and payable at the redemption price on the redemption date (subject to any conditions specified in such notice), and upon surrender of the Notes called for redemption, the Issuer shall redeem such Notes at the redemption price. Commencing on the redemption date, Notes redeemed shall cease to accrue interest. Upon surrender of any Note redeemed in part, the Holder shall receive a new Note equal in principal amount to the unredeemed portion of the surrendered Note.

(d) The Company and its Affiliates may acquire Notes by means other than a redemption, whether by tender offer, open market purchases, negotiated transactions or otherwise, in accordance with applicable securities laws, so long as such acquisition does not otherwise violate the terms of this Indenture.

Section 3.5. *Offer to Purchase.* (a) An "**Offer to Purchase**" means an offer by the Issuer to purchase Notes as required by this Indenture. An Offer to Purchase must be made by written offer (the "**offer**") sent to the Holders. The Issuer shall notify the Trustee at least five days (or such shorter period as is acceptable to the Trustee) prior to sending the offer to Holders of its obligation to make an Offer to Purchase, and the offer shall be sent by the Issuer or, at the Issuer's request, by the Trustee in the name and at the expense of the Issuer.

(b) The offer must include or state the following as to the terms of the Offer to Purchase:

(i) the provision of this Indenture pursuant to which the Offer to Purchase is being made;

(ii) the aggregate principal amount of the outstanding Notes offered to be purchased by the Issuer pursuant to the Offer to Purchase (including, if less than 100%, the manner by which such amount has been determined pursuant to this Indenture) (the "**purchase amount**");

(iii) the purchase price, including the portion thereof representing accrued interest, if any;

(iv) an expiration date (the “**expiration date**”) not less than 30 days or more than 60 days after the date of the offer, and a settlement date for purchase (the “**purchase date**”) not more than five Business Days after the expiration date;

(v) information concerning the business of the Company, the Issuer and its Subsidiaries which the Issuer in good faith believes will enable the Holders to make an informed decision with respect to the Offer to Purchase;

(vi) a Holder may tender all or any portion of its Notes, subject to the requirement that any portion of a Note tendered must be in denominations of \$2,000 principal amount and any multiple of \$1,000 in excess thereof;

(vii) the place or places where Notes are to be surrendered for tender pursuant to the Offer to Purchase;

(viii) each Holder electing to tender a Note pursuant to the offer shall be required to surrender such Note at the place or places specified in the offer prior to the close of business on the expiration date (such Note being, if the Issuer or the Trustee so requires, duly endorsed or accompanied by a duly executed written instrument of transfer);

(ix) interest on any Note not tendered, or tendered but not purchased by the Issuer pursuant to the Offer to Purchase, shall continue to accrue;

(x) on the purchase date the purchase price shall become due and payable on each Note accepted for purchase, and interest on Notes purchased shall cease to accrue on and after the purchase date;

(xi) Holders are entitled to withdraw Notes tendered by giving notice, which must be received by the Issuer or the Trustee not later than the close of business on the expiration date, setting forth the name of the Holder, the principal amount of the tendered Notes, the certificate number of the tendered Notes and a statement that the Holder is withdrawing all or a portion of the tender;

(xii) (A) if Notes in an aggregate principal amount less than or equal to the purchase amount are duly tendered and not withdrawn pursuant to the Offer to Purchase, the Issuer shall purchase all such Notes, and (B) if the Offer to Purchase is for less than all of the outstanding Notes, and Notes in an aggregate principal amount in excess of the purchase amount are tendered and not withdrawn pursuant to the offer, the Issuer shall purchase Notes having an aggregate principal amount equal to the purchase amount on a *pro rata* basis, with adjustments so that only Notes in denominations of \$2,000 principal amount and any multiples of \$1,000 in excess thereof;

(xiii) if any Note is purchased in part, new Notes equal in principal amount to the unpurchased portion of the Note shall be issued; and

(xiv) if any Note contains a CUSIP or ISIN number, no representation is being made as to the correctness of the CUSIP or ISIN number either as printed on the Notes or as contained in the offer and that the Holder should rely only on the other identification numbers printed on the Notes.

(c) Prior to the purchase date, the Issuer shall accept tendered Notes for purchase as required by the Offer to Purchase and deliver to the Trustee all Notes so accepted together with an Officer’s Certificate specifying which Notes have been accepted for purchase. On the purchase date, the purchase price shall become due and payable on each Note accepted for purchase, and interest on Notes purchased shall cease to accrue on and after the purchase date. The Trustee shall promptly return to Holders any Notes not accepted for purchase and send to Holders new Notes equal in principal amount to any unpurchased portion of any Notes accepted for purchase in part.

(d) The Issuer shall comply with Rule 14e-1 under the Exchange Act and all other applicable laws in making any Offer to Purchase, and the above procedures shall be deemed modified as necessary to permit such compliance.

ARTICLE IV COVENANTS

Section 4.1. Payment of Notes. (a) The Issuer agrees to pay the principal of, premium, if any, and interest on the Notes on the dates and in the manner provided in the Notes and this Indenture. Not later than 9:00 A.M. (New York City time) on the due date of any principal of, premium, if any, or interest on, any Notes, or any redemption or purchase price of the Notes, the Issuer shall deposit with the Trustee (or Paying Agent) money in immediately available funds in U.S. dollars sufficient to pay such amounts; *provided*, that if the Issuer or any Affiliate of the Issuer is acting as Paying Agent, it shall, on or before each due date, segregate and hold in a separate trust fund for the benefit of the Holders a sum of money sufficient to pay such amounts until paid to such Holders or otherwise disposed of as provided in this Indenture. In each case, the Issuer shall promptly notify the Trustee of its compliance with this paragraph.

(a) An installment of principal, premium, if any, or interest shall be considered paid on the date due if the Trustee (or Paying Agent, other than the Issuer or any Affiliate of the Issuer) holds on that date money designated for and sufficient to pay the installment. If the Issuer or any Affiliate of the Issuer acts as Paying Agent, an installment of principal, premium, if any, or interest shall be considered paid on the due date only if paid to the Holders.

(b) The Issuer agrees to pay interest on overdue principal, and, to the extent lawful, overdue installments of interest, if any, at the rate per annum specified in the Notes.

(c) Payments in respect of the Notes represented by the Global Notes are to be made by wire transfer of immediately available funds to the accounts specified to the Trustee in writing (at least five Business Days prior to the applicable payment date) by the Holders of the Global Notes. With respect to Certificated Notes, the Issuer shall make all payments by wire transfer of immediately available funds to the accounts specified to the Trustee in writing (at least five Business Days prior to the applicable payment date) by the Holders thereof or, if no such account is specified, by mailing a check to each Holder's registered address.

Section 4.2. Maintenance of Office or Agency. The Company and the Issuer shall maintain an office or agency where Notes may be surrendered for registration of transfer or exchange or for presentation for payment and where notices and demands to or upon the Company and the Issuer in respect of the Notes and this Indenture may be served. The Issuer and the Company hereby initially designate the Corporate Trust Office of the Trustee as such office of the Issuer and the Company. The Issuer shall give prompt written notice to the Trustee of the location, and any change in the location, of such office or agency. If at any time the Issuer and the Company fail to maintain any such required office or agency or fail to furnish the Trustee with the address thereof, such presentations, surrenders, notices and demands may be made or served to the Trustee.

The Issuer may also from time to time designate one or more other offices or agencies where the Notes may be surrendered or presented for any of such purposes and may from time to time rescind such designations. The Issuer shall give prompt written notice to the Trustee of any such designation or rescission and of any change in the location of any such other office or agency.

Section 4.3. Existence. The Company and the Issuer shall each do or cause to be done all things necessary to preserve and keep in full force and effect their existence and the existence of each of the Restricted Subsidiaries in accordance with their respective organizational documents, and the material rights, licenses and franchises of the Company, the Issuer and each Restricted Subsidiary; *provided*, that the Company and the Issuer are not required to preserve any such right, license or franchise, or the existence of any Restricted Subsidiary, if the maintenance or preservation thereof is no longer desirable in the conduct of the business of the Company and its Restricted Subsidiaries taken as a whole; and *provided, further*, that this Section shall not prohibit any transaction otherwise permitted by Section 4.10 or Section 4.14.

Section 4.4. Payment of Taxes. The Company shall pay or discharge, and cause each of its Subsidiaries to pay or discharge, before the same become delinquent all material taxes, assessments and governmental charges levied or imposed upon the Company or any Subsidiary or its income or profits or property, other than any such tax, assessment or charge the amount, applicability or validity of which is being contested in good faith by appropriate proceedings.

Section 4.5. [Reserved].

Section 4.6. Limitations on Indebtedness. (a) The Company and the Issuer will not, and will not cause or permit any Restricted Subsidiary to, directly or indirectly, create, incur, assume, become liable for or guarantee the payment of (collectively, an “**incurrence**”) any Indebtedness (including Acquired Indebtedness); *provided* that the Company, the Issuer and any Guarantor may incur any Indebtedness (including Acquired Indebtedness) if, after giving effect thereto and the application of the proceeds therefrom, the Consolidated Fixed Charge Coverage Ratio on the date thereof would be at least 2.0 to 1.0.

(b) Notwithstanding the foregoing, the provisions of this Indenture will not prevent the incurrence of:

(i) Permitted Indebtedness,

(ii) Refinancing Indebtedness,

(iii) (A) Non-Recourse Indebtedness in an aggregate amount at any one time outstanding not to exceed the amount (the “**Non-Recourse Indebtedness Amount**”) that is 23% of the sum of (1) “total inventories” less (2) “consolidated inventory not owned” (as of the last day of the Most Recent Fiscal Quarter), excluding the impact of consolidated Permitted Joint Ventures, and (B) any Indebtedness which serves to refund, refinance or extend any such Non-Recourse Indebtedness (“**Refinancing Non-Recourse Indebtedness**”), *provided* that such Refinancing Non-Recourse Indebtedness is, except for clause (b) of the definition thereof, Non-Recourse Indebtedness,

(iv) any Guarantee of Indebtedness represented by the Notes, and

(v) any guarantee by the Issuer, the Company or any Guarantor of Indebtedness that is permitted to be incurred in compliance with this Indenture; *provided* that in the event such Indebtedness that is being guaranteed is subordinated in right of payment to the Notes or a Guarantee, as the case may be, then the related guarantee shall be subordinated in right of payment to the Notes or such Guarantee, as the case may be.

(c) For purposes of determining compliance with this covenant, in the event that an item of Indebtedness may be incurred through Section 4.6(a) or by meeting the criteria of one or more of the types of Indebtedness described in Section 4.6(b) (or the definitions of the terms used therein), the Company, in its sole discretion,

(i) may divide, classify or later reclassify the amount and type of such item of Indebtedness (or any portion thereof) under and comply with any of the clauses of Section 4.6(b) (or any of such definitions), as applicable,

(ii) may divide, classify or later reclassify the amount and type of such item of Indebtedness (or any portion thereof) into more than one of the clauses of Section 4.6(b) (or definitions), as applicable, and

(iii) may elect to comply with such paragraphs (or definitions), as applicable, in any order.

(d) The Company and the Issuer will not, and will not cause or permit any Guarantor to, directly or indirectly, in any event incur any Indebtedness that purports to be by its terms (or by the terms of any agreement governing such Indebtedness) subordinated to any other Indebtedness of the Company or of such Guarantor, as the case may be, unless such Indebtedness is also by its terms (or by the terms of any agreement governing such Indebtedness) made expressly subordinated to the Notes or the Guarantee of such Guarantor, as the case may be, to the same extent and in the same manner as such Indebtedness is subordinated to such other Indebtedness of the Company or such Guarantor, as the case may be.

(e) Accrual of interest or dividends, the accretion of accreted value, the accretion or amortization of original issue discount and the payment of interest or dividends in the form of additional Indebtedness will not be deemed to be an incurrence of Indebtedness for purposes of this Section 4.6.

(f) For purposes of determining compliance with any U.S. dollar-denominated restriction on the incurrence of Indebtedness, the U.S. dollar-equivalent principal amount of Indebtedness denominated in another currency shall be calculated based on the relevant currency exchange rate in effect on the date such Indebtedness was incurred, in the case of term debt, or first committed, in the case of revolving credit debt; provided that if such Indebtedness is incurred to refinance other Indebtedness denominated in another currency, and such refinancing would cause the applicable U.S. dollar-denominated restriction to be exceeded if calculated at the relevant currency exchange rate in effect on the date of such refinancing, such U.S. dollar-denominated restriction shall be deemed not to have been exceeded so long as the principal amount of such Refinancing Indebtedness does not exceed (i) the principal amount of such Indebtedness being refinanced plus all accrued interest thereon plus (ii) the aggregate amount of fees, underwriting discounts, premiums and other costs and expenses incurred in connection with such refinancing. Notwithstanding any other provision of this Section 4.6, the maximum amount of Indebtedness the Company, the Issuer or a Restricted Subsidiary may incur pursuant to this covenant shall not be deemed to be exceeded solely as a result of fluctuations in the exchange rate of currencies. For purposes of determining compliance with, and the outstanding principal amount of any particular Indebtedness incurred pursuant to and in compliance with, this Section 4.6, the principal amount of Indebtedness outstanding under any clause of Section 4.6(b) shall be determined after giving effect to the application of proceeds of any such Indebtedness to refinance any such other Indebtedness.

(g) The principal amount of any Indebtedness incurred to refinance other Indebtedness, if incurred in a different currency from the Indebtedness being refinanced, shall be calculated based on the currency exchange rate applicable to the currencies in which such respective Indebtedness is denominated that is in effect on the date of such refinancing.

(h) For purposes of this Section 4.6 and the other provisions of this Indenture, (i) unsecured Indebtedness shall not be treated as subordinated or junior to secured Indebtedness merely because it is unsecured, and (ii) senior Indebtedness shall not be treated as subordinated or junior to any other senior Indebtedness merely because it has a junior priority with respect to the same collateral.

(i) For purposes of determining compliance with this covenant, (i) all Indebtedness incurred under the Senior Credit Facility shall be deemed to be incurred under clause (a)(ii) of the definition of "Permitted Indebtedness", (ii) all Existing Unsecured Indebtedness shall be deemed to be incurred under clause (k) of the definition of "Permitted Indebtedness", (iii) all Obligations under the Notes and all Indebtedness that is secured by Liens ranking *pari passu* with the Liens securing the Obligations under the Notes shall be deemed to be incurred under clause (b)(i) of the definition of "Permitted Indebtedness", (iv) all 1.25 Lien Notes and all Indebtedness that is secured by Liens ranking *pari passu* with the Liens securing the Obligations under the 1.25 Lien Notes shall be deemed to be incurred under clause (a)(i) of the definition of "Permitted Indebtedness", (v) the 1.75 Lien Term Loan shall be deemed to be incurred under clause (n) of the definition of "Permitted Indebtedness", and (vi) all 1.75 Lien Notes shall be deemed to be incurred under clause (b)(ii) of the definition of "Permitted Indebtedness", and clauses (i), (iii) and (iv) of the foregoing may not be reclassified at any time; provided that, if the 1.75 Lien Notes are outstanding after November 20, 2023, the 1.75 Lien Notes shall be automatically reclassified as incurred under clause (n) of the definition of "Permitted Indebtedness" and may not be reclassified at any time thereafter.

(j) For purposes of determining compliance with Section 4.6(b)(iii)(A), the amount of Non-Recourse Indebtedness outstanding at any one time shall be calculated as the sum of (x) the aggregate principal amount of all Non-Recourse Indebtedness outstanding as of the last day of the Most Recent Fiscal Quarter plus (y) with respect to any Non-Recourse Indebtedness incurred after the provision of the financial statements used for purposes of clause (x) above but prior to the date on which financial statements for a more recent fiscal quarter have been provided (in each case, pursuant to Section 4.15 hereof), the total principal amount or committed principal amount thereof (whether or not borrowed at the time of calculation of the Non-Recourse Indebtedness Amount), and, if the Non-Recourse Indebtedness Amount is satisfied at such time, any subsequent borrowing or reborrowing of such Non-Recourse Indebtedness shall be permitted, whether or not the Non-Recourse Indebtedness Amount at the actual time of any subsequent borrowing or reborrowing is satisfied; *provided, however*, that, for the avoidance of doubt, if at any time thereafter, the Non-Recourse Indebtedness Amount is exceeded, no new Non-Recourse Indebtedness may be incurred until such time as the Non-Recourse Indebtedness Amount is again satisfied.

(k) For purposes of calculating the Consolidated Fixed Charge Coverage Ratio in connection with the incurrence of any Indebtedness pursuant to Section 4.6(a), the Issuer may elect, at its option, to treat all or any portion of the committed amount of any Indebtedness (and the issuance and creation of letters of credit and bankers' acceptances thereunder) which is to be incurred (or any commitment in respect thereof), as the case may be (any such committed amount elected until revoked as described below, the "**Reserved Indebtedness Amount**"), as being incurred as of such election date, and, if such Consolidated Fixed Charge Coverage Ratio is satisfied with respect thereto on such election date, any subsequent borrowing or reborrowing thereunder (and the issuance and creation of letters of credit and bankers' acceptances thereunder) shall be deemed to be permitted under Section 4.6(a), whether or not the Consolidated Fixed Charge Coverage Ratio, at the actual time of any subsequent borrowing or reborrowing (or issuance or creation of letters of credit or bankers' acceptances thereunder) is met; provided that for purposes of subsequent calculations of the Consolidated Fixed Charge Coverage Ratio, the Reserved Indebtedness Amount shall be deemed to be outstanding, whether or not such amount is actually outstanding, for so long as such commitments are outstanding or until the Issuer revokes an election of a Reserved Indebtedness Amount.

(l) Any Indebtedness incurred after the Issue Date pursuant to clause (a)(i) or (b) of the definition of "Permitted Indebtedness" shall not (i) mature earlier than 91 days after the maturity date of the Notes (or, in the case of Indebtedness incurred pursuant to clause (b)(i) of the definition of "Permitted Indebtedness", mature earlier than the maturity date of the Notes), (ii) if secured, be secured by any assets other than the Collateral and/or (iii) be incurred or guaranteed by any Person that is not the Issuer or a Guarantor hereunder.

Section 4.7. Limitations on Restricted Payments. (a) The Company and the Issuer will not, and will not cause or permit any Restricted Subsidiary to, directly or indirectly, make any Restricted Payment unless:

(i) no Default or Event of Default shall have occurred and be continuing at the time of or immediately after giving effect to such Restricted Payment;

(ii) immediately after giving effect to such Restricted Payment, (A) the Company could incur at least \$1.00 of Indebtedness pursuant to Section 4.6(a) hereof and (B) the Secured Debt Leverage Ratio is less than 4.0 to 1.0; and

(iii) immediately after giving effect to such Restricted Payment, the aggregate amount of all Restricted Payments (including the Fair Market Value of any non-cash Restricted Payment) declared or made on or after the Issue Date does not exceed the sum of:

(A) 50% of the Consolidated Net Income of the Company on a cumulative basis during the period (taken as one accounting period) from and including the first day of the fiscal quarter of the Company in which the Issue Date occurs and ending on the last day of the Company's fiscal quarter immediately preceding the date of such Restricted Payment (or in the event such Consolidated Net Income shall be a deficit, minus 100% of such deficit), *plus*

(B) 100% of the aggregate net cash proceeds of and the Fair Market Value of Property received by the Company from (1) any capital contribution to the Company after the Issue Date or any issue or sale after the Issue Date of Qualified Stock (other than to any Subsidiary of the Company) and (2) the conversion, exchange or exercise, as the case may be, on or after the Issue Date of any Indebtedness or other securities of the Company or the Issuer convertible into or exchangeable or exercisable for Qualified Stock of the Company, *plus*

(C) in the case of the disposition or repayment of any Investment constituting a Restricted Payment (or if the Investment was made prior to the Issue Date, that would have constituted a Restricted Payment if made after the Issue Date, if such disposition or repayment results in cash received by the Company, the Issuer or any Restricted Subsidiary), an amount (to the extent not included in the calculation of Consolidated Net Income referred to in (A)) equal to the return of capital with respect to such Investment, including by dividend, distribution or sale of Capital Stock (to the extent not included in the calculation of Consolidated Net Income referred to in (A)), *plus*

(D) with respect to any Unrestricted Subsidiary that is redesignated as a Restricted Subsidiary after the Issue Date, in accordance with the definition of "Unrestricted Subsidiary" (so long as the designation of such Subsidiary as an Unrestricted Subsidiary was treated under this Indenture as a Restricted Payment made after the Issue Date, and only to the extent not included in the calculation of Consolidated Net Income referred to in (A)), an amount equal to the lesser of (x) the proportionate interest of the Company or a Restricted Subsidiary in an amount equal to the excess of (I) the total assets of such Subsidiary, valued on an aggregate basis at the lesser of book value and Fair Market Value thereof, over (II) the total liabilities of such Subsidiary, determined in accordance with GAAP, and (y) the Designation Amount at the time of such Subsidiary's designation as an Unrestricted Subsidiary.

(b) Clause (a) of this Section 4.7 (*provided* that, in the case of clauses (v) and (x) below, no Default or Event of Default has occurred and is continuing at the time of such payment) will not prohibit:

(i) the payment of any dividend or distribution or the consummation of any irrevocable redemption within 60 days of its declaration or the giving of notice of such irrevocable redemption, as applicable, if such dividend or such payment could have been made on the date of its declaration or provision of notice, as applicable, without violation of the provisions of this Indenture;

(ii) the purchase, repayment, repurchase, redemption, defeasance or other acquisition, cancellation or retirement for value of shares of Capital Stock of the Company in exchange for, or out of the net proceeds of the substantially concurrent sale (other than to a Subsidiary of the Company) of shares of Qualified Stock;

(iii) [reserved];

(iv) the payment of dividends on Preferred Stock and Disqualified Stock up to an aggregate amount of \$11.0 million in any fiscal year; *provided* that immediately after giving effect to any declaration of such dividend, the Company could incur at least \$1.00 of Indebtedness pursuant to the proviso to Section 4.6(a);

(v) the purchase, redemption or other acquisition, cancellation or retirement for value of Capital Stock, or options, warrants, equity appreciation rights or other rights to purchase or acquire Capital Stock, of the Company or any Subsidiary held by any present, future or former officers, directors, managers, employees or consultants of the Company or any Subsidiary (or their estates or beneficiaries under their estates) not to exceed \$2.5 million in any calendar year (with unused amounts in any calendar year being carried over to succeeding calendar years subject to a maximum (without giving effect to the following proviso) of \$5.0 million in any calendar year); *provided* that such amount in any calendar year may be increased by an amount not to exceed:

(a) the cash proceeds from the sale of Qualified Stock of the Company to any future, present or former officers, directors, managers, employees or consultants of the Company, any of its Subsidiaries that occurs after the Issue Date, to the extent the cash proceeds from the sale of such Qualified Stock have not otherwise been applied to the payment of Restricted Payments by virtue of clause (iii)(B) of Section 4.7(a); plus

(b) the cash proceeds of key man life insurance policies received by the Company and the Restricted Subsidiaries after the Issue Date; less

(c) the amount of any Restricted Payments previously made pursuant to clauses (a) and (b) of this clause (v); *provided* that the Company may elect to apply all or any portion of the aggregate increase contemplated by clauses (a) and (b) of this clause (v) in any calendar year;

(vi) the making of cash payments in connection with any conversion or exchange of Permitted Convertible Indebtedness in an aggregate amount since the date of the indenture therefor not to exceed the sum of (a) the principal amount of such Permitted Convertible Indebtedness *plus* (b) any payments received by the Company, the Issuer or any Restricted Subsidiaries pursuant to the exercise, settlement or termination of any related Permitted Bond Hedge;

(vii) any payments in connection with (including, without limitation, the purchase of) a Permitted Bond Hedge and the settlement of any related Permitted Warrant (A) by delivery of shares of the Company's Capital Stock upon net share settlement of such Permitted Warrant or (B) by (x) set-off of such Permitted Warrant against the related Permitted Bond Hedge and (y) payment of an amount due upon termination of such Permitted Warrant in Capital Stock or using cash received upon the exercise, settlement or termination of a Permitted Bond Hedge upon any early termination thereof;

(viii) [reserved];

(ix) (A) any payment of cash by the Company, the Issuer or any of the Restricted Subsidiaries in respect of fractional shares of the Company's Capital Stock upon the exercise, conversion or exchange of any stock options, warrants or other rights to purchase Capital Stock or other convertible or exchangeable securities and (B) payments made or expected to be made by the Company, the Issuer or any of the Restricted Subsidiaries in respect of withholding or similar taxes payable in connection with the exercise, conversion, settlement, exchange or vesting of Capital Stock by any future, present or former officer, employee, director, manager or consultant and repurchases of Capital Stock deemed to occur upon exercise, conversion, settlement or exchange of stock options, warrants or other rights to purchase Capital Stock or other convertible or exchangeable securities if such Capital Stock represents all or a portion of the exercise price thereof;

(x) other Restricted Payments in an aggregate amount, when taken together with all other Restricted Payments made pursuant to this clause (x) not to exceed \$10.0 million (after giving effect to any return of capital with respect to any Restricted Investments made under this clause (x) in the form of cash);

(xi) payments or distributions to satisfy dissenters' rights, pursuant to or in connection with a consolidation, merger or transfer of assets that complies with Section 4.14; and

(xii) Investments in any Permitted Joint Venture (which Investment may be made via an Investment in the JV Holding Company, if any, owning such Permitted Joint Venture) in an aggregate amount not to exceed at any one time outstanding (measured at the time made) the sum of (a) \$282.3 million and (b) 100% of the amount of cash and Cash Equivalents received by any of the Issuer, the Company, any Subsidiary Guarantor or any JV Holding Company from any such Permitted Joint Venture following the Issue Date and ending on the last day of the fiscal quarter of the Company immediately preceding the date of such Investment for which financial statements have been provided pursuant to Section 4.15 hereof; *provided* that after giving effect to such Investment, the ratio of total Indebtedness to (x) "total inventories" less (y) "inventory not owned" (as of the last day of the Most Recent Fiscal Quarter) for all such Permitted Joint Ventures would not be greater than 55% (as of the last day of the Most Recent Fiscal Quarter);

provided, however, that each Restricted Payment described in clauses (i) and (v) of this Section 4.7(b) shall be taken into account for purposes of computing the aggregate amount of all Restricted Payments pursuant to clause (iii) of Section 4.7(a).

For purposes of the proviso in Section 4.7(b)(xii), the amount of "Indebtedness" outstanding at any one time shall be calculated as the sum of (x) the aggregate principal amount of all Indebtedness of Permitted Joint Ventures outstanding as of the last day of the Most Recent Fiscal Quarter plus (y) with respect to any Indebtedness of Permitted Joint Ventures incurred after the provision of the financial statements used for purposes of clause (x) above but prior to the date on which financial statements for a more recent fiscal quarter have been provided (in each case, pursuant to Section 4.15 hereof), the total principal amount or committed principal amount thereof (whether or not borrowed at the time of calculation of the amount of such Indebtedness).

(c) For purposes of determining the aggregate and permitted amounts of Restricted Payments made, the amount of any guarantee of any Investment in any Person that was initially treated as a Restricted Payment and which was subsequently terminated or expired, net of any amounts paid by the Company or any Restricted Subsidiary in respect of such guarantee, shall be deducted.

(d) In determining the "Fair Market Value of Property" for purposes of clause (iii) of Section 4.7(a), Property other than cash, Cash Equivalents and Marketable Securities shall be deemed to be equal in value to the "equity value" of the Capital Stock or other securities issued in exchange therefor. The equity value of such Capital Stock or other securities shall be equal to (i) the number of shares of Common Equity issued in the transaction (or issuable upon conversion or exercise of the Capital Stock or other securities issued in the transaction) multiplied by the closing sale price of the Common Equity on its principal market on the date of the transaction (less, in the case of Capital Stock or other securities which require the payment of consideration at the time of conversion or exercise, the aggregate consideration payable thereupon) or (ii) if the Common Equity is not then traded on the New York Stock Exchange, the NYSE MKT or Nasdaq Stock Market, or if the Capital Stock or other securities issued in the transaction do not consist of Common Equity (or Capital Stock or other securities convertible into or exercisable for Common Equity), the value (if more than \$10.0 million) of such Capital Stock or other securities as determined in good faith by the Board of Directors of the Company.

(e) For purposes of determining compliance with this Section 4.7, in the event that a proposed Restricted Payment or Investment (or a portion thereof) meets the criteria of clauses 4.7(b)(i) through (xii) above or is entitled to be made pursuant to Section 4.7(a) and/or one or more of the exceptions contained in the definition of "Permitted Investments", the Issuer will be entitled to divide, classify or later reclassify (based on circumstances existing on the date of such reclassification) such Restricted Payment or Investment (or portion thereof) among such clauses 4.7(b)(i) through (xii) and Section 4.7(a) and/or one or more of the exceptions contained in the definition of "Permitted Investments", in a manner that otherwise complies with this covenant.

Section 4.8. Limitations on Liens. (a) The Company and the Issuer will not, and will not cause or permit any Restricted Subsidiary to, create, incur, assume or suffer to exist any Liens, other than Permitted Liens, on any of its Property, or on any shares of Capital Stock or Indebtedness of any Restricted Subsidiary, or on any shares of Capital Stock of any JV Holding Company.

(b) The Company and the Issuer will not, and will not cause or permit any Restricted Subsidiary to, create, incur, assume or suffer to exist any Liens on the Capital Stock of any Permitted Joint Venture owned, directly or indirectly, by such Person, other than Liens securing Indebtedness or other obligations of such Permitted Joint Venture.

Section 4.9. Limitations on Restrictions Affecting Restricted Subsidiaries. The Company and the Issuer will not, and will not cause or permit any Restricted Subsidiary that is not a Guarantor to, create, assume or otherwise cause or suffer to exist or become effective any consensual encumbrance or restriction (other than encumbrances or restrictions imposed by law or by judicial or regulatory action or by provisions of agreements that restrict the assignability thereof) on the ability of such Restricted Subsidiary to:

(a) pay dividends or make any other distributions on its Capital Stock or any other interest or participation in, or measured by, its profits, owned by the Company or any other Restricted Subsidiary, or pay interest on or principal of any Indebtedness owed to the Company or any other Restricted Subsidiary,

(b) make loans or advances to the Company or any other Restricted Subsidiary, or

(c) transfer any of its property or assets to the Company or any other Restricted Subsidiary,

except for:

(i) encumbrances or restrictions existing under or by reason of applicable law,

(ii) contractual encumbrances or restrictions in effect at or entered into on the Issue Date (including, for the avoidance of doubt, those existing under or by reason of the New Secured Notes, the Senior Credit Facility, the 1.75 Lien Obligations and the Existing Unsecured Indebtedness, and the related agreements) and any amendments, modifications, restatements, renewals, supplements, refundings, replacements or refinancings thereof; *provided*, that such amendments, modifications, restatements, renewals, supplements, refundings, replacements or refinancings are not materially more restrictive, taken as a whole, with respect to such dividend and other payment restrictions than those contained in such contractual encumbrances or restrictions, as in effect at or entered into on the Issue Date,

(iii) encumbrances or restrictions under any agreement or other instrument of a Person acquired by or merged or consolidated with or into the Company or any Restricted Subsidiary, or of an Unrestricted Subsidiary that is designated a Restricted Subsidiary, or that is assumed in connection with the acquisition of assets from such Person, in each case that is in existence at the time of such transaction (but not created in contemplation thereof), which encumbrance or restriction is not applicable to any Person, or the properties or assets of any Person, other than the Person and its Subsidiaries, or the property or assets of the Person and its Subsidiaries, so acquired or designated,

(iv) any restrictions or encumbrances arising in connection with Refinancing Indebtedness; *provided, however*, that any restrictions and encumbrances of the type described in this clause (iv) that arise under such Refinancing Indebtedness shall not be materially more restrictive or apply to additional assets than those under the agreement creating or evidencing the Indebtedness being refunded, refinanced, replaced or extended,

(v) any Permitted Lien, or any other agreement restricting the sale or other disposition of property, securing Indebtedness permitted by this Indenture if such Permitted Lien or agreement does not expressly restrict the ability of a Subsidiary of the Company to pay dividends or make or repay loans or advances prior to default thereunder,

(vi) reasonable and customary borrowing base covenants set forth in agreements evidencing Indebtedness otherwise permitted by this Indenture,

(vii) customary non-assignment provisions in leases, licenses, encumbrances, contracts or similar assets entered into or acquired in the ordinary course of business,

(viii) any restriction with respect to a Restricted Subsidiary imposed pursuant to an agreement entered into for the sale or disposition of all or substantially all of the Capital Stock or assets of such Restricted Subsidiary pending the closing of such sale or disposition,

(ix) encumbrances or restrictions existing under or by reason of this Indenture, the Notes or the Guarantees,

(x) purchase money obligations that impose restrictions on the property so acquired of the nature described in clause (c) of this Section 4.9,

(xi) Liens permitted under this Indenture securing Indebtedness that limit the right of the debtor to dispose of the assets subject to such Lien,

(xii) provisions with respect to the disposition or distribution of assets or property in joint venture agreements, assets sale agreements, stock sale agreements and other similar agreements,

(xiii) customary provisions of any franchise, distribution or similar agreements,

(xiv) restrictions on cash or other deposits or net worth imposed by contracts entered into in the ordinary course of business,

(xv) any encumbrances or restrictions existing under (A) development agreements or other contracts entered into with municipal entities, agencies or sponsors in connection with the entitlement or development of real property or (B) agreements for funding of infrastructure, including in respect of the issuance of community facility district bonds, metro district bonds, mello-roos bonds and subdivision improvement bonds, and similar bonding requirements arising in the ordinary course of business of a homebuilder,

(xvi) any encumbrances or restrictions that require “lockbox” or similar obligations with respect to Non-Recourse Indebtedness,

(xvii) any encumbrances or restrictions of the type referred to in clauses (a), (b) or (c) of this Section 4.9 imposed by any amendments, modifications, restatements, renewals, supplements, refundings, replacements or refinancings of the contracts, instruments or obligations referred to in clauses (i) and (iii) through (xvi) of this Section 4.9; *provided*, that such amendments, modifications, restatements, renewals, supplements, refundings, replacements or refinancings are, in the good faith judgment of the Company’s Board of Directors or its chief executive officer or chief financial officer, not materially more restrictive with respect to such encumbrances or restrictions than those contained in the encumbrance or restrictions prior to such amendment, modification, restatement, renewal, supplement, refunding, replacement or refinancing, and

(xviii) any encumbrance or restriction under other Indebtedness of Restricted Subsidiaries permitted to be incurred subsequent to the Issue Date pursuant to Section 4.6; *provided*, that such encumbrances or restrictions will not materially affect the Issuer's ability to make anticipated principal and interest payments on the Notes, as determined in the good faith judgment of the Company's Board of Directors or its chief executive officer or chief financial officer.

(d) For purposes of determining compliance with this Section 4.9: (i) the priority of any preferred stock in receiving dividends or liquidating distributions prior to dividends or liquidating distributions being paid on common stock shall not be deemed a restriction on the ability to make distributions on Capital Stock and (ii) the subordination of loans or advances made to the Company or a Restricted Subsidiary to other Indebtedness incurred by the Company or any such Restricted Subsidiary shall not be deemed a restriction on the ability to make loans or advances.

Section 4.10. *Limitations on Dispositions of Assets.* (a) The Company and the Issuer will not, and will not cause or permit any Restricted Subsidiary to, make any Asset Disposition unless: (x) the Company (or the Issuer or such Restricted Subsidiary, as the case may be) receives consideration at the time of such Asset Disposition at least equal to the Fair Market Value thereof, and (y) not less than 75% of the consideration received by the Company (or the Issuer or such Restricted Subsidiary, as the case may be) from such Asset Disposition and all other Asset Dispositions since the Issue Date, on a cumulative basis, is in the form of cash, Cash Equivalents and Marketable Securities (which must be pledged as Collateral if the assets disposed of constituted Collateral).

(b) The amount of (i) any Indebtedness that constitutes Senior Priority Lien Obligations (as reflected on the Company's most recent consolidated balance sheet or in the footnotes thereto, or if incurred or accrued subsequent to the date of such balance sheet, such Indebtedness that would have been reflected on the Company's consolidated balance sheet or in the footnotes thereto if such incurrence or accrual had taken place on or prior to the date of such balance sheet, as determined in good faith by the Company) of the Company or the Issuer or any Subsidiary Guarantor (other than any Subordinated Indebtedness) that is actually assumed by the transferee in such Asset Disposition (or is otherwise extinguished in connection with the transactions relating to such Asset Disposition), (ii) the fair market value (as determined in good faith by the Board of Directors of the Company) of any property or assets (including Capital Stock of any Person that will be a Subsidiary Guarantor) received that are used or useful in a Real Estate Business (*provided* that (except as permitted by clause (c) under the definition of "Permitted Investment") to the extent that the assets disposed of in such Asset Disposition were Collateral, such property or assets are pledged as Collateral under the Security Documents substantially simultaneously with such sale, with the Lien on such Collateral securing the Notes being of the same priority with respect to the Notes as the Lien on the assets disposed of), and (iii) any securities, notes or other obligations or assets received by the Company, the Issuer or such Restricted Subsidiary from such transferee that are converted by the Company, the Issuer or such Restricted Subsidiary into cash or Cash Equivalents, or by their terms are required to be satisfied for cash or Cash Equivalents (to the extent of the cash or Cash Equivalents received), in each case, within 180 days following the closing of such Asset Disposition, shall in each case be deemed to be consideration required by clause (y) of Section 4.10(a) for purposes of determining the percentage of such consideration received by the Company or the Restricted Subsidiaries.

(c) Other than the Net Cash Proceeds in connection with Land Banking Transactions constituting Asset Dispositions which shall be applied in accordance with clause (f) of this Section 4.10, the Net Cash Proceeds of an Asset Disposition shall, within one year, at the Company's election: (1) be used by the Company, the Issuer or a Restricted Subsidiary to invest in assets (including Capital Stock of any Person that is or will be a Restricted Subsidiary following investment therein) used or useful in a Real Estate Business (*provided* that (except as permitted by clause (c) under the definition of "Permitted Investment") to the extent that the assets disposed of in such Asset Disposition were Collateral, such assets are pledged as Collateral under the Security Documents with the Lien on such Collateral securing the Notes being of the same priority with respect to the Notes as the Lien on the assets disposed of), (2) be used to permanently prepay or permanently repay any (i) Indebtedness which had been secured by the assets sold in the relevant Asset Disposition, to the extent the assets sold were not Collateral, or (ii) Indebtedness of a Restricted Subsidiary that is not a Guarantor (to the extent such Indebtedness is not owed to an Affiliate of the Issuer or any Guarantor), to the extent the assets sold were not Collateral or (iii) Indebtedness constituting Senior Priority Lien Obligations (or cash collateralize letters of credit that constitute Senior Priority Lien Obligations), or (3) be applied to make an Offer to Purchase the Notes and, if the Company, the Issuer or a Restricted Subsidiary is required to do so, to repay, purchase or redeem Pari Secured Debt Obligations (or cash collateralize letters of credit that constitute Obligations with equal Lien priority to the Notes and the Guarantees) and, if the Company, the Issuer or a Restricted Subsidiary elects or is required to do so and the assets disposed of were not Collateral, repay, purchase or redeem any unsubordinated Indebtedness (on a *pro rata* basis if the amount available for such repayment, purchase, redemption or cash collateralization is less than the aggregate amount of (x) the principal amount of the Notes tendered in such Offer to Purchase, (y) the lesser of the principal amount, or accreted value, of the Pari Secured Debt Obligations tendered or to be repaid, redeemed, repurchased or cash collateralized and (z) the lesser of the principal amount, or accreted value, of such unsubordinated Indebtedness tendered or to be repaid, repurchased or redeemed, plus, in each case, accrued interest to the date of repayment, purchase or redemption) at 100% of the principal amount or accreted value thereof, as the case may be, plus accrued and unpaid interest, if any, to the date of repurchase, repayment or redemption; *provided* that pending any such application under clauses (1), (2) or (3) of this Section 4.10(c), Net Cash Proceeds may be used to temporarily reduce Indebtedness or otherwise be invested in any manner not prohibited by this Indenture; *provided further* that in the case of clause (1), a binding commitment to invest in assets shall be treated as a permitted application of the Net Cash Proceeds from the date of such commitment so long as the Company, the Issuer or a Restricted Subsidiary enters into such commitment with the good faith expectation that such Net Cash Proceeds will be applied to satisfy such commitment within 180 days of such commitment (an "**Acceptable Commitment**") and such Net Cash Proceeds are actually applied in such manner within the later of one year from the consummation of the Asset Disposition and 180 days from the date of the Acceptable Commitment, and in the event any Acceptable Commitment is later cancelled or terminated for any reason before the Net Cash Proceeds is applied in connection therewith, the Company, the Issuer or such Restricted Subsidiary enters into another Acceptable Commitment (a "**Second Commitment**") within 180 days of such cancellation or termination and such Net Cash Proceeds are actually applied in such manner within 180 days from the date of the Second Commitment, it being understood that if a Second Commitment is later cancelled or terminated for any reason before such Net Cash Proceeds is applied, then such Net Cash Proceeds shall be applied in accordance with clauses (2) or (3) above. Upon completion of an Offer to Purchase, the amount of Net Cash Proceeds will be reset at zero.

(d) Notwithstanding the foregoing, (A) other than with respect to Net Cash Proceeds in connection with Land Banking Transactions constituting Asset Dispositions which shall be applied in accordance with clause (f) of this Section 4.10, the Company will not be required to apply such Net Cash Proceeds in accordance with clauses (2) or (3) of Section 4.10(c) except to the extent that such Net Cash Proceeds, together with the aggregate Net Cash Proceeds of prior Asset Dispositions (other than those so used) which have not been applied in accordance with this provision and as to which no prior prepayments or repayments shall have been made and no Offer to Purchase shall have been made, exceed \$25.0 million and (B) other than with respect to an Asset Disposition constituting a Land Banking Transaction, in connection with an Asset Disposition, the Company and the Restricted Subsidiaries will not be required to comply with the requirements of clause (y) of Section 4.10(a) to the extent that the non-cash consideration received in connection with such Asset Disposition, together with the sum of all non-cash consideration received in connection with all prior Asset Dispositions that has not yet been converted into cash, Cash Equivalents or Marketable Securities, does not exceed \$25.0 million; *provided, however*, that when any non-cash consideration is converted into cash, Cash Equivalents or Marketable Securities, such cash shall constitute Net Cash Proceeds and be subject to Section 4.10(c).

(e) To the extent that the aggregate amount of Indebtedness validly tendered and not properly withdrawn pursuant to an Offer to Purchase is less than the Net Cash Proceeds, the Company, the Issuer and the Restricted Subsidiaries may use any remaining Net Cash Proceeds for general corporate purposes (including, for the avoidance of doubt, the repayment or repurchase of Indebtedness), subject to the other covenants in this Indenture.

(f) The Net Cash Proceeds of Land Banking Transactions constituting Asset Dispositions shall within 90 days (1) be used to permanently prepay or permanently repay any Indebtedness constituting Senior Priority Lien Obligations, or (2) be applied to make an Offer to Purchase the Notes and, if the Company or a Restricted Subsidiary is required to do so, to repay, purchase or redeem any Pari Secured Debt Obligations (on a pro rata basis if the amount available for such repayment, purchase or redemption is less than the aggregate amount of (x) the principal amount of the Notes tendered in such Offer to Purchase and (y) the lesser of the principal amount, or accreted value, of such other Pari Secured Debt Obligations tendered or to be repaid, redeemed or repurchased) at 100% of the principal amount or accreted value thereof, as the case may be, plus accrued and unpaid interest, if any, to, but excluding, the date of repurchase, repayment or redemption; provided that to the extent that the aggregate amount of Indebtedness prepaid and validly tendered and not properly withdrawn pursuant to an Offer to Purchase pursuant to this Section 4.10(f) is less than such Net Cash Proceeds, the Company, the Issuer and the Restricted Subsidiaries may use any remaining Net Cash Proceeds for general corporate purposes (including, for the avoidance of doubt, the repayment or repurchase of Indebtedness), subject to the other covenants in this Indenture.

Section 4.11. Guarantees by Restricted Subsidiaries. Each existing Restricted Subsidiary (other than the Issuer (for so long as it remains the Issuer) and any Excluded Subsidiary) will be a Guarantor. The Company is permitted to cause any Unrestricted Subsidiary to be a Guarantor. If the Issuer, the Company or any of its Restricted Subsidiaries acquires or creates a Restricted Subsidiary (other than any Excluded Subsidiary) after the Issue Date, such Restricted Subsidiary shall execute a guarantee substantially in the form included in Exhibit A, execute a supplemental indenture in the form of Exhibit B, and deliver an Opinion of Counsel to the Trustee to the effect that the supplemental indenture has been duly authorized, executed and delivered by the new Restricted Subsidiary and constitutes a valid and binding obligation of the new Restricted Subsidiary, enforceable against the new Restricted Subsidiary in accordance with its terms (subject to customary exceptions).

Section 4.12. Repurchase of Notes upon a Change of Control. (a) In the event that there shall occur a Change of Control, each Holder of Notes shall have the right, at such Holder's option, to require the Issuer to purchase all or any part of such Holder's Notes on a date (the "**Repurchase Date**") that is no later than 90 days after notice of the Change of Control, at 101% of the principal amount thereof plus accrued and unpaid interest, if any, to, but not including, the Repurchase Date.

(b) On or before the thirtieth day after any Change of Control, the Issuer is obligated to mail, cause to be mailed, deliver electronically in accordance with applicable DTC procedures or cause to be delivered electronically in accordance with applicable DTC procedures to all Holders of record of Notes and the Trustee, a notice regarding the Change of Control and the repurchase right. The notice shall state the Repurchase Date, the date by which the repurchase right must be exercised, the price for the Notes and the procedure which the Holder must follow to exercise such right. To exercise such right, the Holder of such Note must deliver, at least ten days prior to the Repurchase Date, written notice to the Issuer (or an agent designated by the Issuer for such purpose) of the Holder's exercise of such right, together with the Note with respect to which the right is being exercised, duly endorsed for transfer; *provided, however*, that if mandated by applicable law, a Holder may be permitted to deliver such written notice nearer to the Repurchase Date than may be specified by the Issuer.

(c) Notices may be delivered prior to the occurrence of a Change of Control stating that the Change of Control Offer is conditional on the occurrence of such Change of Control, and, if applicable, shall state that, in the Issuer's discretion, the Repurchase Date may be delayed until such time as the Change of Control shall occur, or that such repurchase may not occur and such notice may be rescinded in the event that the Issuer shall determine that such condition will not be satisfied by the Repurchase Date, or by the Repurchase Date as so delayed.

(d) The Issuer will comply with applicable law, including Section 14(e) of the Exchange Act and Rule 14e-1 thereunder, if applicable, if the Issuer is required to give a notice of a right of repurchase as a result of a Change of Control.

(e) The Issuer will not be required to make a Change of Control Offer following a Change of Control if a third party makes the Change of Control Offer in the manner, at the times and otherwise in compliance with the requirements set forth in this Section 4.12 and purchases all such Notes validly tendered and not validly withdrawn under such Change of Control Offer.

Section 4.13. *Limitations on Transactions with Affiliates.* (a) The Company and the Issuer will not, and will not cause or permit any Restricted Subsidiary to, make any loan, advance, guarantee or capital contribution to, or for the benefit of, or sell, lease, transfer or otherwise dispose of any property or assets to or for the benefit of, or purchase or lease any property or assets from, or enter into or amend any contract, agreement or understanding with, or for the benefit of, any Affiliate of the Company or any Affiliate of any of the Company's Subsidiaries involving payments or consideration in a single transaction or series of related transactions (each, an "**Affiliate Transaction**"), unless:

(i) with respect to any such Affiliate Transaction involving or having a value of more than \$5.0 million, the Company shall have (x) obtained the approval of a majority of the Board of Directors of the Company and (y) either obtained the approval of a majority of the Company's disinterested directors or obtained an opinion of a qualified independent financial advisor to the effect that such Affiliate Transaction is fair to the Company, the Issuer or such Restricted Subsidiary, as the case may be, from a financial point of view, and

(ii) with respect to any such Affiliate Transaction involving or having a value of more than \$10.0 million, the Company shall have (x) obtained the approval of a majority of the Board of Directors of the Company and (y) delivered to the Trustee an opinion of a qualified independent financial advisor to the effect that such Affiliate Transaction is fair to the Company, the Issuer or such Restricted Subsidiary, as the case may be, from a financial point of view.

(b) Notwithstanding the foregoing, an Affiliate Transaction will not include:

(i) any contract, agreement or understanding with, or for the benefit of, or plan for the benefit of, employees of the Company or its Subsidiaries generally (in their capacities as such) that has been approved by the Board of Directors of the Company;

(ii) Capital Stock issuances to directors, officers and employees of the Company or its Subsidiaries pursuant to plans approved by the stockholders of the Company;

(iii) any Restricted Payment otherwise permitted under Section 4.7 hereof or any Permitted Investment (other than a Permitted Investment referred to in clause (b) of the definition thereof, except as permitted by clause (iv) below);

(iv) any transaction between or among the Company and/or one or more Restricted Subsidiaries or between or among Restricted Subsidiaries (*provided, however*, no such transaction shall involve any other Affiliate of the Company (other than an Unrestricted Subsidiary to the extent permitted by this Indenture)) and any Guarantees issued by the Company or a Restricted Subsidiary for the benefit of the Company or a Restricted Subsidiary, as the case may be, in accordance with Section 4.6;

(v) any transaction between the Company, the Issuer or one or more Restricted Subsidiaries and one or more Unrestricted Subsidiaries (1) where all of the payments to, or other benefits conferred upon, such Unrestricted Subsidiaries are substantially contemporaneously divided, or otherwise distributed or transferred without charge, to the Company, the Issuer or a Restricted Subsidiary or (2) in the ordinary course of business, including, without limitation, sales (directly or indirectly), sales subject to repurchase options, leases and sales and leasebacks of (A) homes, improved land and unimproved land and (B) real estate (including related amenities and improvements);

(vi) issuances, sales or other transfers or dispositions of mortgages and collateralized mortgage obligations in the ordinary course of business between Restricted Subsidiaries and Unrestricted Subsidiaries of the Company;

(vii) the payment of reasonable and customary fees to, and indemnity provided on behalf of, officers, directors, employees or consultants of the Company, the Issuer or any Restricted Subsidiary;

(viii) transactions in which the Company, the Issuer or any Restricted Subsidiary, as the case may be, delivers to the Trustee an opinion of a qualified independent financial advisor stating that such transaction is fair to the Company, the Issuer or such Restricted Subsidiary from a financial point of view or stating that the terms are not materially less favorable to the Company, the Issuer or the relevant Restricted Subsidiary than those that would have been obtained in a comparable transaction by the Company, the Issuer or such Restricted Subsidiary with an unrelated Person on an arm's length basis;

(ix) any agreement or arrangement as in effect as of the Issue Date, or any amendment thereto (so long as any such amendment is not disadvantageous in any material respect to the Holders when taken as a whole as compared to the applicable agreement or arrangement as in effect on the Issue Date);

(x) transactions with joint ventures entered into in the ordinary course of business, including, without limitation, sales (directly or indirectly), sales subject to repurchase options, leases and sales and leasebacks of (A) homes, improved land and unimproved land and (B) real estate (including related amenities and improvements);

(xi) any transaction with a Person (other than an Unrestricted Subsidiary) which would constitute an Affiliate Transaction solely because the Company, the Issuer or a Restricted Subsidiary owns Capital Stock in or otherwise controls such Person;

(xii) the issuance and transfer of Capital Stock of the Company and the granting and performance of customary registration rights;

(xiii) any lease entered into between the Company, the Issuer or any Restricted Subsidiary, as lessee, and any Affiliate of the Company, as lessor, in the ordinary course of business;

(xiv) intellectual property licenses in the ordinary course of business;

(xv) transactions between the Company, the Issuer or any of its Restricted Subsidiaries and any Person that would constitute an Affiliate Transaction solely because a director of which is also a director of the Company; provided, however, that such director abstains from voting as a director of the Company on any matter involving such other Person; and

(xvi) pledges of Capital Stock of Unrestricted Subsidiaries (other than a JV Holding Company or Permitted Joint Venture (except in compliance with Section 4.8 hereof)).

Section 4.14. *Limitations on Mergers, Consolidations and Sales of Assets.* Neither the Issuer nor any Guarantor will consolidate or merge with or into, or sell, lease, convey or otherwise dispose of all or substantially all of its assets (including, without limitation, by way of liquidation or dissolution), or assign any of its obligations under the Notes, the Guarantees or this Indenture (as an entirety or substantially as an entirety in one transaction or in a series of related transactions), to any Person (in each case, other than in a transaction in which the Company, the Issuer or a Restricted Subsidiary is the survivor of a consolidation or merger, or the transferee in a sale, lease, conveyance or other disposition) unless:

(a) the Person formed by or surviving such consolidation or merger (if other than the Company, the Issuer or the Guarantor, as the case may be), or to which such sale, lease, conveyance or other disposition or assignment will be made (collectively, the “**Successor**”), is a corporation or other legal entity organized and existing under the laws of the United States or any state thereof or the District of Columbia, and the Successor assumes by supplemental indenture in a form reasonably satisfactory to the Trustee all of the obligations of the Company, the Issuer or the Guarantor, as the case may be, under the Notes or a Guarantee, as the case may be, and this Indenture and the Security Documents,

(b) immediately after giving effect to such transaction, no Default or Event of Default has occurred and is continuing, and

(c) immediately after giving effect to such transaction,

(i) the Company (or its Successor) could incur at least \$1.00 of Indebtedness pursuant to Section 4.6(a) hereof; or

(ii) the Consolidated Fixed Charge Coverage Ratio would be equal to or greater than the Consolidated Fixed Charge Coverage Ratio immediately prior to such transaction.

The foregoing provisions shall not apply to: (i) a transaction involving the sale or disposition of Capital Stock of a Guarantor, or the consolidation or merger of a Guarantor, or the sale, lease, conveyance or other disposition of all or substantially all of the assets of a Guarantor, that in any such case results in such Guarantor being released from its Guarantee pursuant to Section 6.3, or (ii) a transaction the purpose of which is to change the state of incorporation or formation of the Company, the Issuer or any Guarantor.

Section 4.15. *Reports to Holders of Notes.*

(a) The Company shall file with the Commission the annual reports and the information, documents and other reports required to be filed pursuant to Section 13 or 15(d) of the Exchange Act. The Company shall deliver to each Holder of record of Notes such reports, information and documents within 15 days after it files them with the Commission. In the event that the Company is no longer subject to these periodic reporting requirements of the Exchange Act, it will nonetheless continue to file reports with the Commission and deliver such reports to each Holder of Notes as if it were subject to such reporting requirements. Regardless of whether the Company is required to furnish such reports to its stockholders pursuant to the Exchange Act, the Company will cause its consolidated financial statements and a “Management’s Discussion and Analysis of Results of Operations and Financial Condition” written report, similar to those that would have been required to appear in annual or quarterly reports, to be delivered to Holders of Notes.

(b) The posting of the reports, information and documents referred to above on the Company’s website or one maintained on its behalf for such purpose shall be deemed to satisfy the Company’s delivery obligations to the Holders. In addition, availability of the foregoing materials on the Commission’s EDGAR service shall be deemed to satisfy the Company’s delivery obligations to the Holders. The Trustee shall have no obligation to monitor whether the Company posts such reports, information and documents on its website or the Commission’s EDGAR service, or collect any such information from the Company’s website or the Commission’s EDGAR service.

(c) For so long as any of the Notes remain outstanding and constitute “restricted securities” under Rule 144, the Company will furnish to the Holders of Notes and prospective investors, upon their request, the information required to be delivered pursuant to Rule 144A(d)(4) under the Securities Act.

(d) The Trustee’s receipt of any reports, information and documents is for informational purposes only and will not constitute constructive notice of any information contained therein or determinable from information contained therein, including the Issuer’s and/or the Company’s compliance with any of its covenants in this Indenture (as to which the Trustee is entitled to rely exclusively on Officer’s Certificates).

Section 4.16. Limitation on Prepayment of Existing Junior Lien Indebtedness and Existing Unsecured Indebtedness.

(a) The Company, the Issuer and its Restricted Subsidiaries shall not purchase, repurchase, redeem, acquire or retire for value, including through any defeasance or discharge prior to stated maturity (collectively “**Prepay**”, and the terms “**Prepaid**” and “**Prepayment**” have meanings correlative to the foregoing), any Indebtedness secured by a Lien on the Collateral that is junior to the Liens on the Collateral securing the Notes pursuant to the terms of the First Lien Intercreditor Agreement, the Junior Lien Intercreditor Agreement or other intercreditor agreement that is substantially similar to such intercreditor agreements (such Indebtedness, “**Junior Lien Indebtedness**”), Existing Unsecured Indebtedness, Subordinated Indebtedness, or any Refinancing Indebtedness in respect thereof (or any subsequently incurred Refinancing Indebtedness in respect of any such Refinancing Indebtedness) (collectively, the “**Prepayment Indebtedness**”), except:

(i) with respect to any Junior Lien Indebtedness and Prepayment Indebtedness in respect thereof, a Prepayment in exchange for, or with the proceeds of or from (including in connection with a tender offer or exchange offer): (A) Refinancing Indebtedness or Indebtedness that is “Permitted Indebtedness” under any of clauses (a)(i), (k), (n) or (u) of such definition, which Refinancing Indebtedness or Permitted Indebtedness (as applicable), if secured, shall be secured by Liens pursuant to clauses (i)(b), (i)(d), (i)(g) or (qq), as applicable, of the definition of “Permitted Liens”; or (B) an issuance of Qualified Stock;

(ii) with respect to the Existing Unsecured Indebtedness and Prepayment Indebtedness in respect thereof, a Prepayment in exchange for, or with the proceeds of or from (including in connection with a tender offer or exchange offer): (A) Refinancing Indebtedness or Indebtedness that is “Permitted Indebtedness” under any of clauses (a)(i), (k), (n) or (u) of the definition thereof, which Refinancing Indebtedness or Permitted Indebtedness (as applicable), if secured, shall be secured by Liens pursuant to clauses (i)(b), (i)(d), (i)(g) or (qq), as applicable, of the definition of “Permitted Liens”; or (B) an issuance of Qualified Stock;

(iii) with respect to any Subordinated Indebtedness and Prepayment Indebtedness in respect thereof, a Prepayment in exchange for, or with the proceeds of or from (including in connection with a tender offer or exchange offer): (A) Refinancing Indebtedness or Indebtedness that is “Permitted Indebtedness” under clause (u) of the definition thereof; or (B) an issuance of Qualified Stock;

(iv) with respect to any Junior Lien Indebtedness, Existing Unsecured Indebtedness, Subordinated Indebtedness and Prepayment Indebtedness in respect thereof, or any other Indebtedness incurred in compliance with this Section 4.16, in each case beneficially owned by any Specified Person, Prepayments not to exceed an aggregate purchase price, excluding accrued and unpaid interest in accordance with clause (b)(iii) below, since the Issue Date, equal to the Additional 1.25 Lien Notes Amount; and

(v) with respect to any Junior Lien Indebtedness, Existing Unsecured Indebtedness (other than the 5.0% Senior Notes), Subordinated Indebtedness and Prepayment Indebtedness in respect thereof, or any other Indebtedness incurred in compliance with this Section 4.16, Prepayments (other than with proceeds of the Senior Credit Facility) not to exceed \$100.0 million in aggregate purchase price, excluding accrued and unpaid interest in accordance with clause (b)(iii) below, since the Issue Date; *provided* no Default or Event of Default shall have occurred and be continuing on the date of any such Prepayment.

(b) Clause (a) of this Section 4.16 will not prohibit:

(i) the purchase, repayment, repurchase, redemption, defeasance or other acquisition, cancellation or retirement for value of any Prepayment Indebtedness or other Indebtedness incurred in compliance with this Section 4.16 (A) at a purchase price not greater than 101% of the principal amount of such Indebtedness in the event of a Change of Control in accordance with provisions similar to Section 4.12 hereof or (B) at a purchase price not greater than 100% of the principal amount thereof in accordance with provisions similar to Section 4.10 hereof; *provided* that, prior to or simultaneously with such purchase, repayment, repurchase, redemption, defeasance or other acquisition, cancellation, or retirement, the Company, the Issuer or any Restricted Subsidiary has made the Change of Control Offer pursuant to Section 4.12 hereof or Offer to Purchase pursuant to Section 4.10 hereof, as applicable, with respect to the Notes and has completed such repurchase or redemption of all Notes validly tendered and not validly withdrawn for payment in connection with such Change of Control Offer or Offer to Purchase;

(ii) any purchase or redemption of Prepayment Indebtedness or other Indebtedness incurred in compliance with this Section 4.16 from Net Cash Proceeds of an Asset Disposition to the extent permitted under Section 4.10 hereof;

(iii) any (x) payments of accrued and unpaid interest to holders of Prepayment Indebtedness and other Indebtedness incurred in compliance with this Section 4.16 and (y) payments, not to exceed \$1.0 million for all such payments since the Issue Date, in respect of fractional Indebtedness in connection with the tender or exchange thereof, in each case, made in connection with a Prepayment made in compliance with this Section 4.16;

(iv) any Prepayments of any Prepayment Indebtedness or other Indebtedness incurred in compliance with this Section 4.16 made within one year prior to the stated maturity of such Prepayment Indebtedness or other Indebtedness; and

(v) the Prepayment of the 1.75 Lien Notes with the net cash proceeds from the New Secured Notes.

Section 4.17. Notice of Other Defaults.

In the event that any Indebtedness of the Issuer or any Guarantor is declared due and payable before its maturity because of the occurrence of any default under such Indebtedness, the Issuer or the relevant Guarantor, as the case may be, shall promptly deliver to the Trustee an Officer's Certificate stating such declaration; provided, that the term "Indebtedness" as used in this Section 4.17 shall not include Non-Recourse Indebtedness.

Section 4.18. Collateral Requirement; Further Assurances; Costs.

(a) On the Issue Date, the Issuer and each Guarantor shall grant Liens on all their property (other than Excluded Property) and take all appropriate steps to cause such Liens to be perfected liens (subject to Permitted Liens), including through recordation of Mortgages and/or amendments to, or modifications of, Mortgages existing as of the Issue Date, entry into control agreements, filing of UCC-1 financing statements or otherwise, pursuant to, and to the extent required by, this Indenture and the Security Documents to be entered into on the Issue Date. For the avoidance of doubt, the requirements of this Section 4.18(a) are subject to Section 4.18(d) below.

(b) If the Issuer or any of the Guarantors at any time grants, assumes, perfects or becomes subject to any Lien upon any of its property (other than Excluded Property of the type referred to in clause (a) of the definition thereof) then owned or thereafter acquired as security for any other Secured Obligation that in each case is subject to the Intercreditor Agreements, the Issuer shall, or shall cause such Guarantor to, as promptly as practical (subject to Section 4.18(d) below):

(i) grant a Lien with the same priority as the Liens on the Collateral then securing the Notes on such property to the Collateral Agent or the Joint First Lien Collateral Agent, as applicable, for the benefit of the Holders and, to the extent such grant would require the execution and delivery of a Security Document, the Issuer or such Guarantor shall execute and deliver a Security Document on substantially the same terms as the agreement or instrument executed and delivered to secure such other Secured Obligations (but subject to changes to make such new Security Document consistent with the Security Documents delivered on the Issue Date);

(ii) cause the Lien granted in such Security Document to be duly perfected in any manner permitted by law to the same extent as the Liens granted for the benefit of such other Secured Obligations are perfected; and

(iii) instruct the Collateral Agent and the Joint First Lien Collateral Agent in writing to take all action necessary in connection with the foregoing provisions of this Section 4.18(b), including as necessary under the Security Documents.

By their acceptance of the Notes, Holders shall be deemed to have instructed and authorized the Collateral Agent and the Joint First Lien Collateral Agent to take such actions as instructed by the Issuer or any Guarantor.

(c) If the Issuer or any Guarantor at any time after the Issue Date acquires any new property (other than Excluded Property) that is not automatically subject to a Lien under the Security Documents, or a non-Guarantor Restricted Subsidiary becomes a Guarantor, the Issuer shall, or shall cause such Guarantor, subject to the requirements of the Security Documents, to as soon as practical after such property's acquisition or it no longer being Excluded Property (subject to Section 4.18(d) below):

(i) grant a Lien with the same priority as the Liens on the Collateral then securing the Notes on such property (or, in the case of a new Guarantor, all of its assets except Excluded Property) to the Collateral Agent or the Joint First Lien Collateral Agent, as applicable, for the benefit of the Holders (and, to the extent such grant would require the execution and delivery of a Security Document, the Issuer or such Guarantor shall execute and deliver a Security Document on substantially the same terms as the Security Documents executed and delivered on the Issue Date);

(ii) cause the Lien granted in such Security Document to be duly perfected in any manner permitted by law to the same extent as the Liens granted on the Issue Date are perfected; and

(iii) instruct the Collateral Agent and the Joint First Lien Collateral Agent in writing to take all action necessary in connection with the foregoing provisions of this Section 4.18(c) including as necessary under the Security Documents.

By their acceptance of the Notes, Holders shall be deemed to have instructed and authorized the Collateral Agent and the Joint First Lien Collateral Agent to take such action as instructed by the Issuer or any Guarantor.

The Issuer or such Guarantor shall deliver an Opinion of Counsel to the Trustee in respect of any Lien grant referred to in this Section 4.18(c) by a new Guarantor or with respect to real property, addressing customary matters (and containing customary exceptions) consistent with the Opinion of Counsel (if any) delivered on the Issue Date in respect of such matters; *provided*, that, an Opinion of Counsel shall not be required with respect to any Mortgage located in a jurisdiction for which an Opinion of Counsel in respect of a similar Mortgage has been previously delivered to the Trustee pursuant to this Indenture (each such jurisdiction, an “**Existing Jurisdiction**”).

(d) Notwithstanding anything to the contrary set forth in this Section 4.18 or elsewhere in this Indenture or any Security Document:

(i) any Mortgages and/or amendments to or modifications of Mortgages (and any related Security Documents) required to be granted pursuant to this Indenture or the Security Documents with respect to real property owned by the Issuer or a Guarantor on the Issue Date shall be granted, together with Opinions of Counsel delivered to the Trustee in respect of the enforceability and validity of such Mortgages and/or amendments to, or modifications of, Mortgages, as applicable, addressing customary matters (and containing customary exceptions) (*provided*, that an Opinion of Counsel shall not be required with respect to (x) any Mortgage existing as of the Issue Date which, upon the advice of local counsel from the jurisdiction in which the real property Collateral subject to such Mortgage is located, remains valid and enforceable in the form existing as of the Issue Date without any amendments thereto or modifications thereof or (y) any Mortgage for real property located in an Existing Jurisdiction), using reasonable best efforts following the Issue Date, but in no event later than (A) 180 days following the Issue Date with respect to real property to be pledged as Collateral with an aggregate book value of at least 60% of the aggregate book value of such real property owned on the Issue Date, (B) 210 days following the Issue Date with respect to real property to be pledged as Collateral with an aggregate book value of at least 75% of the aggregate book value of such real property owned on the Issue Date, and (C) in any event, 270 days after the Issue Date with respect to all real property owned on the Issue Date to be pledged as Collateral;

(ii) any control, intercreditor or similar agreements or other Security Documents with respect to L/C Collateral (other than Excluded Property) and any deposit, checking and securities accounts required to be provided pursuant to this Indenture or the Security Documents on the Issue Date shall be provided promptly following the Issue Date, but in no event later than 90 days following the Issue Date;

(iii) to the extent the Notes are required to be registered pursuant to this Indenture or applicable law, rule or regulation or are registered with the consent of Holders of a majority in principal amount of the outstanding Notes, in the event that Rule 3-16 of Regulation S-X under the Securities Act requires or would require (or is replaced with another rule or regulation, or any other law, rule or regulation is adopted, which would require) the filing with the Commission of separate financial statements of the Issuer, a Guarantor or of any JV Holding Company that are not otherwise required to be filed, then the capital stock or other securities issued by such Person need not be pledged pursuant to this Section 4.18 and shall automatically be deemed released and to not be and to not have been part of the Collateral, but only to the extent necessary to not be subject to such requirement. In such event, the Security Documents may be amended or modified, without the consent of any Holder of Notes, to the extent necessary to evidence the release of Liens securing the Notes and the Guarantees on the shares of capital stock or other securities that are so deemed to no longer constitute part of the Collateral;

(iv) any control, intercreditor or similar agreements or other Security Documents required pursuant to this Indenture or the Security Documents with respect to L/C Collateral (other than Excluded Property) may provide that the Collateral Agent for the benefit of the Holders has a security interest in such Collateral that is junior to both the lien granted to the holders of the obligations secured by such L/C Collateral and the Senior Priority Lien Obligations;

(v) in the case of personal property, (A) the Issuer and the Guarantors will not be required to take any steps to perfect liens on personal property outside the United States and (B) except as set forth in Section 4.18(d)(vi)(C), with respect to perfection, the Issuer and the Guarantors shall only be required to provide for perfection in the name of the Joint First Lien Collateral Agent to the extent required under the Collateral Agency Agreement; and

(vi) in the case of real property Collateral, (A) the Issuer and the Guarantors will not be required to provide title insurance policies in respect thereof, (B) subject to clause (C), the Issuer and the Guarantors shall only be required to provide for and record a single Mortgage to the extent and in the manner contemplated by the Mortgages to be put in place in accordance with Section 4.18(d)(i) hereof, (C) except in the cases of subclauses (x) and (y) of Section 4.18(d)(i) hereof, if the Trustee does not receive an Opinion of Counsel from local counsel in which real property Collateral is located that opines that a Mortgage on such real property Collateral in favor of the Joint First Lien Collateral Agent on behalf of the First Lien Creditors (as defined in the First Lien Intercreditor Agreement) is enforceable (subject to customary exceptions) in such jurisdiction, the Issuer or the applicable Guarantor shall enter into a separate mortgage over the real property Collateral in such jurisdiction in favor of the Collateral Agent (other than the Joint First Lien Collateral Agent) in each case, within the time periods and subject to the other conditions set forth in Section 4.18(d)(i), and (D) notwithstanding anything to the contrary herein, the Issuer and the Guarantors shall cause local counsel for the states of Arizona, California and Texas to issue an Opinion of Counsel to the Collateral Agent in respect of the ongoing enforceability and validity of Mortgages covering real property Collateral existing as of the Issue Date, including any amendments thereof or modifications thereto, within the time periods and subject to the other conditions set forth in Section 4.18(d)(i).

(e) The Issuer will bear and pay all legal expenses, collateral audit and valuation costs, filing fees, insurance premiums and other costs associated with the performance of the obligations of the Issuer and the Guarantors set forth in this Section 4.18 and will also pay or reimburse the Trustee, the Collateral Agent and/or the Joint First Lien Collateral Agent for all reasonable out-of-pocket expenses, disbursements and advances incurred or made by the Trustee, the Collateral Agent and/or the Joint First Lien Collateral Agent in connection therewith, including the reasonable compensation and expenses of the Trustee, the Collateral Agent and/or the Joint First Lien Collateral Agent's agents and counsel.

(f) Neither the Issuer nor any of the Guarantors will be permitted to take any action, or knowingly or negligently omit to take any action, which action or omission might or would have the result of materially impairing the security interest with respect to the Collateral for the benefit of the Trustee and the Holders of the Notes.

Section 4.19. *Limitation of Applicability of Certain Covenants if Notes Rated Investment Grade.*

(a) The Issuer's, the Company's and its Restricted Subsidiaries' obligations to comply with the provisions of this Indenture described under this Article IV (except for Section 4.1, Section 4.2, Section 4.3, Section 4.8, Section 4.10 (to the extent the property disposed of constitutes Collateral), Section 4.12, Section 4.14 (other than clause (c) of the first paragraph thereof), Section 4.15 and Section 4.18) will be suspended (such suspended covenants, the "**Suspended Covenants**") and cease to have any further effect from and after the first date when the Notes are rated Investment Grade (the "**Suspension Date**"); *provided*, that if the Notes subsequently cease to be rated Investment Grade, then, from and after the time the Notes cease to be rated Investment Grade (the "**Reversion Date**"), the Issuer's, the Company's and its Restricted Subsidiaries' obligation to comply with the Suspended Covenants shall be reinstated. The period of time between the Suspension Date and the Reversion Date is referred to in this description as the "**Suspension Period**."

(b) Following the achievement of such Investment Grade ratings, no Restricted Subsidiary thereafter acquired or created will be required to be a Guarantor unless it thereafter guarantees any Applicable Debt or (other than with respect to an Excluded Subsidiary) the Notes cease to be rated Investment Grade.

(c) Notwithstanding clauses (a) and (b) of this Section 4.19, in the event of any reinstatement of the obligation to comply with the Suspended Covenants referred to in Section 4.19(a), no action taken or omitted to be taken by the Company or any of its Subsidiaries prior to such reinstatement, or action taken by the Company or any of its Subsidiaries at any time pursuant to a contractual obligation arising prior to such reinstatement (not entered into in contemplation of such reinstatement) shall give rise to a Default or Event of Default under this Indenture upon reinstatement.

(d) On the Reversion Date, all Indebtedness incurred during the Suspension Period will be classified to have been incurred or issued pursuant to clause (c) of the definition of "Permitted Indebtedness." Calculations made after the Reversion Date of the amount available to be made as Restricted Payments under Section 4.7 will be made as though Section 4.7 had been in effect prior to, but not during, the Suspension Period. Any Affiliate Transaction entered into after the Reversion Date pursuant to an agreement entered into during any Suspension Period shall be deemed to be permitted pursuant to clause (ix) of Section 4.13(b). Any encumbrance or restriction on the ability of any Restricted Subsidiary that is not a Guarantor to take any action described in clauses (a) through (c) of Section 4.9 that becomes effective during any Suspension Period shall be deemed to be permitted pursuant to clause (ii) of Section 4.9.

(e) The Issuer shall promptly notify the Trustee in writing of any suspension or reinstatement of the Suspended Covenants and in the absence of such notice, the Trustee shall be entitled to presume that no such suspension or reinstatement has occurred. The Trustee shall have no duty to: (i) monitor the ratings of the Notes, (ii) ascertain whether a covenant suspension or reversal shall have occurred, or (iii) notify the Holders of any of the foregoing.

ARTICLE V REMEDIES

Section 5.1. Events of Default. “**Event of Default**” means any one or more of the following events:

(a) the failure by the Company, the Issuer and the Guarantors to pay interest on any Note when the same becomes due and payable and the continuance of any such failure for a period of 30 days;

(b) the failure by the Company, the Issuer and the Guarantors to pay the principal or premium of any Note when the same becomes due and payable at maturity, upon acceleration or otherwise;

(c) the failure by the Company, the Issuer or any Restricted Subsidiary to comply with any of its agreements or covenants in, or provisions of, the Notes, the Guarantees, the Security Documents or this Indenture and such failure continues for the period and after the notice specified below (except in the case of a default under Sections 4.12 and 4.14, which will constitute an Event of Default with notice but without passage of time);

(d) the acceleration of any Indebtedness (other than Non-Recourse Indebtedness) of the Company, the Issuer or any Restricted Subsidiary that has an outstanding principal amount of \$40.0 million or more, individually or in the aggregate, and such acceleration does not cease to exist, or such Indebtedness is not satisfied, in either case within 30 days after such acceleration;

(e) the failure by the Company, the Issuer or any Restricted Subsidiary to make any principal or interest payment in an amount of \$40.0 million or more, individually or in the aggregate, in respect of Indebtedness (other than Non-Recourse Indebtedness) of the Company or any Restricted Subsidiary within 30 days of such principal or interest becoming due and payable (after giving effect to any applicable grace period set forth in the documents governing such Indebtedness);

(f) a final judgment or judgments (not subject to appeal) that exceed \$40.0 million or more, individually or in the aggregate, for the payment of money having been entered by a court or courts of competent jurisdiction against the Company, the Issuer or any of its Restricted Subsidiaries and such judgment or judgments is not satisfied, stayed, annulled or rescinded within 60 days of being entered;

(g) the Company, the Issuer or any Restricted Subsidiary that is a Significant Subsidiary pursuant to or within the meaning of any Bankruptcy Law:

(i) commences a voluntary case,

(ii) consents to the entry of an order for relief against it in an involuntary case,

(iii) consents to the appointment of a Custodian of it or for all or substantially all of its property, or

(iv) makes a general assignment for the benefit of its creditors;

(h) a court of competent jurisdiction enters an order or decree under any Bankruptcy Law that:

(i) is for relief against the Company, the Issuer or any Restricted Subsidiary that is a Significant Subsidiary as debtor in an involuntary case,

(ii) appoints a Custodian of the Company, the Issuer or any Restricted Subsidiary that is a Significant Subsidiary or a Custodian for all or substantially all of the property of the Company or any Restricted Subsidiary that is a Significant Subsidiary, or

(iii) orders the liquidation of the Company, the Issuer or any Restricted Subsidiary that is a Significant Subsidiary,

and the order or decree remains unstayed and in effect for 60 days;

(i) any Guarantee of a Guarantor that is a Significant Subsidiary ceases to be in full force and effect (other than in accordance with the terms of such Guarantee and this Indenture) or is declared null and void and unenforceable or found to be invalid or any Guarantor denies its liability under its Guarantee (other than by reason of release of a Guarantor from its Guarantee in accordance with the terms of this Indenture and the Guarantee); or

(j) the Liens created by the Security Documents shall at any time not constitute valid and perfected Liens on any material portion of the Collateral intended to be covered thereby (to the extent perfection by filing, registration, recordation or possession is required by this Indenture or the Security Documents) other than in accordance with the terms of the relevant Security Document and this Indenture and other than the satisfaction in full of all Obligations under this Indenture or the release or amendment of any such Lien in accordance with the terms of this Indenture or the Security Documents, or, except for expiration in accordance with its terms or amendment, modification, waiver, termination or release in accordance with the terms of this Indenture and the relevant Security Document, any of the Security Documents shall for whatever reason be terminated or cease to be in full force and effect, if in either case, such default continues for 30 days after notice, or the enforceability thereof shall be contested by the Issuer or any Guarantor.

A Default as described in clause (c) of this Section 5.1 will not be deemed an Event of Default until the Trustee notifies the Company, or the Holders of at least 25 percent in principal amount of the then outstanding Notes notify the Company and the Trustee, of the Default and (except in the case of a Default with respect to Sections 4.12 and 4.14 hereof) the Company does not cure the Default within 60 days after receipt of the notice. The notice must specify the Default, demand that it be remedied and state that the notice is a "notice of default." If such a Default is cured within such time period, it ceases to be a Default.

If an Event of Default (other than an Event of Default with respect to the Company or the Issuer resulting from clauses (g) or (h) of this Section 5.1), shall have occurred and be continuing under this Indenture, the Trustee by notice to the Company, or the Holders of at least 25 percent in principal amount of the Notes then outstanding by notice to the Company and the Trustee, may declare all Notes to be due and payable immediately. Upon such declaration of acceleration, the amounts due and payable on the Notes will be due and payable immediately. If an Event of Default specified in clauses (d) or (e) of this Section 5.1 occurs, the declaration of acceleration of the Notes shall be automatically annulled if the default triggering such Event of Default pursuant to clauses (d) or (e) of this Section 5.1 shall be remedied or cured by the Company or a Restricted Subsidiary or waived by the holders of the relevant Indebtedness within 20 days after the declaration of acceleration with respect thereto and if (1) the annulment of the acceleration of the Notes would not conflict with any judgment or decree of a court of competent jurisdiction and (2) all existing Events of Default, except nonpayment of principal, premium, if any, or interest on the Notes that became due solely because of the acceleration of the Notes, have been cured or waived. The Issuer shall provide the Trustee with notice of any such annulment of a declaration of acceleration of the Notes. If an Event of Default with respect to the Company or the Issuer specified in subclauses (g) or (h) of this Section 5.1 occurs, all outstanding Notes will become and be immediately due and payable without any declaration, notice or other act on the part of the Trustee and the Company or any Holder, and Holders of the Notes will be entitled to the payment of all amounts that would have been due upon redemption of the Notes if the Issuer redeemed the Notes at its option at the time of such acceleration pursuant to Section 3.1(a) (including the Make-Whole Amount) (in the case such Event of Default occurs prior to September 30, 2025) or pursuant to Section 3.1(b) (in the case such Event of Default occurs on or after September 30, 2025). This provision, however, is subject to the condition that, if at any time after the unpaid principal amount (or such specified amount) of the Notes shall have been so declared due and payable and before any judgment or decree for the payment of the moneys due shall have been obtained or entered as hereinafter provided, the Issuer shall pay or shall deposit with the Trustee a sum sufficient to pay all matured installments of interest, if any, upon all of the Notes and the principal of all the Notes which shall have become due otherwise than by acceleration (with interest on overdue installments of interest, if any, to the extent that payment of such interest is enforceable under applicable law and on such principal at the rate borne by the Notes to the date of such payment or deposit) and the reasonable compensation, disbursements, expenses and advances of the Trustee and all other amounts due to the Trustee under Section 7.7, and any and all defaults under this Indenture, other than the nonpayment of such portion of the principal amount of and accrued interest, if any, on Notes which shall have become due by acceleration, shall have been cured or shall have been waived in accordance with Section 5.3, then and in every such case the Holders of a majority in aggregate principal amount of the Notes then outstanding, by written notice to the Issuer and to the Trustee, may rescind and annul such declaration and its consequences; but no such rescission and annulment shall extend to or shall affect any subsequent default, or shall impair any right consequent thereon. Notwithstanding the previous sentence, no waiver shall be effective against any Holder for any Event of Default or event which with notice or lapse of time or both would be an Event of Default with respect to any covenant or provision which cannot be modified or amended without the consent of the Holder of each outstanding Note affected thereby, unless all such affected Holders agree, in writing, to waive such Event of Default or other event.

In the case of any acceleration (including, but not limited to, upon the occurrence of an Event of Default arising under clauses (g) or (h) of this Section 5.1), Holders will be entitled to the payment of all amounts that would have been due upon redemption of the Notes if the Issuer redeemed the Notes at its option at the time of such acceleration pursuant to Section 3.1(a) (including the Make-Whole Amount) (in the case such acceleration occurs prior to September 30, 2025) or pursuant to Section 3.1(b) (in the case such acceleration occurs on or after September 30, 2025).

Without limiting the generality of the foregoing, in the event the Notes are accelerated or otherwise become due prior to their maturity date, in each case, in respect of any Event of Default (including, but not limited to, upon the occurrence of an Event of Default arising under clauses (g) or (h) of this Section 5.1), (including the acceleration of claims by operation of law)), the premium applicable on the date of such acceleration or otherwise becoming due with respect to an optional redemption of such Notes will also be due and payable as though such Notes were optionally redeemed and shall constitute part of the Obligations on the Notes, in view of the impracticability and extreme difficulty of ascertaining actual damages and by mutual agreement of the parties as to a reasonable calculation of each Holder's losses as a result thereof. Any premium payable above shall be presumed to be the liquidated damages sustained by each Holder as the result of the early redemption and the Issuer and each Guarantor agrees that it is reasonable under the circumstances currently existing. The premium with respect to the Notes shall also be payable in the event such Notes (and/or this Indenture) are satisfied or released by foreclosure (whether by power of judicial proceeding, deed in lieu of foreclosure or by any other means). THE ISSUER AND EACH GUARANTOR EXPRESSLY WAIVES (TO THE FULLEST EXTENT IT MAY LAWFULLY DO SO) THE PROVISIONS OF ANY PRESENT OR FUTURE STATUTE OR LAW THAT PROHIBITS OR MAY PROHIBIT THE COLLECTION OF THE FOREGOING PREMIUM IN CONNECTION WITH ANY SUCH ACCELERATION. The Issuer and each Guarantor expressly agrees (to the fullest extent it may lawfully do so) that: (A) the premium is reasonable and is the product of an arm's length transaction between sophisticated business people, ably represented by counsel; (B) the premium shall be payable notwithstanding the then prevailing market rates at the time payment is made; (C) there has been a course of conduct between Holders and the Issuer and the Guarantors giving specific consideration in this transaction for such agreement to pay the premium; and (D) the Issuer and each Guarantor shall be estopped hereafter from claiming differently than as agreed to in this paragraph. The Issuer and each Guarantor expressly acknowledges that its agreement to pay the premium to Holders as herein described is a material inducement to Holders to purchase the Notes.

If the Trustee shall have proceeded to enforce any right under this Indenture and such proceedings shall have been discontinued or abandoned because of such rescission or annulment or for any reason or shall have been determined to be adverse to the Trustee, then and in every such case the Issuer, the Trustee and the Holders of Notes shall be restored respectively to their several positions and rights hereunder, and all rights, remedies and powers of the Issuer, the Trustee and the Holders of Notes shall continue as though no such proceeding had been taken.

Except with respect to an Event of Default pursuant to clauses (a) or (b) of this Section 5.1 where the Trustee serves as the Paying Agent for the Notes, the Trustee shall not be charged with knowledge of any Event of Default unless written notice thereof shall have been given to a Responsible Officer of the Trustee by the Issuer, a Paying Agent or any Holder and such notice references the Notes and this Indenture.

Section 5.2. Other Remedies. If an Event of Default occurs and is continuing, the Trustee may pursue, in its own name or as trustee of an express trust, any available remedy by proceeding at law or in equity to collect the payment of principal of, premium, if any, and interest, if any, on the Notes or to enforce the performance of any provision of the Notes, this Indenture or the Security Documents. The Trustee may maintain a proceeding even if it does not possess any of the Notes or does not produce any of them in the proceeding.

Section 5.3. Waiver of Defaults by Majority of Holders. By written notice to the Trustee and the Company, the Holders of a majority in aggregate principal amount of the Notes then outstanding may on behalf of the Holders of all of the Notes waive any past Default or Event of Default hereunder and its consequences, except a Default in the payment of interest, if any, on, or the principal of, the Notes. Upon any such waiver, the Issuer, the Trustee and the Holders of Notes shall be restored to their former positions and rights hereunder, respectively; but no such waiver shall extend to any subsequent or other Default or Event of Default or impair any right consequent thereon. Whenever any Default or Event of Default hereunder shall have been waived as permitted by this Section 5.3, said Default or Event of Default shall for all purposes of the Notes and this Indenture be deemed to have been cured and to be not continuing.

Section 5.4. Direction of Proceedings.

(a) The Holders of a majority in aggregate principal amount of the Notes then outstanding shall have the right to direct the time, method, and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred on the Trustee with respect to the Notes; *provided, however*, that (x) any such direction for conducting any such proceeding or exercising any such trust or power available to or conferred on the Collateral Agent and the Joint First Lien Collateral Agent under the Security Documents shall be determined pursuant to clause (b) below and (y) (subject to the provisions of Section 7.1) the Trustee shall have the right to decline to follow any such direction if the Trustee shall determine upon advice of counsel that the action or proceeding so directed may not lawfully be taken or if the Trustee in good faith determines that the action or proceeding so directed would involve the Trustee in personal liability.

(b) Subject to the Collateral Agency Agreement and the Intercreditor Agreements, the Holders of a majority in aggregate principal amount of the Notes then outstanding shall have the right to direct the time, method, and place of conducting any proceeding for any remedy available to the Collateral Agent or the Joint First Lien Collateral Agent, or exercising any trust or power conferred on the Collateral Agent and the Joint First Lien Collateral Agent with respect to the Notes; *provided, however*, that the Collateral Agent and the Joint First Lien Collateral Agent shall have the right to decline to follow any such direction if the Collateral Agent or the Joint First Lien Collateral Agent shall determine upon advice of counsel that the action or proceeding so directed may not lawfully be taken or if the Collateral Agent or the Joint First Lien Collateral Agent in good faith determines that the action or proceeding so directed would involve the Collateral Agent or the Joint First Lien Collateral Agent in personal liability.

Section 5.5. Application of Moneys Collected by Trustee.

Any moneys collected by the Trustee pursuant to this Article (including any proceeds from Collateral received from the Joint First Lien Collateral Agent pursuant to the terms of the Security Documents) with respect to outstanding Notes shall be applied in the order following, at the date or dates fixed by the Trustee for the distribution of such moneys, upon presentation of the Notes and stamping thereon the payment, if only partially paid, and upon surrender thereof, if fully paid:

FIRST: To the payment of costs and expenses of collection and reasonable compensation to the Trustee (including in its role as Collateral Agent and Joint First Lien Collateral Agent under the Security Documents), its agents, attorneys and counsel, and all other expenses and liabilities incurred, and all advances made, by the Trustee pursuant to Section 7.7;

SECOND: If the principal of the Notes shall not have become due and be unpaid, to the payment of interest, if any, on the Notes, in the order of the maturity of the installments of such interest, if any, with interest (to the extent that such interest has been collected by the Trustee) upon the overdue installments of interest, if any, at the rate borne by the Notes, such payment to be made ratably to the Persons entitled thereto;

THIRD: If the principal of the Notes shall have become due, by declaration or otherwise, to the payment of the whole amount then owing and unpaid upon the Notes for principal or interest, if any, with interest on the overdue principal and (to the extent that such interest has been collected by the Trustee) upon overdue installments of interest, if any, at the rate borne by the Notes, and in case such moneys shall be insufficient to pay in full the whole amounts so due and unpaid upon the Notes, then to the payment of such principal and interest, if any, without preference or priority of principal over interest, if any, or of interest, if any, over principal, or of any installment of interest, if any, over any other installment of interest, if any, ratably to the aggregate of such principal and accrued and unpaid interest, if any; and

FOURTH: To the payment of any surplus then remaining to the Issuer, its successors or assigns, or to whomsoever may be lawfully entitled to receive the same.

No claim for interest which in any manner at or after maturity shall have been transferred or pledged separate or apart from the Notes to which it relates, or which in any manner shall have been kept alive after maturity by an extension (otherwise than pursuant to an extension made pursuant to a plan proposed by the Issuer to the Holders of all Notes), purchase, funding or otherwise by or on behalf or with the consent or approval of the Issuer shall be entitled, in case of a default hereunder, to any benefit of this Indenture, except after prior payment in full of the principal of all Notes and of all claims for interest not so transferred, pledged, kept alive, extended, purchased or funded.

Section 5.6. Proceedings by Holders. No holder of any Notes shall have any right by virtue of or by availing itself of any provision of this Indenture to institute any suit, action or proceeding in equity or at law upon or under or with respect to this Indenture for the appointment of a receiver or trustee or similar official, or for any other remedy hereunder, unless such Holder previously shall have given to the Trustee written notice of default and of the continuance thereof, as hereinbefore provided, and unless the Holders of not less than 25% in aggregate principal amount of the Notes then outstanding shall have made written request to the Trustee to institute such action, suit or proceeding in its own name as Trustee hereunder and shall have offered to the Trustee such reasonable indemnity or security as the Trustee may require against the costs, expenses and liabilities to be incurred therein or thereby, and the Trustee for 60 days after its receipt of such notice, request and offer of reasonable indemnity or security shall have neglected or refused to institute any such action, suit or proceeding, it being understood and intended, and being expressly covenanted by the Holder of every Note with every other Holder of Notes and the Trustee, that no one or more Holders of Notes shall have any right in any manner whatever by virtue of or by availing of any provision of this Indenture or of such Notes to affect, disturb or prejudice the rights of any other Holder of Notes, or to obtain or seek to obtain priority over or preference as to any other such Holder, or to enforce any right under this Indenture or such Notes, except in the manner herein provided and for the equal, ratable and common benefit of all Holders of Notes. Nothing in this Section 5.6 shall give any Holder of any Notes the right to exercise any remedy under the Security Documents which shall only be exercised by the Collateral Agent and the Joint First Lien Collateral Agent as directed pursuant to Section 5.4(b).

Notwithstanding any other provisions in this Indenture, however, the contractual right of any Holder of any Note to bring suit for the payment of principal, premium, if any, and interest on its Note, on or after the respective due dates expressed or provided for in such Note, shall not be amended without the consent of such Holder.

Section 5.7. *Proceedings by Trustee.* In case of an Event of Default hereunder, the Trustee may in its discretion proceed to protect and enforce the rights vested in it by this Indenture by such appropriate judicial proceedings as the Trustee shall deem most effectual to protect and enforce any of such rights, either by suit in equity or by action at law or by proceedings in bankruptcy or otherwise, whether for the specific enforcement of any covenant or agreement contained in this Indenture or in aid of the exercise of any power granted in this Indenture, or to enforce any other legal or equitable right vested in the Trustee by this Indenture or by law.

Section 5.8. *Remedies Cumulative and Continuing.* All powers and remedies given by this Article V to the Trustee or to the Holders shall, to the extent permitted by law, be deemed cumulative and not exclusive of any thereof or of any other powers and remedies available to the Trustee or the Holders, by judicial proceedings or otherwise, to enforce the performance or observance of the covenants and agreements contained in this Indenture, and no delay or omission of the Trustee or of any Holder to exercise any right or power accruing upon any default occurring and continuing as aforesaid shall impair any such right or power, or shall be construed to be a waiver of any such default or an acquiescence therein; and, subject to the provisions of Section 5.6, every power and remedy given by this Article V or by law to the Trustee or to the Holders may be exercised from time to time, and as often as shall be deemed expedient, by the Trustee or by the Holders.

Section 5.9. *Undertaking to Pay Costs.* All parties to this Indenture agree, and each Holder of any Note by their acceptance thereof shall be deemed to have agreed, that any court may in its discretion require, or in any suit for the enforcement of any right or remedy under this Indenture, or in any suit against the Trustee for any action taken or omitted by it as Trustee, the filing by any party litigant in such suit of an undertaking to pay the cost of such suit, and that such court may in its discretion assess reasonable costs, including reasonable attorneys' fees and expenses, against any party litigant in such suit, having due regard to the merits and good faith of the claims or defenses made by such party litigant; but the provisions of this Section 5.9 shall not apply to any suit instituted by the Trustee, to any suit instituted by any Holder, or group of Holders, holding in the aggregate more than 10% in principal amount of the then outstanding Notes, or to any suit instituted by any Holders for the enforcement of the payment of the principal of, premium, if any, or interest, if any, on any Note against the Issuer on or after the due date of such Note.

Section 5.10. *Notice of Defaults.* (a) The Company is required to deliver to the Trustee an annual statement regarding compliance with this Indenture, and include in such statement, if any officer of the Company is aware of any Default or Event of Default, a statement specifying such Default or Event of Default and what action the Company is taking or proposes to take with respect thereto. In addition, the Company is required to deliver to the Trustee prompt written notice of the occurrence of any Default or Event of Default.

(b) The Trustee shall, within 90 days after the occurrence of a Default actually known to a Responsible Officer of the Trustee, with respect to the Notes, deliver to all Holders of Notes, as the names and the addresses of such Holders appear upon the Register, subject to the applicable procedures of DTC (in the case of Global Notes), notice of all Defaults, unless such Defaults shall have been cured before the giving of such notice; *provided, however*, that, except in the case of default in the payment of the principal of, premium, if any, or interest, if any, on any of the Notes, or in the payment or satisfaction of a purchase obligation, the Trustee shall be protected in withholding such notice if and so long as the board of directors, the executive committee, a trust committee of directors or a Responsible Officer of the Trustee in good faith determines that the withholding of such notice is in the best interests of the Holders.

Section 5.11. Waiver of Stay, Extension or Usury Laws. The Company, the Issuer and each Guarantor covenants, to the extent permitted by applicable law, that it will not at any time insist upon, or plead, or in any manner whatsoever claim or take the benefit or advantage of, any stay or extension law or any usury law or other law that would prohibit or forgive the Company, the Issuer or the Guarantor from paying all or any portion of the principal of, premium, if any, or interest, if any, on the Notes as contemplated herein, wherever enacted, now or at any time hereafter in force, or that may affect the covenants or the performance of this Indenture. The Company, the Issuer and each Guarantor hereby expressly waives, to the extent that it may lawfully do so, all benefit or advantage of any such law and covenants that it will not hinder, delay or impede the execution of any power herein granted to the Trustee, but will suffer and permit the execution of every such power as though no such law had been enacted.

Section 5.12. Trustee May File Proof of Claim. The Trustee may file proofs of claim and other papers or documents as may be necessary or advisable in order to have the claims of the Trustee (including any claim for the compensation, expenses, disbursements and advances of the Trustee, its agents and counsel, and any other amounts due to the Trustee hereunder) and the Holders allowed in any judicial proceedings relating to the Company, the Issuer or any Guarantor or their respective creditors or property, and is entitled and empowered to collect, receive and distribute any money, securities or other property payable or deliverable upon conversion or exchange of the Notes or upon any such claims. Any custodian, receiver, assignee, trustee, liquidator, sequestrator or other similar official in any such judicial proceeding is hereby authorized by each Holder to make such payments to the Trustee and, if the Trustee consents to the making of such payments directly to the Holders, to pay to the Trustee any amount due to it for the reasonable compensation, expenses, disbursements and advances of the Trustee, its agent and counsel, and any other amounts due to the Trustee hereunder. Nothing in this Indenture will be deemed to empower the Trustee to authorize or consent to, or accept or adopt on behalf of any Holder, any plan of reorganization, arrangement, adjustment or composition affecting the Notes or the rights of any Holder thereof, or to authorize the Trustee to vote in respect of the claim of any Holder in any such proceeding.

Section 5.13. Payment of Notes on Default; Suit Therefor. The Issuer covenants that (a) if default shall be made in the payment of any installment of interest upon the Notes as and when the same shall become due and payable, and such default shall have continued for a period of 30 days, or (b) if default shall be made in the payment of the principal of, and premium, if any, on the Notes as and when the same shall have become due and payable, whether at maturity of the Notes or upon redemption or by declaration or otherwise, then, upon demand of the Trustee, the Issuer will pay to the Trustee, for the benefit of the Holders of the Notes, the whole amount that then shall have become due and payable on all such Notes for principal, and premium, if any, or interest, if any, or both, as the case may be, with interest upon the overdue principal and (to the extent that payment of such interest is enforceable under applicable law) upon the overdue installments of interest, if any, at the rate borne by the Notes; and, in addition thereto, such further amount as shall be sufficient to cover the costs and expenses of collection, including reasonable compensation to the Trustee, its agents, attorneys and counsel, and any expenses or liabilities incurred by the Trustee hereunder other than through its negligence or willful misconduct.

If the Issuer shall fail forthwith to pay such amounts upon such demand, the Trustee, in its own name and as trustee of an express trust, shall be entitled and empowered to institute any actions or proceedings at law or in equity for the collection of the sums so due and unpaid, and may prosecute any such action or proceeding to judgment or final decree, and may enforce any such judgment or final decree against the Issuer or any other obligor on the Notes and collect in the manner provided by law out of the property of the Issuer or any other obligor on the Notes, wherever situated, the moneys adjudged or decreed to be payable.

If there shall be pending proceedings for the bankruptcy or for the reorganization of the Issuer or any other obligor on the Notes under any bankruptcy, insolvency or other similar law now or hereafter in effect, or if a receiver or trustee or similar official shall have been appointed for the property of the Issuer or such other obligor, or in the case of any other similar judicial proceedings relative to the Issuer or other obligor on the Notes, or to the creditors or property of the Issuer or such other obligor, the Trustee, irrespective of whether the principal of the Notes shall then be due and payable as therein expressed or by declaration or otherwise and irrespective of whether the Trustee shall have made any demand pursuant to the provisions of this Section 5.13, shall be entitled and empowered by intervention in such proceedings or otherwise to file and prove a claim or claims for the whole amount of principal, premium, if any, and interest, if any, owing and unpaid in respect of the Notes, and, in case of any judicial proceedings, to file such proofs of claim and other papers or documents as may be necessary or advisable in order to have the claims of the Trustee and of the Holders allowed in such judicial proceedings relative to the Issuer or any other obligor on the Notes, its or their creditors, or its or their property, and to collect and receive any moneys or other property payable or deliverable on any such claims, and to distribute the same after the deduction of its charges and expenses, and any receiver, assignee or trustee or similar official in bankruptcy or reorganization is hereby authorized by each of the Holders to make such payments to the Trustee, and, if the Trustee shall consent to the making of such payments directly to the Holders, to pay to the Trustee any amount due it for compensation and expenses or otherwise pursuant to Section 7.7, including counsel fees and expenses incurred by it up to the date of such distribution. To the extent that such payment of reasonable compensation, expenses and counsel fees and expenses out of the estate in any such proceedings shall be denied for any reason, payment of the same shall be secured by a lien on, and shall be paid out of, any and all distributions, dividends, moneys, securities and other property which the Holders of Notes may be entitled to receive in such proceedings, whether in liquidation or under any plan of reorganization or arrangement or otherwise.

All rights of action and of asserting claims under this Indenture, or under any of the Notes, may be enforced by the Trustee without the possession of any of the Notes, or the production thereof at any trial or other proceeding relative thereto, and any such suit or proceeding instituted by the Trustee shall be brought in its own name as trustee of an express trust, and any recovery of judgment shall be for the ratable benefit of the Holders of Notes in respect of which such judgment has been recovered.

ARTICLE VI GUARANTEES; RELEASE OF GUARANTOR

Section 6.1. Guarantee. Each of the Guarantors hereby unconditionally guarantees, jointly and severally with each other Guarantor, to each Holder and to the Trustee and its successors and assigns, irrespective of the validity and enforceability of this Indenture, the Notes or the obligations of the Issuer hereunder or thereunder, that: (i) the due and punctual payment of the principal of, premium, if any, and interest on the Notes, whether at maturity or on an Interest Payment Date, by acceleration, pursuant to an Offer to Purchase or otherwise, to the extent lawful, and all other obligations of the Issuer to the Holders or the Trustee hereunder or thereunder shall be promptly paid in full when due, all in accordance with the terms hereof and thereof, including all amounts payable to the Trustee under Section 7.7 hereof, and (ii) in case of any extension of time of payment or renewal of any Notes or any of such other obligations, the same shall be promptly paid in full when due or performed in accordance with the terms of the extension or renewal, whether at stated maturity, by acceleration or otherwise.

If the Issuer fails to make any payment when due of any amount so guaranteed for whatever reason, each Guarantor shall be obligated, jointly and severally with each other Guarantor, to pay the same immediately. Each Guarantor hereby agrees that its obligations hereunder shall be continuing, absolute and unconditional, irrespective of, and shall be unaffected by, the validity, regularity or enforceability of the Notes, this Indenture, the Security Documents, the absence of any action to enforce the same, any waiver or consent by any Holder or the Trustee with respect to any provisions hereof or thereof, the recovery of any judgment against the Issuer, any action to enforce the same or any other circumstance which might otherwise constitute a legal or equitable discharge or defense of such Guarantor. If any Holder or the Trustee is required by any court or otherwise to return to the Issuer or any Guarantor, or any custodian, trustee, liquidator or other similar official acting in relation to the Issuer or such Guarantor, any amount paid by the Issuer or any Guarantor to the Trustee or such Holder, this Article VI, to the extent theretofore discharged with respect to any Guarantee, shall be reinstated in full force and effect. Each Guarantor agrees that it shall not be entitled to any right of subrogation in relation to the Holders in respect of any obligations guaranteed hereby by such Guarantor until payment in full of all such obligations. Each Guarantor further agrees that, as between such Guarantor, on the one hand, and the Holders of Notes and the Trustee on the other hand, (i) the maturity of the obligations guaranteed hereby may be accelerated as provided in Article V hereof for the purposes of such Guarantee, notwithstanding any stay, injunction or other prohibition preventing such acceleration in respect of the obligations guaranteed hereby and (ii) in the event of any acceleration of such obligations as provided in Article V hereof such obligations (whether or not due and payable) shall forthwith become due and payable by such Guarantor, jointly and severally with each other Guarantor, for the purpose of this Article VI. In addition, without limiting the foregoing, upon the effectiveness of an acceleration under Article V, the Trustee may make a demand for payment on the Notes under any Guarantee provided hereunder and not discharged.

The Guarantee set forth in this Section 6.1 and as annexed to any Note shall not be valid or become obligatory for any purpose with respect to a Note until the certificate of authentication on such Note shall have been signed by the Trustee or any duly appointed authentication agent.

Section 6.2. *Obligations of each Guarantor Unconditional.* Nothing contained in this Article VI or elsewhere in this Indenture or in any Note is intended to or shall impair, as between each Guarantor and the Holders, the obligations of such Guarantor which are absolute and unconditional, to pay to the Holders the principal of, premium, if any, and interest on the Notes as and when the same shall become due and payable in accordance with the provisions of their Guarantee or is intended to or shall affect the relative rights of the Holders and creditors of such Guarantor, nor shall anything herein or therein prevent the Trustee or any Holder from exercising all remedies otherwise permitted by applicable law upon any Default under this Indenture in respect of cash, property or securities of such Guarantor received upon the exercise of any such remedy.

Upon any distribution of assets of a Guarantor referred to in this Article VI, the Trustee, subject to the provisions of Article VII, and the Holders shall be entitled to rely upon any order or decree made by any court of competent jurisdiction in which such dissolution, winding up, liquidation or reorganization proceedings are pending, or a certificate of the liquidating trustee or agent or other person making any distribution to the Trustee or to such Holders for the purpose of ascertaining the persons entitled to participate in such distribution, the holders of other indebtedness of such Guarantor, the amount thereof or payable thereon, the amount or amounts paid or distributed thereon and all other facts pertinent thereto or to this Article VI.

Section 6.3. *Release of a Guarantor.* (a) If (i) all or substantially all of the assets of any Guarantor other than the Company or all of the Capital Stock of any Guarantor other than the Company is sold (including by consolidation, merger, issuance or otherwise) or disposed of (including by liquidation, dissolution or otherwise) by the Company or any of its Subsidiaries, (ii) unless the Company elects otherwise, any Guarantor other than the Company is designated an Unrestricted Subsidiary in accordance with the terms of this Indenture or becomes an Excluded Subsidiary (other than pursuant to clause (i) of the definition of "Excluded Subsidiary" except in the circumstances set forth in clause (i) above), (iii) the Indenture is discharged or defeased in accordance with Article VIII, or (iv) the Holders of Notes approve a release in accordance with Article IX, then in each case such Guarantor or the Person acquiring such assets (in the event of a sale or other disposition of all or substantially all of the assets of a Guarantor), as the case may be, shall be deemed automatically and unconditionally released and discharged from any of its obligations under this Indenture without any further action on the part of the Trustee or any Holder of the Notes.

(b) An Unrestricted Subsidiary or an Excluded Subsidiary that the Company has, at its option, caused to become a Guarantor shall be deemed automatically and unconditionally released and discharged from all obligations under its Guarantee upon written notice from the Company to the Trustee to such effect, without any further action required on the part of the Trustee or any Holder.

Section 6.4. Execution and Delivery of Guarantee. The execution by each Guarantor of this Indenture (or a supplemental indenture in the form of Exhibit B) evidences the Guarantee of such Guarantor, whether or not the person signing as an officer of the Guarantor still holds that office at the time of authentication of any Note. The delivery of any Note by the Trustee after authentication constitutes due delivery of the Guarantee on behalf of each Guarantor.

Section 6.5. Limitation on Guarantor Liability. Notwithstanding anything to the contrary in this Article VI, each Guarantor, and by its acceptance of a Note, each Holder, hereby confirms that it is the intention of all such parties that the Guarantee of such Guarantor not constitute a fraudulent conveyance under applicable fraudulent conveyance provisions of the United States Bankruptcy Code or any comparable provision of state law. To effectuate that intention, the Trustee, the Holders and the Guarantors hereby irrevocably agree that the obligations of each Guarantor under its Guarantee are limited to the maximum amount that would not render the Guarantor's obligations subject to avoidance under applicable fraudulent conveyance provisions of the United States Bankruptcy Code or any comparable provision of state law.

Section 6.6. Article VI not to Prevent Events of Default. The failure to make a payment on account of principal, premium, if any, or interest, if any, on the Notes by reason of any provision in this Article VI shall not be construed as preventing the occurrence of any Event of Default under Section 5.1.

Section 6.7. Waiver by the Guarantors. To the extent permitted by applicable law, each Guarantor hereby irrevocably waives diligence, presentment, demand of payment, demand of performance, filing of claims with a court in the event of insolvency or bankruptcy of the Issuer, any right to require a proceeding first against the Issuer, the benefit of discussion, protest, notice and all demand whatsoever and covenants that this Guarantee shall not be discharged except by complete performance of the obligations contained in the Notes, in this Indenture and in this Article VI.

Section 6.8. Subrogation and Contribution. Upon making any payment with respect to any obligation of the Issuer under this Article, the Guarantor making such payment shall be subrogated to the rights of the payee against the Issuer with respect to such obligation; *provided*, that the Guarantor may not enforce either any right of subrogation, or any right to receive payment in the nature of contribution, or otherwise, from any other Guarantor, with respect to such payment so long as any amount payable by the Issuer hereunder or under the Notes remains unpaid.

Each Guarantor that makes a payment under its Guarantee shall be entitled, upon payment in full of all guaranteed obligations under this Indenture, to seek and receive contribution from and against each other Guarantor in an amount equal to such other Guarantor's *pro rata* portion of such payment based on the respective net assets of all the Guarantors at the time of such payment determined in accordance with GAAP.

Section 6.9. Stay of Acceleration. If acceleration of the time for payment of any amount payable by the Issuer under this Indenture or the Notes is stayed upon the insolvency, bankruptcy or reorganization of the Issuer, all such amounts otherwise subject to acceleration under the terms of this Indenture are nonetheless payable by the Guarantors hereunder forthwith on demand by the Trustee or the Holders.

ARTICLE VII THE TRUSTEE

Section 7.1. General. (a) The duties, rights and responsibilities of the Trustee are solely as set forth herein. Whether or not expressly so provided, every provision of this Indenture relating to the conduct or affecting the liability of, or affording protection to, the Trustee is subject to this Article.

(b) Except during the continuance of an Event of Default, the Trustee need perform only those duties that are specifically set forth in this Indenture and no others, and no implied covenants or obligations shall be read into this Indenture against the Trustee and the permissive rights of the Trustee set forth herein shall not be construed as duties. In case an Event of Default has occurred and is continuing of which a Responsible Officer of the Trustee has knowledge thereof pursuant to Section 5.1, the Trustee shall exercise those rights and powers vested in it by this Indenture, and use the same degree of care and skill in their exercise as a prudent person would exercise or use under the circumstances in the conduct of their own affairs.

Section 7.2. Certain Rights of the Trustee.

(a) The Trustee may conclusively rely, and shall be protected in acting or refraining from acting, upon any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, debenture, note, other evidence of indebtedness or other paper or document believed by it to be genuine and to have been signed or presented by the proper Person. The Trustee need not investigate any fact or matter stated in the document, but the Trustee, in its discretion, may make further inquiry or investigation into such facts or matters as it sees fit.

(b) Subject to Section 7.1(b), the Trustee may conclusively rely, as to the truth of the statements and the correctness of the statements and opinions expressed therein, upon certificates or opinions furnished to the Trustee and conforming to the requirements of this Indenture, and the Trustee shall not be responsible for the accuracy or content of any such statements or opinions; however, the Trustee shall examine the certificates and opinions to determine whether or not they conform on their face to the requirements of this Indenture (it being understood that the Trustee need not confirm, recalculate and/or investigate the accuracy of mathematical or numerical statements or other facts stated therein).

(c) Before the Trustee acts or refrains from acting, it may require an Officer's Certificate or an Opinion of Counsel conforming to Section 13.5 and the Trustee shall not be liable for any action it takes or omits to take in good faith in reliance on such a certificate or opinion. Unless otherwise specifically provided in this Indenture, any demand, request, direction or notice from the Issuer or the Company, as applicable, shall be sufficient if signed by an Officer of the Issuer or the Company, as applicable.

(d) The Trustee may act through its attorneys and agents and shall not be responsible for the misconduct or negligence of any agent appointed with due care.

(e) The Trustee shall be under no obligation to exercise any of the rights or powers vested in it by this Indenture at the request or direction of any of the Holders (including a direction given under Section 5.4), unless such Holders have offered to the Trustee reasonable security or indemnity satisfactory to it against the costs, expenses and liabilities that might be incurred by it in compliance with such request or direction.

(f) The Trustee shall not be liable for any action it takes or omits to take in good faith that it believes to be authorized or within its rights or powers or for any action it takes or omits to take in accordance with the direction of the Holders in accordance with Section 5.4 relating to the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee, under this Indenture.

(g) The Trustee shall not be liable for any error of judgment made in good faith by any of its officers or employees unless it is proved that the Trustee was negligent in ascertaining the pertinent facts.

(h) The Trustee may consult with counsel, accountants and other experts of its selection and the advice of such counsel, accountants or experts or any Opinion of Counsel shall be full and complete authorization and protection in respect of any action taken, suffered or omitted by it hereunder in good faith and in reliance thereon.

(i) No provision of this Indenture shall require the Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of its duties hereunder, or in the exercise of its rights or powers, unless it receives reasonable indemnity or security satisfactory to it against any loss, liability or expense.

(j) The Trustee may request that the Company (on behalf of itself and the Issuer) deliver an Officer's Certificate setting forth the name of the individuals and/or titles of Officers authorized at such time to take specific actions pursuant to this Indenture, which Officer's Certificate may be signed by any person authorized to sign an Officer's Certificate, including any person specified as so authorized in any such Officer's Certificate previously delivered and not superseded.

(k) In no event shall the Trustee be liable, directly or indirectly, for any special, punitive, indirect or consequential damages, even if the Trustee has been advised of the possibility of such damages and regardless of the form of action.

(l) The rights, privileges, protections, immunities and benefits given to the Trustee, including, without limitation, its right to be indemnified, are extended to, and shall be enforceable by, the Trustee in each of its capacities hereunder, and to each agent, custodian and other Person employed to act hereunder.

(m) In no event shall the Trustee be responsible or liable for any failure or delay in the performance of its obligations hereunder arising out of or caused by, directly or indirectly, forces beyond its control, including, without limitation, strikes, work stoppages, accidents, acts of war or terrorism, civil or military disturbances, nuclear or natural catastrophes or acts of God, epidemics, pandemics, governmental actions, and, except in the case of failures or delays due to the Trustee's negligence or bad faith, interruptions, loss or malfunctions of utilities, communications or computer (software and hardware) services, it being understood that the Trustee shall use reasonable best efforts which are consistent with accepted practices in the banking industry to resume performance as soon as practicable under the circumstances.

(n) The Trustee shall have no duty to ensure any recording, filing or depositing of this Indenture or any agreement referred to herein or any mortgage, financing statement or continuation statement evidencing a security interest, or to ensure the maintenance of any such recording or filing or depositing or to any re-recording, re-filing or re-depositing of any thereof.

(o) Knowledge of the Trustee shall not be attributed or imputed to Wilmington Trust, National Association's other roles as trustee or collateral agent for the Issuer, and knowledge of Wilmington Trust, National Association in any other similar role for the Issuer shall not be attributed or imputed to each other or to the Trustee.

(p) The Trustee shall not be liable for losses resulting from the performance in good faith of its duties hereunder or under any of the Security Documents except to the extent caused by its negligence or willful misconduct.

Section 7.3. *Individual Rights of the Trustee.* The Trustee, in its individual or any other capacity, may become the owner or pledgee of Notes and may otherwise deal with the Company or its Affiliates with the same rights it would have if it were not the Trustee. Any Agent may do the same with like rights. However, the Trustee is subject to Trust Indenture Act Sections 310(b) and 311. For purposes of Trust Indenture Act Section 311(b)(4) and (6):

(a) "**cash transaction**" means any transaction in which full payment for goods or securities sold is made within seven days after delivery of the goods or securities in currency or in checks or other orders drawn upon banks or bankers and payable upon demand; and

(b) "**self-liquidating paper**" means any draft, bill of exchange, acceptance or obligation which is made, drawn, negotiated or incurred for the purpose of financing the purchase, processing, manufacturing, shipment, storage or sale of goods, wares or merchandise and which is secured by documents evidencing title to, possession of, or a lien upon, the goods, wares or merchandise or the receivables or proceeds arising from the sale of the goods, wares or merchandise previously constituting the security, provided the security is received by the Trustee simultaneously with the creation of the creditor relationship arising from the making, drawing, negotiating or incurring of the draft, bill of exchange, acceptance or obligation.

Section 7.4. Trustee's Disclaimer. The Trustee (a) makes no representation as to the validity or adequacy of this Indenture, the Notes, the Guarantees or the Collateral, (b) is not accountable for the Company's use or application of the proceeds from the Notes and (c) is not responsible for any statement in the Notes other than its certificate of authentication.

Section 7.5. [Reserved].

Section 7.6. [Reserved].

Section 7.7. Compensation and Indemnity. (a) The Company shall pay the Trustee compensation as agreed upon in writing for its services. The compensation of the Trustee is not limited by any law on compensation of a trustee of an express trust. The Company shall reimburse the Trustee promptly upon request for all reasonable out-of-pocket expenses, disbursements and advances incurred or made by the Trustee, including the reasonable compensation, disbursements and expenses of the Trustee's agents and counsel, except such expenses, disbursements and advances arising as a result of its negligence or willful misconduct.

(a) In addition to any other indemnity provided to the Trustee hereunder, the Company shall indemnify the Trustee for, and hold it harmless against, any loss or liability or expense incurred by it without negligence or willful misconduct on its part arising out of or in connection with the acceptance or administration of this Indenture and the Security Documents and its duties under this Indenture, the Security Documents and the Notes, including the reasonable costs and expenses of counsel (and including the costs and expenses of enforcing the Company's indemnification obligations hereunder and defending itself against any claim or liability and of complying with any process served upon it or any of its officers) in connection with the exercise or performance of any of its powers or duties under this Indenture, the Security Documents and the Notes (regardless of whether brought or initiated by a third party or a party hereto).

(b) To secure the Company's payment obligations in this Section or as otherwise provided in this Indenture, the Trustee shall have a lien prior to the Notes on all money or property held or collected by the Trustee, in its capacity as Trustee, except money or property held in trust to pay principal of, premium, if any, and interest, if any, on particular Notes.

(c) When the Trustee incurs expenses or renders services after an Event of Default specified in Section 5.1(g) or Section 5.1(h) hereof occurs, the expenses and the compensation for the services (including the fees, disbursements and expenses of its agents and counsel) are intended, to the extent permitted by law, to constitute expenses of administration under any Bankruptcy Law.

(d) The Company's obligations and the Trustee's rights under this Section 7.7 shall survive the resignation or removal of the Trustee, the repayment of the Notes in full and the termination of this Indenture.

Section 7.8. Replacement of Trustee. (a) (i) The Trustee may resign at any time by written notice to the Issuer.

(ii) The Holders of a majority in principal amount of the outstanding Notes may remove the Trustee by written notice to the Trustee.

(iii) If the Trustee is no longer eligible under Section 7.10 or in the circumstances described in the Trust Indenture Act Section 310(b), any Holder that satisfies the requirements of Trust Indenture Act Section 310(b) may petition any court of competent jurisdiction for the removal of the Trustee and the appointment of a successor Trustee.

(iv) The Issuer may remove the Trustee if: (A) the Trustee is no longer eligible under Section 7.10; (B) the Trustee is adjudged bankrupt or an insolvent; (C) a receiver or other public officer takes charge of the Trustee or its property; or (D) the Trustee becomes incapable of acting.

A resignation or removal of the Trustee and appointment of a successor Trustee shall become effective only upon the successor Trustee's acceptance of appointment as provided in this Section.

(b) If the Trustee has been removed by the Holders, Holders of a majority in principal amount of the Notes may appoint a successor Trustee with the consent of the Issuer. Otherwise, if the Trustee resigns or is removed, or if a vacancy exists in the office of Trustee for any reason, the Issuer shall promptly appoint a successor Trustee. If the successor Trustee does not deliver its written acceptance within 30 days after the retiring Trustee resigns or is removed, the retiring Trustee, the Issuer or the Holders of a majority in principal amount of the outstanding Notes may petition, at the expense of the Issuer, any court of competent jurisdiction for the appointment of a successor Trustee.

(c) Upon delivery by the successor Trustee of a written acceptance of its appointment to the retiring Trustee and to the Issuer, (i) the retiring Trustee shall transfer all property held by it as Trustee to the successor Trustee, subject to the lien provided for in Section 7.7, (ii) the resignation or removal of the retiring Trustee shall become effective, and (iii) the successor Trustee shall have all the rights, powers and duties of the Trustee under this Indenture. Upon request of any successor Trustee, the Issuer shall execute any and all instruments for fully vesting in and confirming to the successor Trustee all such rights, powers and trusts. The Issuer shall give notice of any resignation and any removal of the Trustee and each appointment of a successor Trustee to all Holders, and include in the notice the name of the successor Trustee and the address of its Corporate Trust Office.

(d) Notwithstanding replacement of the Trustee pursuant to this Section, Issuer's obligations under Section 7.7 shall continue for the benefit of the retiring Trustee.

(e) The Trustee agrees to give the notices provided for in, and otherwise comply with, Trust Indenture Act Section 310(b).

Section 7.9. Successor Trustee by Merger. If the Trustee consolidates with, merges or converts into, or transfers all or substantially all of its corporate trust business to, another corporation or national banking association, the resulting, surviving or transferee corporation or national banking association without any further act shall be the successor Trustee with the same effect as if the successor Trustee had been named as the Trustee in this Indenture.

Section 7.10. Eligibility. This Indenture must always have a Trustee that satisfies the requirements of Trust Indenture Act Section 310(a) and has a combined capital and surplus of at least \$25,000,000 as set forth in its most recent published annual report of condition.

Section 7.11. Money Held in Trust. The Trustee shall not be liable for interest or investment income on any money received by it except as it may agree with the Issuer. Money held in trust by the Trustee need not be segregated from other funds except to the extent required by law and except for money held in trust under Article VIII.

ARTICLE VIII
DEFEASANCE AND DISCHARGE

Section 8.1. Legal Defeasance and Discharge. The Issuer, the Company and the Guarantors shall, subject to the satisfaction of the conditions set forth in Section 8.3 hereof, be deemed to have been discharged from their respective obligations under this Indenture with respect to the Notes, the Guarantees thereof and the related Security Documents and cause the release of all Liens on the Collateral granted under the Security Documents in respect of the Notes (other than the right of Holders to receive interest on, premium, if any, and principal of the Notes when due solely out of the trust referred to below and certain other obligations, which by their terms survive under this Indenture as specified in the next succeeding sentence, and subject to Section 7.7), on the date the conditions set forth below are satisfied (hereinafter, “**Legal Defeasance**”). For this purpose, Legal Defeasance means that the Issuer shall be deemed to have paid and discharged the entire Indebtedness represented by the Notes, which shall thereafter be deemed to be outstanding only for the purposes of Section 8.4 hereof and the other Sections of this Indenture referred to in clauses (a) through (f) of this Section 8.1, and the Issuer, the Company and the Guarantors shall be deemed to have satisfied all of their respective obligations under the Notes, the Guarantees, this Indenture and the Security Documents in respect of the Notes (and the Trustee, on demand of and at the expense of the Issuer, shall execute proper instruments delivered to it by the Issuer acknowledging the same), except for the following provisions which shall survive until otherwise terminated or discharged hereunder: (a) the rights of Holders of Notes to receive payments in respect of the principal, premium, if any, and interest, if any, on the Notes when such payments are due from the trust referred to below; (b) the Issuer’s obligations with respect to the Notes concerning mutilated, destroyed, lost or stolen Notes and the maintenance of an office or agency for payment and money for security payments held in trust; (c) the rights, powers, trusts, duties and immunities of the Trustee, and the Issuer’s and the Guarantors’ obligations in connection therewith; (d) the Legal Defeasance provisions of Article VIII of this Indenture; (e) the rights of registration of transfer and exchange of the Notes; and (f) the rights of Holders of Notes that are beneficiaries with respect to property so deposited with the Trustee payable to all or any of them.

Section 8.2. Covenant Defeasance. The Issuer, the Company and the Guarantors shall, subject to the satisfaction of the conditions set forth in Section 8.3 hereof, be released from their obligations with respect to the Notes and the Guarantees under the covenants contained in Sections 4.6, 4.7, 4.8, 4.9, 4.10, 4.11, 4.12 and 4.13, clause (c) of Section 4.14, Section 4.15, Section 4.16, Section 4.18 and Article VI (except for Section 6.3) and each Guarantor’s obligation under its Guarantee, on and after the date that the conditions set forth in Section 8.3 are satisfied, the Liens on the Collateral granted under the Security Documents in respect of the Notes shall be released (hereinafter, “**Covenant Defeasance**”), and the Notes shall thereafter be deemed not outstanding for the purposes of any direction, waiver, consent or declaration or act of Holders of the Notes (and the consequences of any thereof) in connection with such covenants, but shall continue to be deemed outstanding for all other purposes hereunder (it being understood that the Notes shall not be deemed outstanding for accounting purposes). For this purpose, Covenant Defeasance means that, with respect to the Notes and the Guarantees, the Issuer, the Company and the Guarantors may omit to comply with and shall have no liability in respect of any term, condition or limitation set forth in any such covenant, whether directly or indirectly, by reason of any reference elsewhere herein to any such covenant or by reason of any reference in any such covenant to any other provision herein or in any other document and such omission to comply shall not constitute a Default or an Event of Default under Section 5.1 hereof, but, except as specified above, the remainder of this Indenture and the Notes shall be unaffected thereby. Subject to the satisfaction of the conditions set forth in Section 8.3 hereof, Sections 5.1(c) (with respect to the covenants so defeased), 5.1(d), 5.1(e), 5.1(f), 5.1(i) and 5.1(j) shall not constitute Events of Default or Defaults hereunder.

Section 8.3. Conditions to Legal or Covenant Defeasance. The following shall be the conditions to the application of either Section 8.1 or Section 8.2 hereof to the Notes:

In order to exercise either Legal Defeasance or Covenant Defeasance:

(a) the Issuer must irrevocably deposit, or cause to be deposited, with the Trustee, in trust under an irrevocable trust agreement, for the benefit of the Holders of Notes, cash in U.S. dollars, U.S. Government Obligations, or a combination thereof, in such amounts as will be sufficient, in the opinion of a nationally recognized firm of independent public accountants, to pay, without reinvestment, the principal of, premium, if any, and interest, if any, on the Notes on the stated maturity thereof or on the applicable redemption date, as the case may be, and the Issuer must specify whether the Notes are being defeased to maturity or to a particular redemption date;

(b) in the case of Legal Defeasance, the Issuer must deliver to the Trustee an Opinion of Counsel reasonably acceptable to the Trustee confirming that the Issuer has received from, or there has been published by, the Internal Revenue Service a ruling, or there has been a change in the applicable United States federal income tax law after the date of this Indenture, in either case to the effect that, and based thereon such Opinion of Counsel shall confirm that, the beneficial owners of the Notes will not recognize income, gain or loss for United States federal income tax purposes as a result of such Legal Defeasance, and will be subject to United States federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such Legal Defeasance had not occurred;

(c) in the case of Covenant Defeasance, the Issuer must deliver to the Trustee an Opinion of Counsel reasonably acceptable to the Trustee confirming that the beneficial owners of the Notes will not recognize income, gain or loss for United States federal income tax purposes as a result of such Covenant Defeasance, and will be subject to United States federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such Covenant Defeasance had not occurred;

(d) no Default or Event of Default shall have occurred and be continuing on the date of such deposit (other than a Default or Event of Default resulting from the borrowing of funds to be applied to such deposit) or insofar as Events of Default from bankruptcy or insolvency events are concerned, at any time in the period ending on the 91st day after the date of deposit;

(e) such Legal Defeasance or Covenant Defeasance will not result in a breach or violation of, or constitute a default under, any material agreement or instrument (other than this Indenture) to which the Issuer or any of its Restricted Subsidiaries is a party or by which the Issuer or any of its Restricted Subsidiaries is bound;

(f) the Issuer must deliver to the Trustee an Officer's Certificate stating that the deposit was not made by the Issuer with the intent of preferring the Holders of Notes over other creditors of the Issuer, or with the intent of defeating, hindering, delaying or defrauding creditors of the Issuer or others; and

(g) the Issuer must deliver to the Trustee an Officer's Certificate and an Opinion of Counsel in the United States reasonably acceptable to the Trustee, each stating that the conditions precedent provided for or relating to Legal Defeasance or Covenant Defeasance, as applicable, in the case of the Officer's Certificate, in clauses (a) through (f) and, in the case of the Opinion of Counsel, in clauses (b) and (c) of this Section 8.3, have been complied with.

Section 8.4. *Deposited Money and Government Securities to be Held in Trust; Other Miscellaneous Provisions.* Subject to Section 8.5 hereof, all money and U.S. Government Obligations (including the proceeds thereof) deposited with the Trustee (or other qualifying trustee, collectively, and solely for purposes of this Section 8.4, the "Trustee") pursuant to Section 8.3 or Section 8.8 hereof in respect of the Notes shall be held in trust and applied by the Trustee, in accordance with the provisions of the Notes and this Indenture, to the payment, either directly or indirectly or through any paying agent (including the Issuer acting as paying agent) as the Trustee may determine, to the Holders of such Notes of all sums due and to become due thereon in respect of principal, premium, if any, and interest, but such money need not be segregated from other funds except to the extent required by law.

The Company shall pay and indemnify the Trustee against any tax, fee or other charge imposed on or assessed against the cash or non-callable U.S. Government Obligations deposited pursuant to Section 8.3 or Section 8.8 hereof or the principal, premium, if any, and interest, if any, received in respect thereof other than any such tax, fee or other charge which by law is for the account of the beneficial owners of the Notes.

Subject to the preceding paragraph and Section 7.7 herein, anything in this Article VIII to the contrary notwithstanding, the Trustee shall deliver or pay, solely to the extent available in such trust, to the Issuer from time to time upon the request of the Issuer any money or non-callable U.S. Government Obligations held by it as provided in Section 8.3 or Section 8.8 hereof which, in the opinion of a nationally recognized firm of independent public accountants expressed in a written certification thereof delivered to the Trustee (which may be the opinion delivered under Section 8.3(a) hereof), are in excess of the amount thereof that would then be required to be deposited to effect an equivalent Legal Defeasance or Covenant Defeasance.

Section 8.5. Repayment to Issuer. Any money deposited with the Trustee or any paying agent, or then held by the Issuer, in trust for the payment of the principal, premium, if any, and interest on the Notes and remaining unclaimed for two years after such principal, premium, if any, and interest has become due and payable shall be paid to the Issuer on its request or (if then held by the Issuer) shall, subject to any relevant unclaimed property laws, upon written request therefor, be discharged from such trust and returned to the Issuer; and the Holder of a Note shall thereafter, as an unsecured creditor, look only to the Issuer for payment thereof, and all liability of the Trustee or such paying agent with respect to such trust money, and all liability of the Issuer as trustee thereof, shall thereupon cease.

Section 8.6. Reinstatement. If the Trustee or paying agent is unable to apply any money or non-callable U.S. Government Obligations in accordance with Section 8.1, Section 8.2 or Section 8.8 hereof, as the case may be, by reason of any order or judgment of any court or governmental authority enjoining, restraining or otherwise prohibiting such application, then the Issuer's obligations under this Indenture and the Notes shall be revived and reinstated as though no deposit had occurred pursuant to Section 8.1, Section 8.2 or Section 8.8 hereof until such time as the Trustee or paying agent is permitted to apply all such money in accordance with Section 8.1, Section 8.2 or Section 8.8 hereof, as the case may be; *provided, however*, that, if the Issuer makes any payment of principal of, premium, if any, or interest, if any, on any Note following the reinstatement of its obligations, the Issuer shall be subrogated to the rights of the Holders of such Notes to receive such payment from the money held by the Trustee or paying agent.

Section 8.7. Survival. The Trustee's rights under Article VII (including, but not limited to, its right to indemnification) and this Article VIII shall survive termination of this Indenture, the payment of the Notes in full and the resignation or removal of the Trustee.

Section 8.8. Satisfaction and Discharge of Indenture. If at any time (a)(i) the Issuer shall have paid or caused to be paid the principal of, premium, if any, and interest on all the outstanding Notes (other than Notes which have been destroyed, lost or stolen and which have been replaced or paid as provided in Section 2.4) as and when the same shall have become due and payable, or (ii) the Issuer shall have delivered to the Trustee for cancellation all Notes theretofore authenticated (other than Notes which have been destroyed, lost or stolen and which have been replaced or paid as provided in Section 2.4), or (b)(i) the Notes mature within one year, or all of them are to be called for redemption within one year under arrangements satisfactory to the Trustee for giving the notice of redemption, (ii) the Issuer irrevocably deposits in trust with the Trustee, as trust funds solely for the benefit of the Holders, money in U.S. dollars or U.S. Government Obligations or a combination thereof sufficient, in the opinion of a nationally recognized firm of independent public accountants expressed in a written certificate delivered to the Trustee, without consideration of any reinvestment, to pay principal of and premium, if any, and interest on the Notes to maturity or redemption, as the case may be, and to pay all other sums payable by it hereunder, (iii) no Default has occurred and is continuing on the date of the deposit, (iv) the deposit will not result in a breach or violation of, or constitute a default under, this Indenture or any other agreement or instrument to which the Issuer is a party or by which it is bound, and (v) the Issuer delivers to the Trustee an Officer's Certificate and an Opinion of Counsel, in each case stating that all conditions precedent provided for herein relating to the satisfaction and discharge of this Indenture have been complied with; and if, in any such case, the Issuer shall also pay or cause to be paid all other sums payable hereunder by the Issuer (including all amounts, payable to the Trustee pursuant to Section 7.7), then, (x) after satisfying the conditions in clause (a), only the Company's obligations under Sections 7.7 and 8.4 will survive or (y) after satisfying the conditions in clause (b), only the Issuer's or the Company's, as applicable, obligations in Article II and Sections 4.1, 4.2, 7.7, 7.8, 8.4, 8.5 and 8.6 will survive, and, in either case, the Trustee, on demand of the Issuer accompanied by an Officer's Certificate and an Opinion of Counsel, each stating that all conditions precedent relating to the satisfaction and discharge contemplated by this provision have been complied with, and at the cost and expense of the Issuer, shall execute proper instruments acknowledging such satisfaction and discharging of this Indenture and the Security Documents and cause the release of all Liens on the Collateral granted under the Security Documents. The Issuer agrees to reimburse the Trustee for any costs or expenses thereafter reasonably incurred, and to compensate the Trustee for any services thereafter reasonably rendered, by the Trustee in connection with this Indenture or the Notes.

ARTICLE IX
AMENDMENTS, SUPPLEMENTS AND WAIVERS

Section 9.1. *Amendments Without Consent of Holders.* The Company, the Issuer, the Guarantors, the Trustee, the Collateral Agent and the Joint First Lien Collateral Agent, as applicable, may amend, supplement or waive this Indenture, the Notes, the Guarantees or the Security Documents with respect to the Notes without notice to or the consent of any Holder:

- (a) to evidence the succession of another Person to the Issuer or the Company or successive successions, and the assumption by the successor Person of the covenants, agreements and obligations of the Issuer or the Company herein and in the Notes or the Guarantees;
- (b) to add to the covenants of the Issuer or the Company such further covenants, restrictions, conditions or provisions for the protection of the Holders of Notes, or to surrender any right or power herein conferred upon the Issuer or the Company, and to make the occurrence, or the occurrence and continuance, of a default in any such additional covenants, restrictions, conditions or provisions an Event of Default permitting the enforcement of all or any of the several remedies provided in this Indenture as herein set forth; *provided, however*, that in respect of any such additional covenants, restrictions, conditions or provisions such amendment, supplemented indenture or waiver may provide for a particular period of grace after default (which period may be shorter or longer than that allowed in the case of other defaults) or may provide for an immediate enforcement upon such an Event of Default or may limit the remedies available to the Trustee upon such an Event of Default or may limit the right of the Holders of a majority in aggregate principal amount of the Notes to waive such an Event of Default;
- (c) to cure any ambiguity, defect or inconsistency in this Indenture, the Notes, the Guarantees or the Security Documents;
- (d) to evidence and provide for the acceptance of appointment hereunder by a successor or replacement Trustee or under the Security Documents of a successor or replacement Collateral Agent or Joint First Lien Collateral Agent;
- (e) to provide for uncertificated Notes in addition to, or in place of, Certificated Notes;
- (f) to provide for any Guarantee of the Notes;
- (g) to add security to or for the benefit of the Notes and, in the case of the Security Documents, to or for the benefit of the other secured parties named therein, or to confirm and evidence the release, termination or discharge of any Guarantee of the Notes or Lien securing the Notes or any Guarantee when such release, termination or discharge is permitted by this Indenture and the Security Documents;
- (h) to provide for, or confirm the issuance of, Additional Notes;
- (i) to evidence compliance with Section 4.14;
- (j) to make any other change that does not adversely affect the legal rights of any Holder; or
- (k) to comply with any requirements of the Commission in connection any qualification of this Indenture under the Trust Indenture Act.

By receiving Notes, Holders of the Notes are hereby deemed to have consented for purposes of this Indenture and the Security Documents, and the Trustee, the Collateral Agent and the Joint First Lien Collateral Agent are hereby authorized and directed by the Holders of the Notes, upon receipt of an Officer's Certificate more fully described below, to amend, supplement or otherwise modify the Security Documents or enter into new intercreditor agreements or other security documents to add or provide for additional secured parties to the extent Liens securing Indebtedness and other Obligations held by such parties are permitted under this Indenture (and to reflect any differing level of Lien priorities among the holders of Secured Obligations); *provided* that after so securing any such additional secured parties, the amount of Secured Obligations does not exceed the amount permitted by the definition of "Permitted Liens."

In executing any such amendment, supplement, consent or waiver or other modification of a Security Document (or in entering into a new intercreditor agreement or other Security Document) pursuant to the immediately preceding paragraph, the Trustee, the Collateral Agent and the Joint First Lien Collateral Agent shall be entitled to receive and shall be fully protected in relying upon an Officer's Certificate stating that the execution of such amendment, supplement, consent or waiver or new agreement is authorized or permitted by the applicable Security Document and complies with the provisions thereof and of this Indenture. Notwithstanding anything in this Indenture to the contrary, no Opinion of Counsel shall be required in connection with the execution by the Trustee, the Collateral Agent or the Joint First Lien Collateral Agent of any such amendment, supplement, consent or waiver or other modification of the Security Documents (or the entry into a new intercreditor agreement or other Security Document) as contemplated in the immediately preceding paragraph.

Section 9.2. Amendments with Consent of Holders. (a) Except as otherwise provided in Sections 5.1, 5.3 and 5.6 or (b) and (c) of this Section, the Company, the Issuer, the Guarantors, the Trustee, the Collateral Agent and the Joint First Lien Collateral Agent, as applicable, may amend or supplement this Indenture, the Notes, the Guarantees and the Security Documents with respect to the Notes with the consent of the Holders of a majority in principal amount of the outstanding Notes (which may include written consents obtained in connection with a tender offer or exchange offer for Notes), and the Holders of a majority in principal amount of the outstanding Notes by written notice to the Trustee may waive future compliance by the Company, the Issuer and the Guarantors with any provision of this Indenture, the Notes, the Guarantees or the Security Documents with respect to the Notes (which may include waivers obtained in connection with a tender offer or exchange offer for Notes).

(b) Notwithstanding the provisions of paragraph (a) of this Section 9.2, without the consent of each Holder of Notes affected, an amendment or waiver may not:

- (i) reduce the amount of Notes whose Holders must consent to an amendment, supplement or waiver,
- (ii) reduce the rate of, or extend the time for payment of, any interest, including default interest, on any Note,
- (iii) reduce principal of, or change the fixed maturity of, any Note or alter the provisions (including related definitions, except amendments to the definitions of "Asset Disposition," "Change of Control" and "Permitted Hovnanian Holders") with respect to redemptions described under Article III or with respect to mandatory offers to repurchase Notes described under Section 4.10 and Section 4.12,
- (iv) make any Note payable in money other than that stated in the Note,
- (v) modify the ranking or priority of the Notes or any Guarantee thereof,
- (vi) make any change in Section 5.3 or Section 5.6,
- (vii) release any Guarantor from any of its obligations under its Guarantee or this Indenture otherwise than in accordance with this Indenture, or
- (viii) waive a continuing Default or Event of Default in the payment of principal of, premium, if any, or interest, if any, on the Notes (except a rescission of acceleration of the Notes by the Holders of at least a majority in aggregate principal amount of the then outstanding Notes with respect to a nonpayment default and a waiver of the payment default that resulted from such acceleration).

(c) Without the consent of the Holders of at least 66⅔% in principal amount of the Notes, the Company, the Issuer, the Guarantors, the Trustee, the Collateral Agent and the Joint First Lien Collateral Agent may not effect a release of all or substantially all of the Collateral with respect to the Notes other than pursuant to the terms of the Security Documents or as otherwise permitted under this Indenture.

(d) It is not necessary for Holders to approve the particular form of any proposed amendment, supplement or waiver, but is sufficient if their consent approves the substance thereof.

(e) An amendment, supplement or waiver under this Section 9.2 shall become effective on receipt by the Trustee of written consents from the Holders of the requisite percentage in principal amount of the outstanding Notes. After an amendment, supplement or waiver under this Section 9.2 becomes effective, the Issuer (or the Trustee at the request and expense of the Issuer) will send to the Holders affected thereby a notice briefly describing the amendment, supplement or waiver. The Issuer will send supplemental indentures to Holders upon request. Any failure of the Issuer to send such notice, or any defect therein, will not, however, in any way impair or affect the validity of any such supplemental indenture, amendment or waiver.

Section 9.3. *Effect of Consent.* (a) After an amendment, supplement or waiver becomes effective, it will bind every Holder of the Notes unless it is of the type requiring the consent of each Holder affected. If the amendment, supplement or waiver is of the type requiring the consent of each Holder affected, the amendment, supplement or waiver will bind each Holder of the Notes that has consented to it and every subsequent Holder of a Note that evidences the same debt as the Note of the consenting Holder.

(b) If an amendment, supplement or waiver changes the terms of a Note, the Trustee may require the Holder to deliver it to the Trustee so that the Trustee may place an appropriate notation of the changed terms on the Note and return it to the Holder, or exchange it for a new Note that reflects the changed terms. The Trustee may also place an appropriate notation on any Note thereafter authenticated. However, the effectiveness of the amendment, supplement or waiver shall not be affected or impaired by any failure to annotate or exchange Notes in this fashion.

Section 9.4. *Trustee's Rights and Obligations.* The Trustee is entitled to receive, in addition to the documents required by Section 13.4, and will be fully protected in relying upon, an Opinion of Counsel stating (i) that the execution of any amendment, supplement or waiver authorized pursuant to this Article is authorized or permitted by this Indenture or the applicable Security Document and (ii) in the case of an amendment, supplement or waiver in connection with Section 9.1(j) that such amendment, supplement or waiver does not adversely affect the legal rights of any Holder of Notes affected by such change. If the Trustee has received such Opinion of Counsel, it shall sign the amendment, supplement or waiver so long as the same does not adversely affect the rights of the Trustee. The Trustee may, but is not obligated to, execute any amendment, supplement or waiver that affects the Trustee's own rights, duties or immunities under this Indenture.

ARTICLE X
[RESERVED]

ARTICLE XI
COLLATERAL AND SECURITY

Section 11.1. *Security Documents.* The payment of the principal of and interest and premium, if any, on the Notes when due, whether on an Interest Payment Date, at maturity, by acceleration, repurchase, redemption or otherwise and whether by the Issuer pursuant to the Notes or by any Guarantor pursuant to its Guarantee and the performance of all other obligations of the Issuer and the Guarantors under this Indenture, the Notes, the Guarantees and the Security Documents are secured by Liens on the Collateral, subject to Permitted Liens, as provided in the Security Documents which the Issuer and the Guarantors have entered into simultaneously with the execution of this Indenture, or in certain circumstances, prior to or subsequent to the Issue Date, and shall be secured as provided in the Security Documents hereafter delivered as required or permitted by this Indenture.

Section 11.2. Collateral Agent.

(a) The Issuer hereby appoints Wilmington Trust, National Association (including in its capacity as Joint First Lien Collateral Agent) to act as Collateral Agent, and the Collateral Agent and Joint First Lien Collateral Agent shall have the duties, rights, indemnities, privileges, powers and immunities of the Collateral Agent and Joint First Lien Collateral Agent as set forth herein and in the Security Documents. The Issuer and the Guarantors hereby agree that the Collateral Agent and the Joint First Lien Collateral Agent shall hold the Collateral for the benefit of all of the Holders and the Trustee, in each case, pursuant to the terms of the Security Documents, and each of the Collateral Agent and the Joint First Lien Collateral Agent is hereby authorized to execute and deliver the applicable Security Document to which it is a party. Subject to the Intercreditor Agreements and the Collateral Agency Agreement, each of the Collateral Agent and the Joint First Lien Collateral Agent is authorized and empowered to appoint one or more collateral agents to act on its behalf, co-Collateral Agents or co-Joint First Lien Collateral Agents as it deems necessary or appropriate.

(b) None of the Trustee, the Collateral Agent, the Joint First Lien Collateral Agent or any of their respective officers, directors, employees, attorneys or agents shall be responsible or liable for the legality, enforceability, effectiveness or sufficiency of the Security Documents, for the creation, perfection, priority, sufficiency, maintenance, renewal or protection of any Lien with respect to the Notes, or for any defect or deficiency as to any such matters, or for any failure to demand, collect, foreclose or realize upon or otherwise enforce any of the Liens with respect to the Notes or Security Documents or any delay in doing so; *provided, however*, that nothing in this Section 11.2(b) shall alter the Collateral Agent's or the Joint First Lien Collateral Agent's obligations under Section 7.02 of the Security Agreement.

(c) The Collateral Agent and the Joint First Lien Collateral Agent shall be subject to such directions as may be given it by the Trustee from time to time (as required or permitted by this Indenture). Subject in all cases to the Collateral Agent's and Joint First Lien Collateral Agent's rights under the Indenture and Security Documents, except as directed by the Trustee as required or permitted by this Indenture or as required or permitted by the Security Documents, the Collateral Agent and the Joint First Lien Collateral Agent shall not be obligated:

- (1) to act upon directions purported to be delivered to it by any other Person;
- (2) to foreclose upon or otherwise enforce any Lien with respect to the Notes and the Guarantees;
- (3) to take any other action whatsoever with regard to any or all of the Liens with respect to the Notes and the Guarantees, Security Documents or Collateral; or
- (4) to take any other action other than as directed pursuant to Section 5.4(b).

(d) The Collateral Agent and the Joint First Lien Collateral Agent shall be accountable only for amounts that it actually receives as a result of the enforcement of the Liens with respect to the Notes and the Guarantees or the Security Documents.

(e) In acting as Collateral Agent, co-Collateral Agent or co-Joint First Lien Collateral Agent, the Collateral Agent, the Joint First Lien Collateral Agent and each co-Collateral Agent or co-Joint First Lien Collateral Agent may rely upon and enforce for its own benefit each and all of the rights, powers, immunities, indemnities and benefits of the Trustee under Article VII hereof, each of which shall also be deemed to be for the benefit of the Collateral Agent and the Joint First Lien Collateral Agent.

(f) At all times when the Trustee is not itself the Collateral Agent or the Joint First Lien Collateral Agent, the Issuer shall deliver to the Trustee copies of all Security Documents delivered to the Collateral Agent and the Joint First Lien Collateral Agent and copies of all documents delivered to the Collateral Agent and the Joint First Lien Collateral Agent pursuant to the Security Documents.

(g) None of the Trustee, the Collateral Agent or the Joint First Lien Collateral Agent, in their respective capacities as such hereunder, shall be deemed to owe any fiduciary duty to the holders of any Secured Obligations other than (with respect to the Trustee, acting as a prudent person following an Event of Default) the Notes.

Section 11.3. Authorization of Actions to be Taken.

(a) Each Holder of Notes, by its acceptance thereof, consents and agrees to the terms of each Security Document, as originally in effect on the Issue Date and as amended, supplemented or replaced from time to time (including in connection with the issuance of the Notes) in accordance with its terms or the terms of this Indenture, authorizes and directs the Trustee, the Collateral Agent and the Joint First Lien Collateral Agent to execute and deliver the Security Documents to which it is a party and authorizes and empowers the Trustee, the Collateral Agent and the Joint First Lien Collateral Agent to bind the Holders of Notes and other holders of Secured Obligations as set forth in the Security Documents to which it is a party and to perform its obligations and exercise its rights and powers thereunder.

(b) The Trustee, the Collateral Agent and the Joint First Lien Collateral Agent are authorized and empowered to receive for the benefit of the Holders of Notes any funds collected or distributed under the Security Documents to which the Trustee, the Collateral Agent or the Joint First Lien Collateral Agent is a party and to make further distributions of such funds to the Holders of Notes according to the provisions of this Indenture.

(c) Subject to the provisions of Section 7.1 and Section 7.2, the Trustee may (but shall not be obligated), in its sole discretion and without the consent of the Holders of Notes, direct, on behalf of the Holders of Notes, the Collateral Agent or the Joint First Lien Collateral Agent to take all actions it deems necessary or appropriate in order to:

- (1) foreclose upon or otherwise enforce any or all of the Liens;
- (2) enforce any of the terms of the Security Documents to which the Trustee, the Collateral Agent or the Joint First Lien Collateral Agent is a party; or
- (3) collect and receive payment of any and all Obligations with respect to the Notes and the Guarantees.

Subject to the Intercreditor Agreements, the Collateral Agency Agreement and Section 5.4, Section 7.1 and Section 7.2 of this Indenture, the Trustee is authorized and empowered (but shall not be obligated) to institute and maintain, or direct the Collateral Agent or the Joint First Lien Collateral Agent to institute and maintain, such suits and proceedings as it may deem expedient to protect or enforce the Liens with respect to the Notes and the Guarantees or the Security Documents to which the Trustee, the Collateral Agent or the Joint First Lien Collateral Agent is a party or to prevent any impairment of Collateral by any acts that may be unlawful or in violation of the Security Documents to which the Trustee, the Collateral Agent or the Joint First Lien Collateral Agent is a party or this Indenture, and such suits and proceedings as the Trustee, the Collateral Agent or the Joint First Lien Collateral Agent may deem expedient to preserve or protect its interests and the interests of the Holders of Notes in the Collateral, including power to institute and maintain suits or proceedings to restrain the enforcement of or compliance with any legislative or other governmental enactment, rule or order that may be unconstitutional or otherwise invalid if the enforcement of, or compliance with, such enactment, rule or order would impair the security interest hereunder or be prejudicial to the interests of Holders of Notes, the Trustee, the Collateral Agent or the Joint First Lien Collateral Agent.

Section 11.4. Release of Liens.

(a) The Liens with respect to the Notes and the Guarantees shall be released:

(1) in whole, upon payment in full of the principal of, accrued and unpaid interest and premium, if any, on the Notes and payment in full of all other Obligations in respect thereof that are due and payable at or prior to the time such principal, accrued and unpaid interest and premium, if any, on the Notes are paid;

(2) in whole, upon satisfaction and discharge of this Indenture pursuant to Section 8.8;

(3) in whole, upon a legal defeasance or covenant defeasance of the Notes pursuant to Article VIII;

(4) in part, as to any property constituting Collateral that (a) is sold, transferred or otherwise disposed of by the Company, the Issuer or one of the Restricted Subsidiaries to any Person other than the Company, the Issuer or any of its Restricted Subsidiaries (but excluding any transaction subject to Section 4.14 where the recipient is required to become the obligor on the Notes or a Guarantor) in a transaction permitted by this Indenture and the Security Documents, at the time of such sale or disposition, to the extent of the interest sold or disposed of, (b) is owned or at any time acquired by a Restricted Subsidiary that has been released from its Guarantee under this Indenture, concurrently with the release of such Guarantee, (c) consists of securities of the Issuer or a Guarantor or of any JV Holding Company to be released as contemplated by Section 4.18(d)(iii) or (d) is or becomes Excluded Property; or

(5) in accordance with and subject to the provisions of Article IX, with the consent of Holders of the Notes (including consents obtained in connection with a tender offer or exchange offer).

(b) If an instrument confirming the release of the Liens with respect to the Notes and the Guarantees pursuant to Section 11.4(a) is requested by the Issuer or a Guarantor, then upon delivery to the Trustee of an Officer's Certificate requesting execution of such an instrument, accompanied by:

(1) an Opinion of Counsel confirming that such release is permitted by Section 11.4(a);

(2) all instruments requested by the Issuer to effectuate or confirm such release; and

(3) such other certificates and documents as the Trustee, the Collateral Agent or the Joint First Lien Collateral Agent may reasonably request to confirm the matters set forth in Section 11.4(a) that are required by this Indenture or the Security Documents,

the Trustee shall, if such instruments and documents are reasonably satisfactory to the Trustee and, as applicable, the Collateral Agent or the Joint First Lien Collateral Agent, instruct the Collateral Agent or the Joint First Lien Collateral Agent, as applicable, to execute and deliver, and the Collateral Agent or the Joint First Lien Collateral Agent, as applicable, shall promptly execute and deliver, such instruments.

(a) If an instrument evidencing the subordination of the Collateral Agent's or the Joint First Lien Collateral Agent's, as applicable, security interest in the Collateral to a Permitted Lien is requested by the Issuer or a Guarantor, then upon delivery to the Collateral Agent or the Joint First Lien Collateral Agent, as applicable, of an Officer's Certificate requesting execution of such an instrument, accompanied by:

(1) an Opinion of Counsel confirming that such subordination is permitted by this Indenture;

(2) all instruments requested by the Issuer to effectuate or confirm such subordination; and

(3) such other certificates and documents as the Collateral Agent or the Joint First Lien Collateral Agent may reasonably request to confirm the matters that are required by this Indenture or the Security Documents,

the Collateral Agent or the Joint First Lien Collateral Agent, as applicable, shall, if such instruments and documents are reasonably satisfactory to the Collateral Agent or the Joint First Lien Collateral Agent, as applicable, promptly execute and deliver such instruments.

(b) All instruments effectuating or confirming any release or subordination of any Liens with respect to the Notes and the Guarantees will have the effect solely of releasing or subordinating such Liens as to the Collateral described therein, on customary terms and without any recourse, representation, warranty or liability whatsoever.

(c) The Issuer shall bear and pay all costs and expenses associated with any release or subordination of Liens pursuant to this Section 11.4, including all reasonable fees and disbursements of any attorneys or representatives acting for the Trustee, the Collateral Agent or the Joint First Lien Collateral Agent.

Section 11.5. Filing, Recording, Certificates and Opinions. (a) Any release of Collateral permitted by Section 11.4 hereof or the Security Documents will be deemed not to impair the Liens under this Indenture and the Security Documents in contravention thereof and any person that is required to deliver a certificate or opinion under this Indenture or the Security Documents, shall be entitled to rely upon the foregoing as a basis for delivery of such certificate or opinion. The Trustee may, to the extent permitted by Section 7.1 and Section 7.2 hereof, accept as conclusive evidence of compliance with the foregoing provisions the appropriate statements contained in such documents and opinion.

(b) If any Collateral is released in accordance with this Indenture or any Security Document at a time when the Trustee is not itself also the Collateral Agent or the Joint First Lien Collateral Agent and if the Issuer has delivered the certificates and documents required by the Security Documents and permitted to be delivered by Section 11.4 (if any), the Trustee will determine whether it has received all documentation required in connection with such release and, based on such determination and the Opinion of Counsel delivered pursuant to Section 11.4, if any, will, upon request, deliver a certificate to the Collateral Agent and/or the Joint First Lien Collateral Agent, as applicable, setting forth such determination.

ARTICLE XII RELEASE OF ISSUER AND GUARANTORS

Section 12.1. Release of Issuer. (a) The Issuer shall be released from its obligations under this Indenture and the Notes, without the consent of the Holders of the Notes, if: (1) the Company or any successor to the Company has assumed the obligations of the Issuer under this Indenture and the Notes, by supplemental indenture executed and delivered to the Trustee and satisfactory in form to the Trustee; (2) the Company delivers an Opinion of Counsel to the Trustee to the effect that beneficial owners of the Notes will not recognize income, gain or loss for United States federal income tax purposes as a result of the release and will be subject to United States federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such release had not occurred; and (3) the Issuer shall (w) become a Guarantor at such time subject to the provisions of Article VI and Section 4.11 hereof, (x) execute a supplemental indenture evidencing its Guarantee and (y) deliver an Opinion of Counsel to the Trustee to the effect that the (i) the supplemental indenture is permitted by the terms of this Indenture, (ii) the supplemental indenture has been duly authorized, executed and delivered by the Issuer and constitutes a valid and binding obligation of the Issuer, enforceable against the Issuer in accordance with its terms (subject to customary exceptions), until such time, if any, as such Guarantee may be released as described above under Section 4.19 and Article VI and (iii) all conditions precedent to the execution of such supplemental indenture provided for in this Indenture have been complied with.

(b) A Guarantor may be released from its obligations under this Indenture, the Notes and its Guarantee in accordance with the provisions contained in Section 6.3 herein.

ARTICLE XIII
MISCELLANEOUS

Section 13.1. Trust Indenture Act. This Indenture, the Notes, the Guarantees and the Security Documents are not subject to the Trust Indenture Act except as expressly and to the extent provided for in this Indenture, the Security Documents, the Notes and the Guarantees.

Section 13.2. Holder Communications; Holder Actions.

(a) Any request, demand, authorization, direction, notice, consent to amendment, supplement or waiver or other action provided by this Indenture to be given or taken by a Holder (an “act”) may be evidenced by an instrument signed by the Holder delivered to the Trustee. The fact and date of the execution of the instrument, or the authority of the person executing it, may be proved in any manner that the Trustee deems sufficient.

(b) Any act by the Holder of any Note binds that Holder and every subsequent Holder of a Note that evidences the same debt as the Note of the acting Holder, even if no notation thereof appears on the Note. Subject to paragraph (c), a Holder may revoke an act as to its Notes, but only if the Trustee receives the notice of revocation before the date the amendment or waiver or other consequence of the act becomes effective.

(c) The Issuer may, but is not obligated to, fix a record date (which need not be within the time limits otherwise prescribed by Trust Indenture Act § 316(c)) for the purpose of determining the Holders entitled to act with respect to any amendment or waiver or in any other regard, except that during the continuance of an Event of Default, only the Trustee may set a record date as to notices of Default, any declaration or acceleration or any other remedies or other consequences of the Event of Default. If a record date is fixed, those Persons that were Holders at such record date and only those Persons shall be entitled to act, or to revoke any previous act, whether or not those Persons continue to be Holders after the record date. No act shall be valid or effective for more than 90 days after the record date.

Section 13.3. Notices. (a) Any notice or communication to the Issuer or the Company shall be deemed given if in writing (i) when delivered in person or (ii) five days after mailing when mailed by first class mail or (iii) when sent by facsimile or electronic transmission, with transmission confirmed. Notices or communications to a Guarantor shall be deemed given if given to the Company. Any notice to the Trustee shall be deemed given if in writing and (i) delivered in person, (ii) mailed by first class mail or (iii) sent by facsimile or electronic transmission, and shall be effective only upon receipt. In each case the notice or communication should be addressed as follows:

if to the Issuer or the Company:

K. Hovnanian Enterprises, Inc.
c/o Hovnanian Enterprises, Inc.
90 Matawan Road, Fifth Floor
Matawan, New Jersey 07747
Facsimile: (732) 383-2945
Attention: Corporate Counsel

if to the Trustee:

Wilmington Trust, National Association
246 Goose Lane, Suite 105
Guilford, CT 06437
Facsimile: 203-453-1183
Attention: Global Capital Markets – K. Hovnanian Relationship Manager

The Issuer or the Trustee by notice to the other may designate additional or different addresses for subsequent notices or communications.

(a) Except as otherwise expressly provided with respect to published notices, any notice or communication to a Holder shall be deemed given when mailed to the Holder at its address as it appears on the Register by first class mail or, as to any Global Note registered in the name of DTC or its nominee, delivered in accordance with the applicable procedures of DTC. Copies of any notice or communication to a Holder, if given by the Issuer or the Company, shall be mailed to the Trustee at the same time. Defect in mailing a notice or communication to any particular Holder shall not affect its sufficiency with respect to other Holders.

(b) Where this Indenture provides for notice, the notice may be waived in writing by the Person entitled to receive such notice, either before or after the event, and the waiver will be the equivalent of the notice. Waivers of notice by Holders must be filed with the Trustee, but such filing is not a condition precedent to the validity of any action taken in reliance upon such waivers.

(c) The Trustee and the Collateral Agent agree to accept and act upon instructions or directions pursuant to this Indenture sent by unsecured e-mail, facsimile transmission or other similar unsecured electronic methods. Neither the Trustee nor the Collateral Agent shall be liable for any losses, costs or expenses arising directly or indirectly from the Trustee's or the Collateral Agent's reliance upon and compliance with such instructions notwithstanding such instructions conflict or are inconsistent with a subsequent written instruction. The party providing electronic instructions agrees to assume all risks arising out of the use of such electronic methods to submit instructions and directions to the Trustee or the Collateral Agent, including without limitation the risk of the Trustee acting on unauthorized instructions, and the risk of interception and misuse by third parties.

Section 13.4. Certificate and Opinion as to Conditions Precedent. Upon any request or application by the Issuer or the Company to the Trustee to take any action under this Indenture, the Issuer or the Company shall furnish to the Trustee:

(a) an Officer's Certificate stating that, in the opinion of the signers, all conditions precedent, if any, provided for in this Indenture relating to the proposed action have been complied with; and

(b) an Opinion of Counsel stating that all such conditions precedent relating to the proposed action have been complied with.

Section 13.5. Statements Required in Certificate or Opinion. Each certificate or opinion with respect to compliance with a condition or covenant provided for in this Indenture must include:

- (a) a statement that each person signing the certificate or opinion has read the covenant or condition and the related definitions;
- (b) a brief statement as to the nature and scope of the examination or investigation upon which the statement or opinion contained in the certificate or opinion is based;
- (c) a statement that, in the opinion of each such person, that person has made such examination or investigation as is necessary to enable the person to express an informed opinion as to whether or not such covenant or condition has been complied with; and
- (d) a statement as to whether or not, in the opinion of each such person, such condition or covenant has been complied with, *provided*, that an Opinion of Counsel may rely on an Officer's Certificate or certificates of public officials with respect to matters of fact.

Any certificate, statement or opinion of an Officer of the Issuer or the Company, as applicable, may be based, insofar as it relates to legal matters, upon a certificate or opinion of or representations by counsel, unless such Officer knows that the certificate or opinion or representations with respect to the matters upon which such certificate, statement or opinion may be based as aforesaid are erroneous, or in the exercise of reasonable care should know that the same are erroneous. Any certificate, statement or Opinion of Counsel may be based, insofar as it relates to factual matters on information with respect to which is in the possession of the Issuer, or the Company, as applicable, upon the certificate, statement or opinion of or representations by an officer or officers of the Issuer, or the Company, as applicable, unless such counsel knows that the certificate, statement or opinion or representations with respect to the matters upon which such certificate, statement or opinion may be based as aforesaid are erroneous, or in the exercise of reasonable care should know that the same are erroneous.

Any certificate, statement or opinion of an Officer of the Issuer or the Company, as applicable, or of counsel may be based, insofar as it relates to accounting matters, upon a certificate or opinion of or representations by an accountant or firm of accountants in the employ of the Issuer or the Company, as applicable, unless such Officer or counsel, as the case may be, knows that the certificate or opinion or representations with respect to the accounting matters upon which such certificate, statement or opinion may be based as aforesaid are erroneous, or in the exercise of reasonable care should know that the same are erroneous.

Any certificate or opinion of any independent firm of public accountants filed with and directed to the Trustee shall contain a statement that such firm is independent.

Section 13.6. Payment Date Other Than a Business Day. If any payment with respect to a payment of any principal of, premium, if any, or interest on any Note (including any payment to be made on any date fixed for redemption or purchase of any Note) is due on a day which is not a Business Day, then the payment need not be made on such date, but may be made on the next Business Day with the same force and effect as if made on such date, and no interest shall accrue for the intervening period.

Section 13.7. Governing Law; Submission to Jurisdiction; Waiver of Jury Trial. This Indenture, the Guarantees and the Notes shall be governed by, and construed in accordance with, the laws of the State of New York. Each of the parties hereto hereby irrevocably submits to the jurisdiction of any New York State court sitting in the Borough of Manhattan in the City of New York or any federal court sitting in the Borough of Manhattan in the City of New York in respect of any suit, action or proceeding arising out of or relating to this Indenture, the Notes and the Guarantees, and irrevocably accepts for itself and in respect of its property, generally and unconditionally, jurisdiction of the aforesaid courts.

EACH OF THE ISSUER, THE COMPANY, THE GUARANTORS, THE TRUSTEE AND THE COLLATERAL AGENT, AND EACH HOLDER OF A NOTE BY ITS ACCEPTANCE THEREOF, HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THIS INDENTURE, THE NOTES OR THE TRANSACTIONS CONTEMPLATED HEREBY AND THEREBY.

Section 13.8. No Adverse Interpretation of Other Agreements. The Indenture may not be used to interpret another indenture or loan or debt agreement of the Issuer, the Company or any Subsidiary of the Company, and no such indenture or loan or debt agreement may be used to interpret this Indenture.

Section 13.9. Successors. All agreements of the Issuer, the Company or any Guarantor in this Indenture and the Notes shall bind its successors. All agreements of the Trustee and the Collateral Agent in this Indenture shall bind its successor.

Section 13.10. Duplicate Originals; Electronic Signatures. The parties may sign any number of copies of this Indenture. Each signed copy shall be an original, but all of them together represent the same agreement. The parties agree that this Indenture may be executed and delivered by electronic signatures and that the signatures appearing on this Indenture are the same as handwritten signatures for the purposes of validity, enforceability and admissibility. The words “execution”, “signed,” “signature,” “delivery,” and words of like import in or relating to this Indenture or any document to be signed in connection with this Indenture shall be deemed to include electronic signatures, deliveries or the keeping of records in electronic form. Any document accepted, executed or agreed to in conformity with such laws will be binding on all parties hereto to the same extent as if it were physically executed and each party hereby consents to the use of any third party electronic signature capture service providers as may be reasonably chosen by a signatory hereto.

Section 13.11. Separability. To the extent permitted by applicable law, in case any provision in this Indenture or in the Notes is invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

Section 13.12. Table of Contents and Headings. The Table of Contents, Cross-Reference Table and headings of the Articles and Sections of this Indenture have been inserted for convenience of reference only, are not to be considered a part of this Indenture and in no way modify or restrict any of the terms and provisions of this Indenture.

Section 13.13. No Liability of Directors, Officers, Employees, Partners, Incorporators and Stockholders. No recourse under or upon any obligation, covenant or agreement contained in this Indenture, or in the Notes, or because of any indebtedness evidenced thereby, shall be had against any incorporator, as such or against any past, present or future stockholder, officer, director or employee, as such, of the Issuer, the Company or the Guarantors or any partner of the Issuer, the Company or the Guarantors or of any successor, either directly or through the Issuer, the Company or the Guarantors or any successor, under any rule of law, statute or constitutional provision or by the enforcement of any assessment or by any legal or equitable proceeding or otherwise, all such liability being expressly waived and released by the acceptance of the Notes by the Holders thereof and as part of the consideration for the issue of the Notes.

Section 13.14. Provisions of Indenture for the Sole Benefit of Parties and Holders of Notes. Nothing in this Indenture or in the Notes, expressed or implied, shall give or be construed to give to any Person, other than the parties hereto and their successors and the Holders of Notes, any legal or equitable right, remedy or claim under this Indenture or under any covenant or provision herein contained, all such covenants and provisions being for the sole benefit of the parties hereto and their successors and of the Holders of Notes.

[Signature page follows]

SIGNATURES

IN WITNESS WHEREOF, the parties hereto have caused the Indenture to be duly executed as of the date first written above.

K. HOVNANIAN ENTERPRISES, INC., as
Issuer

By: _____
Name:
Title:

HOVNANIAN ENTERPRISES, INC.,
as the Company and a Guarantor

By: _____
Name:
Title:

K. HOV IP, II, INC., as a Guarantor

By: _____
Name:
Title:

On behalf of each entity named in Schedule A
hereto, as a Guarantor

By: _____
Name:
Title:

Signature page to 8.0% Senior Secured 1.125 Lien Notes Indenture

WILMINGTON TRUST, NATIONAL
ASSOCIATION, as Trustee and
Collateral Agent

By: _____
Name:
Title:

Signature page to 8.0% Senior Secured 1.125 Lien Notes Indenture

GUARANTORS

EASTERN NATIONAL TITLE AGENCY ARIZONA, LLC
GTIS-HOV AT SILVERSTONE LLC
GTIS-HOV POINTE 16 LLC
K. HOVNANIAN ARIZONA NEW GC, LLC
K. HOVNANIAN ARIZONA OPERATIONS, LLC
K. HOVNANIAN AT 17 NORTH, LLC
K. HOVNANIAN AT 23 NORTH, LLC
K. HOVNANIAN AT 240 MISSOURI, LLC
K. HOVNANIAN AT ACACIA PLACE, LLC
K. HOVNANIAN AT AIRE ON MCDOWELL, LLC
K. HOVNANIAN AT ALAMEDA POINT, LLC
K. HOVNANIAN AT ALTO, LLC
K. HOVNANIAN AT AMBRA, LLC
K. HOVNANIAN AT ASTER RIDGE, LLC
K. HOVNANIAN AT CATANIA, LLC
K. HOVNANIAN AT EAGLE HEIGHTS, LLC
K. HOVNANIAN AT GALLERY, LLC
K. HOVNANIAN AT GALLOWAY RIDGE, LLC
K. HOVNANIAN AT HONEYSUCKLE TRAIL, LLC
K. HOVNANIAN AT LAVEEN SPRINGS, LLC
K. HOVNANIAN AT LUKE LANDING, LLC
K. HOVNANIAN AT MARYLAND RIDGE, LLC
K. HOVNANIAN AT MCCARTNEY RANCH, LLC
K. HOVNANIAN AT MONROE RANCH, LLC
K. HOVNANIAN AT MONTANA VISTA DOBBINS, LLC
K. HOVNANIAN AT MONTANA VISTA, LLC
K. HOVNANIAN AT ORANGEWOOD RANCH, LLC
K. HOVNANIAN AT PALERMO, LLC
K. HOVNANIAN AT PALM VALLEY, L.L.C.
K. HOVNANIAN AT PARK PASEO, LLC
K. HOVNANIAN AT PINNACLE PEAK PATIO, LLC
K. HOVNANIAN AT POINTE 16, LLC
K. HOVNANIAN AT QUAIL CREEK, L.L.C.
K. HOVNANIAN AT RANCHO CABRILLO, LLC
K. HOVNANIAN AT RANCHO EL DORADO, LLC
K. HOVNANIAN AT RANCHO MIRAGE PARCEL 17, LLC
K. HOVNANIAN AT RANCHO MIRAGE PARCEL 23, LLC
K. HOVNANIAN AT SANTA ROSA SPRINGS, LLC
K. HOVNANIAN AT SANTANILLA, LLC
K. HOVNANIAN AT SCOTTSDALE HEIGHTS, LLC

K. HOVNANIAN AT SIENNA HILLS, LLC
K. HOVNANIAN AT SILVERSTONE G, LLC
K. HOVNANIAN AT SILVERSTONE, LLC
K. HOVNANIAN AT SKYE ON MCDOWELL, LLC
K. HOVNANIAN AT STERLING VISTAS, LLC
K. HOVNANIAN AT SUN CITY WEST, LLC
K. HOVNANIAN AT SUNRISE TRAIL II, LLC
K. HOVNANIAN AT SUNRISE TRAIL III, LLC
K. HOVNANIAN AT THE MEADOWS 9, LLC
K. HOVNANIAN AT THE MEADOWS, LLC
K. HOVNANIAN AT TORTOSA SOUTH, LLC
K. HOVNANIAN AT UNION PARK, LLC
K. HOVNANIAN AT VENTANA LAKES, LLC
K. HOVNANIAN AT VERRADO CASCINA, LLC
K. HOVNANIAN AT VERRADO MARKETSIDE, LLC
K. HOVNANIAN AT VICTORY AT VERRADO, LLC
K. HOVNANIAN AT VILLAGO, LLC
K. HOVNANIAN COMPANIES OF ARIZONA, LLC
K. HOVNANIAN GREAT WESTERN HOMES, LLC
K. HOVNANIAN LEGACY AT VIA BELLA, LLC
K. HOVNANIAN PHOENIX DIVISION, INC.
K. HOVNANIAN WEST GROUP, LLC
K. HOVNANIAN'S FOUR SEASONS AT THE MANOR II, LLC
K. HOVNANIAN'S FOUR SEASONS AT THE MANOR, LLC
VISTAS AT SILVERSTONE LLC
2700 EMPIRE, LLC
GTIS-HOV RANCHO 79 LLC
K. HOV IP, II, INC.
K. HOVNANIAN ASPIRE AT BELLEVUE RANCH M2, LLC
K. HOVNANIAN ASPIRE AT BELLEVUE RANCH, LLC
K. HOVNANIAN ASPIRE AT RIVER TERRACE, LLC
K. HOVNANIAN ASPIRE AT SOLAIRE, LLC
K. HOVNANIAN ASPIRE AT STONES THROW, LLC
K. HOVNANIAN AT ANDALUSIA, LLC
K. HOVNANIAN AT ASPIRE AT APRICOT GROVE PH2, LLC
K. HOVNANIAN AT BAKERSFIELD 463, L.L.C.
K. HOVNANIAN AT BEACON PARK AREA 129 II, LLC
K. HOVNANIAN AT BEACON PARK AREA 129, LLC
K. HOVNANIAN AT BEACON PARK AREA 137, LLC
K. HOVNANIAN AT BENNETT RANCH, LLC
K. HOVNANIAN AT BLACKSTONE, LLC
K. HOVNANIAN AT CADENCE PARK, LLC
K. HOVNANIAN AT CAPISTRANO, L.L.C.
K. HOVNANIAN AT CARLSBAD, LLC

K. HOVNANIAN AT CEDAR LANE, LLC
K. HOVNANIAN AT CIELO, L.L.C.
K. HOVNANIAN AT FIDDYMENT RANCH, LLC
K. HOVNANIAN AT FIREFLY AT WINDING CREEK, LLC
K. HOVNANIAN AT FRESNO, LLC
K. HOVNANIAN AT GILROY 60, LLC
K. HOVNANIAN AT GILROY, LLC
K. HOVNANIAN AT HIDDEN LAKE, LLC
K. HOVNANIAN AT JAEGER RANCH, LLC
K. HOVNANIAN AT LA LAGUNA, L.L.C.
K. HOVNANIAN AT LADD RANCH, LLC
K. HOVNANIAN AT LUNA VISTA, LLC
K. HOVNANIAN AT MELANIE MEADOWS, LLC
K. HOVNANIAN AT MERIDIAN HILLS, LLC
K. HOVNANIAN AT MUIRFIELD, LLC
K. HOVNANIAN AT PARKSIDE, LLC
K. HOVNANIAN AT PAVILION PARK, LLC
K. HOVNANIAN AT POSITANO, LLC
K. HOVNANIAN AT ROSEMARY LANTANA, L.L.C.
K. HOVNANIAN AT SAGE II HARVEST AT LIMONEIRA, LLC
K. HOVNANIAN AT SANTA NELLA, LLC
K. HOVNANIAN AT SENDERO RANCH, LLC
K. HOVNANIAN AT SIERRA VISTA, LLC
K. HOVNANIAN AT SKYE ISLE, LLC
K. HOVNANIAN AT SUNRIDGE PARK, LLC
K. HOVNANIAN AT TRAIL RIDGE, LLC
K. HOVNANIAN AT VALLE DEL SOL, LLC
K. HOVNANIAN AT VERONA ESTATES, LLC
K. HOVNANIAN AT VICTORVILLE, L.L.C.
K. HOVNANIAN AT VILLAGE CENTER, LLC
K. HOVNANIAN AT VINEYARD HEIGHTS, LLC
K. HOVNANIAN AT WATERSTONE, LLC
K. HOVNANIAN AT WEST VIEW ESTATES, L.L.C.
K. HOVNANIAN AT WESTSHORE, LLC
K. HOVNANIAN AT WHEELER RANCH, LLC
K. HOVNANIAN AT WOODCREEK WEST, LLC
K. HOVNANIAN CA LAND HOLDINGS, LLC
K. HOVNANIAN CALIFORNIA OPERATIONS, INC.
K. HOVNANIAN CALIFORNIA REGION, INC.
K. HOVNANIAN COMMUNITIES, INC.
K. HOVNANIAN COMPANIES OF SOUTHERN CALIFORNIA, INC.
K. HOVNANIAN COMPANIES, LLC
K. HOVNANIAN EAST GROUP, LLC
K. HOVNANIAN ENTERPRISES, INC.

K. HOVNANIAN FOUR SEASONS AT HOMESTEAD, LLC
K. HOVNANIAN HOMES NORTHERN CALIFORNIA, INC.
K. HOVNANIAN JV HOLDINGS, L.L.C.
K. HOVNANIAN JV SERVICES COMPANY, L.L.C.
K. HOVNANIAN MEADOW VIEW AT MOUNTAIN HOUSE, LLC
K. HOVNANIAN NORTHEAST DIVISION, INC.
K. HOVNANIAN NORTHERN CALIFORNIA DIVISION, LLC
K. HOVNANIAN OPERATIONS COMPANY, INC.
K. HOVNANIAN SOUTHERN CALIFORNIA DIVISION, LLC
K. HOVNANIAN'S ASPIRE AT UNION VILLAGE, LLC
K. HOVNANIAN'S FOUR SEASONS AT BAKERSFIELD, L.L.C.
K. HOVNANIAN'S FOUR SEASONS AT BEAUMONT, LLC
K. HOVNANIAN'S FOUR SEASONS AT LOS BANOS, LLC
K. HOVNANIAN'S SONATA AT THE PRESERVE, LLC
K. HOVNANIAN'S VERANDA AT RIVERPARK II, LLC
K. HOVNANIAN'S VERANDA AT RIVERPARK, LLC
STONEBROOK HOMES, INC.
K. HOVNANIAN PARKVIEW AT STERLING MEADOWS, LLC
K. HOVNANIAN DEVELOPMENTS OF D.C., INC.
K. HOVNANIAN HOMES AT PARKSIDE, LLC
K. HOVNANIAN HOMES OF D.C., L.L.C.
GTIS-HOV ARBORS AT MONROE PARENT LLC
GTIS-HOV FOUR PONDS PARENT LLC
GTIS-HOV HEATHERFIELD PARENT LLC
GTIS-HOV HILLTOP AT CEDAR GROVE PARENT LLC
GTIS-HOV HOLDINGS IX LLC
GTIS-HOV HOLDINGS LLC
GTIS-HOV HOLDINGS V LLC
GTIS-HOV HOLDINGS VI LLC
GTIS-HOV HOLDINGS VII LLC
GTIS-HOV HOLDINGS VIII LLC
GTIS-HOV LAKES OF CANE BAY PARENT LLC
GTIS-HOV PARKSIDE OF LIBERTYVILLE PARENT LLC
GTIS-HOV PENDER OAKS PARENT LLC
GTIS-HOV PINNACLE PEAK PATIO PARENT LLC
GTIS-HOV SAUGANASH GLEN PARENT LLC
HOMEBUYERS FINANCIAL USA, LLC
HOVNANIAN ENTERPRISES, INC. (PARENT COMPANY)
HOVSITE CHURCHILL CLUB LLC
HOVSITE FIRENZE LLC
HOVSITE HUNT CLUB LLC
HOVSITE LIBERTY LAKES LLC
HOVSITE PROVIDENCE LLC
HOVSITE SOUTHAMPTON LLC

K. HOVNIANIAN ASPIRE AT LYNNBURY WOODS, LLC
K. HOVNIANIAN AT ADMIRAL'S LANDING, LLC
K. HOVNIANIAN AT ASHBY PLACE, LLC
K. HOVNIANIAN AT ASPIRE AT WEBBER FARM, LLC
K. HOVNIANIAN AT ASPIRE AT WICKERSHAM, LLC
K. HOVNIANIAN AT AUTUMN RIDGE, LLC
K. HOVNIANIAN AT BAY KNOLLS, LLC
K. HOVNIANIAN AT BRENFORD STATION, LLC
K. HOVNIANIAN AT CEDAR LANE ESTATES, LLC
K. HOVNIANIAN AT EGRET SHORES, LLC
K. HOVNIANIAN AT FORK LANDING, LLC
K. HOVNIANIAN AT HARBOR'S EDGE AT BAYSIDE, LLC
K. HOVNIANIAN AT HIDDEN BROOK, LLC
K. HOVNIANIAN AT LIBERTY WEST, LLC
K. HOVNIANIAN AT MIDDLETOWN RESERVE, LLC
K. HOVNIANIAN AT MONARCH GLEN, LLC
K. HOVNIANIAN AT NORTH BRUNSWICK VI, L.L.C.
K. HOVNIANIAN AT NOTTINGHAM MEADOWS, LLC
K. HOVNIANIAN AT OCEAN VIEW BEACH CLUB, LLC
K. HOVNIANIAN AT OYSTER COVE, LLC
K. HOVNIANIAN AT PATRIOTS BLUFF, LLC
K. HOVNIANIAN AT PLANTATION LAKES, L.L.C.
K. HOVNIANIAN AT PLEASANTON, LLC
K. HOVNIANIAN AT RED MILL POND, LLC
K. HOVNIANIAN AT RETREAT AT MILLSTONE, LLC
K. HOVNIANIAN AT SATTERFIELD, LLC
K. HOVNIANIAN AT SEABROOK, LLC
K. HOVNIANIAN AT TOWER HILL, LLC
K. HOVNIANIAN AT TOWNSEND FIELDS, LLC
K. HOVNIANIAN AT WOODFIELD, LLC
K. HOVNIANIAN CENTRAL ACQUISITIONS, L.L.C.
K. HOVNIANIAN DELAWARE DIVISION, INC.
K. HOVNIANIAN DELAWARE OPERATIONS, LLC
K. HOVNIANIAN HOMES AT KNOLLAC ACRES, LLC
K. HOVNIANIAN HOMES AT SUMMIT POINTE, LLC
K. HOVNIANIAN HOMES OF DELAWARE I, LLC
K. HOVNIANIAN HOMES OF LONGACRE VILLAGE, L.L.C.
K. HOVNIANIAN NEW JERSEY OPERATIONS, LLC
K. HOVNIANIAN NORTH CENTRAL ACQUISITIONS, L.L.C.
K. HOVNIANIAN NORTH JERSEY ACQUISITIONS, L.L.C.
K. HOVNIANIAN SOUTH JERSEY ACQUISITIONS, L.L.C.
K. HOVNIANIAN'S FOUR SEASONS AT BAYMONT FARMS L.L.C.
K. HOVNIANIAN'S FOUR SEASONS AT HATTERAS HILLS, LLC
K. HOVNIANIAN'S FOUR SEASONS AT SILVER MAPLE FARM, L.L.C.

KHH SHELL HALL LOAN ACQUISITION, LLC
RIDGEMORE UTILITY OF DELAWARE, LLC
TRAVERSE PARTNERS, LLC
WASHINGTON HOMES, INC.
WTC VENTURES, L.L.C.
GTIS-HOV NICHOLSON PARENT LLC
EASTERN NATIONAL TITLE AGENCY FLORIDA, LLC
HOVNIANIAN DEVELOPMENTS OF FLORIDA, INC.
K. HOVNIANIAN AMBER GLEN, LLC
K. HOVNIANIAN ASPIRE AT BOATMAN HAMMOCK, LLC
K. HOVNIANIAN ASPIRE AT EAST LAKE, LLC
K. HOVNIANIAN ASPIRE AT HAWKS RIDGE, LLC
K. HOVNIANIAN ASPIRE AT MARION OAKS, LLC
K. HOVNIANIAN ASPIRE AT PALM BAY, LLC
K. HOVNIANIAN ASPIRE AT PALM COAST, LLC
K. HOVNIANIAN ASPIRE AT PORT ST. LUCIE, LLC
K. HOVNIANIAN ASPIRE AT VICTORIA PARC, LLC
K. HOVNIANIAN ASPIRE AT WATERSTONE, LLC
K. HOVNIANIAN AT ARMEN GROVES, LLC
K. HOVNIANIAN AT AVENIR II, LLC
K. HOVNIANIAN AT AVENIR, LLC
K. HOVNIANIAN AT BOCA DUNES, LLC
K. HOVNIANIAN AT CORAL LAGO, LLC
K. HOVNIANIAN AT HAMPTON COVE, LLC
K. HOVNIANIAN AT HERITAGE GROVE, LLC
K. HOVNIANIAN AT HILLTOP RESERVE II, LLC
K. HOVNIANIAN AT HILLTOP RESERVE, LLC
K. HOVNIANIAN AT LAKE BURDEN, LLC
K. HOVNIANIAN AT LAKE FLORENCE, LLC
K. HOVNIANIAN AT LAKE LECLARE, LLC
K. HOVNIANIAN AT PICKETT RESERVE, LLC
K. HOVNIANIAN AT REDTAIL, LLC
K. HOVNIANIAN AT SALERNO RESERVE, LLC
K. HOVNIANIAN AT SPRING ISLE, LLC
K. HOVNIANIAN AT SUMMERLAKE, LLC
K. HOVNIANIAN AT TERRA BELLA TWO, LLC
K. HOVNIANIAN AT THE HIGHLANDS AT SUMMERLAKE GROVE, LLC
K. HOVNIANIAN AT VALLETTA, LLC
K. HOVNIANIAN AT WALKERS GROVE, LLC
K. HOVNIANIAN BELMONT RESERVE, LLC
K. HOVNIANIAN CAMBRIDGE HOMES, L.L.C.
K. HOVNIANIAN COMPANIES OF FLORIDA, LLC
K. HOVNIANIAN CYPRESS CREEK, LLC
K. HOVNIANIAN CYPRESS KEY, LLC

K. HOVNIANIAN ESTATES AT WEKIVA, LLC
K. HOVNIANIAN FIRST HOMES, L.L.C.
K. HOVNIANIAN FLORIDA OPERATIONS, LLC
K. HOVNIANIAN FLORIDA REALTY, L.L.C.
K. HOVNIANIAN GRAND CYPRESS, LLC
K. HOVNIANIAN GRANDEFIELD, LLC
K. HOVNIANIAN HOMES OF FLORIDA I, LLC
K. HOVNIANIAN IVY TRAIL, LLC
K. HOVNIANIAN LAKE PARKER, LLC
K. HOVNIANIAN MAGNOLIA AT WESTSIDE, LLC
K. HOVNIANIAN MONTCLAIRE ESTATES, LLC
K. HOVNIANIAN OCOEE LANDINGS, LLC
K. HOVNIANIAN ORLANDO DIVISION, LLC
K. HOVNIANIAN PRESERVE AT AVONLEA, LLC
K. HOVNIANIAN PRESERVE AT TURTLE CREEK LLC
K. HOVNIANIAN REYNOLDS RANCH, LLC
K. HOVNIANIAN RIVERSIDE, LLC
K. HOVNIANIAN RIVINGTON, LLC
K. HOVNIANIAN SAN SEBASTIAN, LLC
K. HOVNIANIAN SERENO, LLC
K. HOVNIANIAN SOLA VISTA, LLC
K. HOVNIANIAN SOUTH FORK, LLC
K. HOVNIANIAN SOUTHEAST FLORIDA DIVISION, LLC
K. HOVNIANIAN STERLING RANCH, LLC
K. HOVNIANIAN T&C HOMES AT FLORIDA, L.L.C.
K. HOVNIANIAN TERRALARGO, LLC
K. HOVNIANIAN UNION PARK, LLC
K. HOVNIANIAN WINDING BAY PRESERVE, LLC
K. HOVNIANIAN WINDWARD HOMES, LLC
K. HOVNIANIAN'S FOUR SEASONS AT WYLDER, LLC
KHOV WINDING BAY II, LLC
LINKS AT CALUSA SPRINGS, LLC
K. HOVNIANIAN AT THE COMMONS AT RICHMOND HILL, LLC
K. HOVNIANIAN AT WESTBROOK, LLC
K. HOVNIANIAN DEVELOPMENTS OF GEORGIA, INC.
K. HOVNIANIAN GEORGIA OPERATIONS, LLC
K. HOVNIANIAN HOMES AT CREEKSIDE, LLC
K. HOVNIANIAN'S ASPIRE AT NEW HAMPSTEAD, LLC
AMBER RIDGE, LLC
ARBOR TRAILS, LLC
EASTERN NATIONAL TITLE AGENCY ILLINOIS, LLC
GLENRISE GROVE, L.L.C.
GTIS-HOV PARKSIDE OF LIBERTYVILLE LLC
GTIS-HOV SAUGANASH GLEN LLC

K. HOVNIANIAN AT AMBERLEY WOODS, LLC
K. HOVNIANIAN AT ASHLEY POINTE LLC
K. HOVNIANIAN AT BRADWELL ESTATES, LLC
K. HOVNIANIAN AT CHRISTINA COURT, LLC
K. HOVNIANIAN AT CHURCHILL FARMS LLC
K. HOVNIANIAN AT DEER RIDGE, LLC
K. HOVNIANIAN AT ESTATES OF FOX CHASE, LLC
K. HOVNIANIAN AT FAIRFIELD RIDGE, LLC
K. HOVNIANIAN AT GRANDE PARK, LLC
K. HOVNIANIAN AT HANOVER ESTATES, LLC
K. HOVNIANIAN AT HEATHERFIELD, LLC
K. HOVNIANIAN AT ISLAND LAKE, LLC
K. HOVNIANIAN AT LINK CROSSING, LLC
K. HOVNIANIAN AT MAPLE HILL LLC
K. HOVNIANIAN AT MEADOWRIDGE VILLAS, LLC
K. HOVNIANIAN AT NORTH GROVE CROSSING, LLC
K. HOVNIANIAN AT NORTH POINTE ESTATES LLC
K. HOVNIANIAN AT NORTHRIDGE ESTATES, LLC
K. HOVNIANIAN AT ORCHARD MEADOWS, LLC
K. HOVNIANIAN AT PRAIRIE POINTE, LLC
K. HOVNIANIAN AT RANDALL HIGHLANDS, LLC
K. HOVNIANIAN AT RIVER HILLS, LLC
K. HOVNIANIAN AT SAGEBROOK, LLC
K. HOVNIANIAN AT SILVER LEAF, LLC
K. HOVNIANIAN AT SILVERWOOD GLEN, LLC
K. HOVNIANIAN AT SOMERSET, LLC
K. HOVNIANIAN AT TAMARACK SOUTH LLC
K. HOVNIANIAN AT TANGLEWOOD OAKS, LLC
K. HOVNIANIAN AT TRAFFORD PLACE, LLC
K. HOVNIANIAN AT TRAMORE LLC
K. HOVNIANIAN AT VILLAS AT THE COMMONS, LLC
K. HOVNIANIAN CHICAGO DIVISION, INC.
K. HOVNIANIAN ESTATES AT REGENCY, L.L.C.
K. HOVNIANIAN ILLINOIS OPERATIONS, LLC
K. HOVNIANIAN T&C HOMES AT ILLINOIS, L.L.C.
K. HOVNIANIAN AT NORTON LAKE LLC
EASTERN NATIONAL TITLE AGENCY MARYLAND, LLC
GTIS-HOV VILLAGES AT PEPPER MILL LLC
HOMEBUYERS FINANCIAL SERVICES, L.L.C.
HOVNIANIAN LAND INVESTMENT GROUP OF MARYLAND, L.L.C.
HOVNIANIAN LAND INVESTMENT GROUP, L.L.C.
K. HOVNIANIAN AT BRITTANY MANOR, LLC
K. HOVNIANIAN AT CATON'S RESERVE, LLC
K. HOVNIANIAN AT EDEN TERRACE, L.L.C.

K. HOVNIANIAN AT GRACE MEADOWS, LLC
K. HOVNIANIAN AT LOCKE LANDING, LLC
K. HOVNIANIAN AT SOUTHPOINTE, LLC
K. HOVNIANIAN AT WADE'S GRANT, L.L.C.
K. HOVNIANIAN BRITTANY MANOR BORROWER, LLC
K. HOVNIANIAN DEVELOPMENTS OF MARYLAND, INC.
K. HOVNIANIAN HOMES OF MARYLAND I, LLC
K. HOVNIANIAN HOMES OF MARYLAND II, LLC
K. HOVNIANIAN HOMES OF MARYLAND, L.L.C.
K. HOVNIANIAN'S FOUR SEASONS AT KENT ISLAND, L.L.C.
RIDGEMORE UTILITY L.L.C.
K. HOVNIANIAN DEVELOPMENTS OF MINNESOTA, INC.
K. HOVNIANIAN HOMES OF MINNESOTA AT ARBOR CREEK, LLC
K. HOVNIANIAN HOMES OF MINNESOTA AT AUTUMN MEADOWS, LLC
K. HOVNIANIAN HOMES OF MINNESOTA AT BRYNWOOD, LLC
K. HOVNIANIAN HOMES OF MINNESOTA AT CEDAR HOLLOW, LLC
K. HOVNIANIAN HOMES OF MINNESOTA AT FOUNDER'S RIDGE, LLC
K. HOVNIANIAN HOMES OF MINNESOTA AT HARPERS STREET WOODS, LLC
K. HOVNIANIAN HOMES OF MINNESOTA AT OAKS OF OXBOW, LLC
K. HOVNIANIAN HOMES OF MINNESOTA AT REGENT'S POINT, LLC
K. HOVNIANIAN HOMES OF MINNESOTA, L.L.C.
K. HOVNIANIAN LIBERTY ON BLUFF CREEK, LLC
K. HOVNIANIAN TIMBRES AT ELM CREEK, LLC
K. HOVNIANIAN'S FOUR SEASONS AT RUSH CREEK II, LLC
K. HOVNIANIAN AT BURCH KOVE, LLC
K. HOVNIANIAN AT INDIAN WELLS, LLC
K. HOVNIANIAN AT LILY ORCHARD, LLC
K. HOVNIANIAN AT MAIN STREET SQUARE, LLC
K. HOVNIANIAN AT OAK POINTE, LLC
K. HOVNIANIAN AT THE PROMENADE AT BEAVER CREEK, LLC
K. HOVNIANIAN AT WHEELER WOODS, LLC
K. HOVNIANIAN DEVELOPMENTS OF NORTH CAROLINA, INC.
K. HOVNIANIAN HOMES AT BROOK MANOR, LLC
K. HOVNIANIAN HOMES OF NORTH CAROLINA, INC.
K. HOVNIANIAN SHERWOOD AT REGENCY, LLC
BUILDER SERVICES NJ, L.L.C.
EASTERN NATIONAL TITLE AGENCY, INC.
F&W MECHANICAL SERVICES, L.L.C.
GTIS-HOV ARBORS AT MONROE LLC
GTIS-HOV HOLDINGS XI LLC
HILLTOP AT CEDAR GROVE URBAN RENEWAL, LLC
K. HOVNIANIAN ACQUISITIONS, INC.
K. HOVNIANIAN AT ACADEMY HILL, LLC
K. HOVNIANIAN AT ASBURY PARK URBAN RENEWAL, LLC

K. HOVNIANIAN AT CARRIAGES AT WALL, LLC
K. HOVNIANIAN AT CHARLESTON MEADOWS, LLC
K. HOVNIANIAN AT CHESTERFIELD, L.L.C.
K. HOVNIANIAN AT DUNELLEN URBAN RENEWAL, LLC
K. HOVNIANIAN AT EAST BRUNSWICK III, LLC
K. HOVNIANIAN AT EAST BRUNSWICK, LLC
K. HOVNIANIAN AT EAST WINDSOR, LLC
K. HOVNIANIAN AT FRANKLIN II, L.L.C.
K. HOVNIANIAN AT FRANKLIN, L.L.C.
K. HOVNIANIAN AT FREEHOLD TOWNSHIP III, LLC
K. HOVNIANIAN AT GLEN OAKS, LLC
K. HOVNIANIAN AT GREAT NOTCH, L.L.C.
K. HOVNIANIAN AT HILLANDALE, LLC
K. HOVNIANIAN AT HILLSBOROUGH, LLC
K. HOVNIANIAN AT HOWELL FORT PLAINS, LLC
K. HOVNIANIAN AT HOWELL II, LLC
K. HOVNIANIAN AT HOWELL, LLC
K. HOVNIANIAN AT JACKSON I, L.L.C.
K. HOVNIANIAN AT JACKSON, L.L.C.
K. HOVNIANIAN AT LITTLE EGG HARBOR TOWNSHIP II, L.L.C.
K. HOVNIANIAN AT MANALAPAN CROSSING, LLC
K. HOVNIANIAN AT MANALAPAN II, L.L.C.
K. HOVNIANIAN AT MANALAPAN IV, LLC
K. HOVNIANIAN AT MANALAPAN V, LLC
K. HOVNIANIAN AT MAPLE AVENUE, L.L.C.
K. HOVNIANIAN AT MARLBORO GROVE, LLC
K. HOVNIANIAN AT MIDDLETOWN III, LLC
K. HOVNIANIAN AT MIDDLETOWN IV, LLC
K. HOVNIANIAN AT MILLVILLE II, L.L.C.
K. HOVNIANIAN AT MONROE NJ II, LLC
K. HOVNIANIAN AT MONROE NJ III, LLC
K. HOVNIANIAN AT MONROE NJ, L.L.C.
K. HOVNIANIAN AT MONTGOMERY, LLC
K. HOVNIANIAN AT MONTVALE II, LLC
K. HOVNIANIAN AT MORRIS TWP, LLC
K. HOVNIANIAN AT MORRIS WOODS, LLC
K. HOVNIANIAN AT NORTH CALDWELL III, L.L.C.
K. HOVNIANIAN AT NORTH WILDWOOD, L.L.C.
K. HOVNIANIAN AT OAKLAND, LLC
K. HOVNIANIAN AT OLD BRIDGE II, LLC
K. HOVNIANIAN AT OLD BRIDGE, L.L.C.
K. HOVNIANIAN AT PORT IMPERIAL URBAN RENEWAL V, L.L.C.
K. HOVNIANIAN AT PORT IMPERIAL URBAN RENEWAL VIII, L.L.C.
K. HOVNIANIAN AT PRESERVE AT FREEHOLD, LLC

K. HOVNANIAN AT RANCOCAS CREEK, LLC
K. HOVNANIAN AT RESERVOIR POINT, LLC
K. HOVNANIAN AT RIDGEMONT, L.L.C.
K. HOVNANIAN AT SANDPIPER PLACE, LLC
K. HOVNANIAN AT SHREWSBURY, LLC
K. HOVNANIAN AT SMITHVILLE, INC.
K. HOVNANIAN AT SOUTH BRUNSWICK II, LLC
K. HOVNANIAN AT SOUTH BRUNSWICK III, LLC
K. HOVNANIAN AT SOUTH BRUNSWICK IV, LLC
K. HOVNANIAN AT STATION SQUARE, L.L.C.
K. HOVNANIAN AT THE MONARCH, L.L.C.
K. HOVNANIAN AT TOWNES AT PARKVIEW, LLC
K. HOVNANIAN AT TOWNES AT WEST LONG BRANCH, LLC
K. HOVNANIAN AT VILLAGES AT COUNTRY VIEW, LLC
K. HOVNANIAN AT WALL DONATO, LLC
K. HOVNANIAN AT WALL QUAIL RIDGE, LLC
K. HOVNANIAN AT WARREN TOWNSHIP II, LLC
K. HOVNANIAN AT WASHINGTON RIDGE, LLC
K. HOVNANIAN AT WILDWOOD BAYSIDE, L.L.C.
K. HOVNANIAN AT WOOLWICH I, L.L.C.
K. HOVNANIAN HOLDINGS NJ, L.L.C.
K. HOVNANIAN MANALAPAN ACQUISITION, LLC
K. HOVNANIAN NORTHEAST SERVICES, L.L.C.
K. HOVNANIAN PROPERTIES OF RED BANK, LLC
K. HOVNANIAN SERENITY WALK AT PLAINSBORO URBAN RENEWAL, LLC
K. HOVNANIAN SOUTHERN NEW JERSEY, L.L.C.
K. HOVNANIAN VILLAGES AT HAYS MILL CREEK, LLC
K. HOVNANIAN'S AEGEAN AT ASBURY PARK URBAN RENEWAL, LLC
K. HOVNANIAN'S BALTIC AT ASBURY PARK URBAN RENEWAL, LLC
K. HOVNANIAN'S COVE AT ASBURY PARK URBAN RENEWAL, LLC
K. HOVNANIAN'S DELTA AT ASBURY PARK, LLC
K. HOVNANIAN'S ENCLAVE AT OLD TAPPAN, LLC
K. HOVNANIAN'S FOUR SEASONS AT COLTS FARM, LLC
K. HOVNANIAN'S THE TOWNES AT WEST WINDSOR, LLC
LANDARAMA, INC.
M & M AT MONROE WOODS, L.L.C.
M&M AT WEST ORANGE, L.L.C.
MATZEL & MUMFORD AT EGG HARBOR, L.L.C.
MCNJ, INC.
MM-BEACHFRONT NORTH I, LLC
ROUTE 1 AND ROUTE 522, L.L.C.
TERRAPIN REALTY, L.L.C.
THE MATZEL & MUMFORD ORGANIZATION, INC
K. HOVNANIAN AT WALDWICK, LLC

K. HOVNIANIAN CLASSICS, L.L.C.
K. HOVNIANIAN COMPANIES OF NEW YORK, INC.
K. HOVNIANIAN DEVELOPMENTS OF NEW YORK, INC.
K. HOVNIANIAN NEW YORK OPERATIONS, LLC
K. HOVNIANIAN ABERDEEN, LLC
K. HOVNIANIAN AKRON SCATTERED SITE, LLC
K. HOVNIANIAN ASBURY POINTE, LLC
K. HOVNIANIAN ASPIRE AT AULD FARMS, LLC
K. HOVNIANIAN ASPIRE AT WESTON PLACE, LLC
K. HOVNIANIAN AT BOOTH FARM, LLC
K. HOVNIANIAN AT COOPER'S LANDING, LLC
K. HOVNIANIAN AT COUNTRY VIEW ESTATES, LLC
K. HOVNIANIAN AT CREEKSIDE CROSSING, LLC
K. HOVNIANIAN AT HAMPSHIRE FARMS, LLC
K. HOVNIANIAN AT HARVEST MEADOWS, LLC
K. HOVNIANIAN AT HAWK RIDGE, LLC
K. HOVNIANIAN AT HERITAGE PARK, LLC
K. HOVNIANIAN AT ORCHARD PARK, LLC
K. HOVNIANIAN AT RIVERFIELD RESERVE, LLC
K. HOVNIANIAN BELDEN POINTE, LLC
K. HOVNIANIAN BUILD ON YOUR LOT DIVISION, LLC
K. HOVNIANIAN CLEVELAND DIVISION, LLC
K. HOVNIANIAN CORNERSTONE FARMS, LLC
K. HOVNIANIAN EDGEBROOK, LLC
K. HOVNIANIAN FALLS POINTE, LLC
K. HOVNIANIAN FOREST LAKES, LLC
K. HOVNIANIAN FOREST VALLEY, LLC
K. HOVNIANIAN FOUR SEASONS AT CHESTNUT RIDGE, LLC
K. HOVNIANIAN HIDDEN HOLLOW, LLC
K. HOVNIANIAN HIGHLAND RIDGE, LLC
K. HOVNIANIAN INDIAN TRAILS, LLC
K. HOVNIANIAN KINGSTON AT WESTERN RESERVE, LLC
K. HOVNIANIAN LADUE RESERVE, LLC
K. HOVNIANIAN LAKES OF GREEN, LLC
K. HOVNIANIAN LANDINGS 40S, LLC
K. HOVNIANIAN MEADOW LAKES, LLC
K. HOVNIANIAN MONARCH GROVE, LLC
K. HOVNIANIAN NORTHPOINTE 40S, LLC
K. HOVNIANIAN NORTHWEST OHIO, LLC
K. HOVNIANIAN NORTON PLACE, LLC
K. HOVNIANIAN OHIO REALTY, L.L.C.
K. HOVNIANIAN OHIO REGION, INC.
K. HOVNIANIAN REDFERN TRAILS, LLC
K. HOVNIANIAN RIVENDALE, LLC

K. HOVNIANIAN SCHADY RESERVE, LLC
K. HOVNIANIAN VILLAGE GLEN, LLC
K. HOVNIANIAN WATERBURY, LLC
K. HOVNIANIAN WHITE ROAD, LLC
K. HOVNIANIAN WOODLAND POINTE, LLC
K. HOVNIANIAN'S FOUR SEASONS AT ADDISON FARMS, LLC
K. HOVNIANIAN'S FOUR SEASONS AT SANDSTONE, LLC
MIDWEST BUILDING PRODUCTS & CONTRACTOR SERVICES, L.L.C.
NEW HOME REALTY, LLC
K. HOVNIANIAN OHIO OPERATIONS, LLC
K. HOVNIANIAN WOODRIDGE PLACE, LLC
BUILDER SERVICES PA, L.L.C.
EASTERN NATIONAL ABSTRACT, INC.
GTIS-HOV WARMINSTER LLC
K. HOVNIANIAN AT DOYLESTOWN, LLC
K. HOVNIANIAN AT MIDDLETOWN, LLC
K. HOVNIANIAN AT NORTHAMPTON, L.L.C.
K. HOVNIANIAN DEVELOPMENTS OF PENNSYLVANIA, INC.
K. HOVNIANIAN HOMES OF PENNSYLVANIA, L.L.C.
K. HOVNIANIAN PA REAL ESTATE, INC.
K. HOVNIANIAN PENNSYLVANIA BUILD ON YOUR LOT DIVISION, LLC
K. HOVNIANIAN PENNSYLVANIA OPERATIONS, LLC
MIDWEST BUILDING PRODUCTS & CONTRACTOR SERVICES OF PENNSYLVANIA, L.L.C.
K. HOVNIANIAN AT UPPER PROVIDENCE, LLC
K. HOVNIANIAN AT COOSAW POINT, LLC
K. HOVNIANIAN AT FOX PATH AT HAMPTON LAKE, LLC
K. HOVNIANIAN AT HAMMOCK BREEZE, LLC
K. HOVNIANIAN AT HAMPTON LAKE, LLC
K. HOVNIANIAN AT LAKES AT NEW RIVERSIDE, LLC
K. HOVNIANIAN AT LIBERTY HILL FARM, LLC
K. HOVNIANIAN AT MAGNOLIA PLACE, LLC
K. HOVNIANIAN AT PINCKNEY FARM, LLC
K. HOVNIANIAN AT PINE CREST, LLC
K. HOVNIANIAN CRAFTBUILT HOMES OF SOUTH CAROLINA, L.L.C.
K. HOVNIANIAN HOMES AT SALT CREEK LANDING, LLC
K. HOVNIANIAN HOMES AT SANDY CREEK LANDING, LLC
K. HOVNIANIAN HOMES AT SHELL HALL, LLC
K. HOVNIANIAN HOMES AT THE ABBY, LLC
K. HOVNIANIAN HOMES AT THE PADDOCKS, LLC
K. HOVNIANIAN SOUTH CAROLINA OPERATIONS, LLC
K. HOVNIANIAN SOUTHEAST COASTAL DIVISION, INC.
K. HOVNIANIAN'S FOUR SEASONS AT CANE BAY EXPANSION, LLC
K. HOVNIANIAN'S FOUR SEASONS AT HILTON HEAD LAKES, LLC

K. HOVNIANIAN'S FOUR SEASONS AT LAKES OF CANE BAY LLC
K. HOVNIANIAN'S LAKES AT NEW RIVERSIDE EXPANSION, LLC
SHELL HALL CLUB AMENITY ACQUISITION, LLC
SHELL HALL LAND ACQUISITION, LLC
K. HOVNIANIAN DEVELOPMENTS OF TEXAS, INC.
K. HOVNIANIAN DFW AGAVE RANCH, LLC
K. HOVNIANIAN DFW ASCEND AT CREEKSHAW, LLC
K. HOVNIANIAN DFW ASCEND AT JUSTIN CROSSING, LLC
K. HOVNIANIAN DFW AUBURN FARMS, LLC
K. HOVNIANIAN DFW BAYSIDE, LLC
K. HOVNIANIAN DFW BELMONT, LLC
K. HOVNIANIAN DFW BERKSHIRE II, LLC
K. HOVNIANIAN DFW BERKSHIRE, LLC
K. HOVNIANIAN DFW BLUFF CREEK, LLC
K. HOVNIANIAN DFW CALDWELL LAKES, LLC
K. HOVNIANIAN DFW CALLOWAY TRAILS, LLC
K. HOVNIANIAN DFW CANYON FALLS, LLC
K. HOVNIANIAN DFW CARILLON, LLC
K. HOVNIANIAN DFW COMMODORE AT PRESTON, LLC
K. HOVNIANIAN DFW CREEKSIDE ESTATES II, LLC
K. HOVNIANIAN DFW DIAMOND CREEK ESTATES, LLC
K. HOVNIANIAN DFW DIVISION, LLC
K. HOVNIANIAN DFW ELEVON, LLC
K. HOVNIANIAN DFW ENCORE OF LAS COLINAS II, LLC
K. HOVNIANIAN DFW ENCORE OF LAS COLINAS, LLC
K. HOVNIANIAN DFW HARMON FARMS, LLC
K. HOVNIANIAN DFW HERITAGE CROSSING, LLC
K. HOVNIANIAN DFW HERITAGE RANCH, LLC
K. HOVNIANIAN DFW HERON POND, LLC
K. HOVNIANIAN DFW HIGH POINTE, LLC
K. HOVNIANIAN DFW HIGHTOWER, LLC
K. HOVNIANIAN DFW HOMESTEAD, LLC
K. HOVNIANIAN DFW INSPIRATION, LLC
K. HOVNIANIAN DFW KENSINGTON PLACE, LLC
K. HOVNIANIAN DFW LEXINGTON, LLC
K. HOVNIANIAN DFW LIBERTY CROSSING II, LLC
K. HOVNIANIAN DFW LIBERTY CROSSING, LLC
K. HOVNIANIAN DFW LIBERTY, LLC
K. HOVNIANIAN DFW LIGHT FARMS CYPRESS III, LLC
K. HOVNIANIAN DFW LIGHT FARMS II, LLC
K. HOVNIANIAN DFW LIGHT FARMS, LLC
K. HOVNIANIAN DFW LINCOLN POINTE, LLC
K. HOVNIANIAN DFW MIDTOWN PARK, LLC
K. HOVNIANIAN DFW MILRANY RANCH, LLC

K. HOVNIANIAN DFW MONTERRA, LLC
K. HOVNIANIAN DFW MUSTANG LAKES II, LLC
K. HOVNIANIAN DFW MUSTANG LAKES, LLC
K. HOVNIANIAN DFW NOBLE RIDGE, LLC
K. HOVNIANIAN DFW NORTH CREEK, LLC
K. HOVNIANIAN DFW OAKMONT PARK II, LLC
K. HOVNIANIAN DFW OAKMONT PARK, LLC
K. HOVNIANIAN DFW PALISADES, LLC
K. HOVNIANIAN DFW PARKSIDE, LLC
K. HOVNIANIAN DFW PARKVIEW, LLC
K. HOVNIANIAN DFW REUNION, LLC
K. HOVNIANIAN DFW RIDGEVIEW, LLC
K. HOVNIANIAN DFW ROLLING RIDGE, LLC
K. HOVNIANIAN DFW SANFORD PARK, LLC
K. HOVNIANIAN DFW SAPPHIRE BAY, LLC
K. HOVNIANIAN DFW SEVENTEEN LAKES, LLC
K. HOVNIANIAN DFW SOUTH POINTE, LLC
K. HOVNIANIAN DFW THE PARKS AT ROSEHILL, LLC
K. HOVNIANIAN DFW TIMBERBROOK, LLC
K. HOVNIANIAN DFW TRAILWOOD II, LLC
K. HOVNIANIAN DFW TRAILWOOD, LLC
K. HOVNIANIAN DFW VILLAS AT MUSTANG PARK, LLC
K. HOVNIANIAN DFW VILLAS AT THE STATION, LLC
K. HOVNIANIAN DFW WATSON CREEK, LLC
K. HOVNIANIAN DFW WELLINGTON ESTATES SOUTH, LLC
K. HOVNIANIAN DFW WELLINGTON VILLAS, LLC
K. HOVNIANIAN DFW WELLINGTON, LLC
K. HOVNIANIAN DFW WILDRIDGE, LLC
K. HOVNIANIAN DISTRIBUTION SERVICES, INC.
K. HOVNIANIAN HOMES - DFW II, L.L.C.
K. HOVNIANIAN HOMES - DFW, L.L.C.
K. HOVNIANIAN HOUSTON BALMORAL PARK LAKES EAST SECTION 8, LLC
K. HOVNIANIAN HOUSTON BALMORAL, LLC
K. HOVNIANIAN HOUSTON BAYOU OAKS AT WEST OREM, LLC
K. HOVNIANIAN HOUSTON CAMBRIDGE HEIGHTS, LLC
K. HOVNIANIAN HOUSTON CITY HEIGHTS, LLC
K. HOVNIANIAN HOUSTON CREEK BEND, LLC
K. HOVNIANIAN HOUSTON DIVISION, LLC
K. HOVNIANIAN HOUSTON DRY CREEK VILLAGE, LLC
K. HOVNIANIAN HOUSTON ELDRIDGE PARK, LLC
K. HOVNIANIAN HOUSTON FAIRCHILD FARMS, LLC
K. HOVNIANIAN HOUSTON GREATWOOD LAKE, LLC
K. HOVNIANIAN HOUSTON KATY POINTE II, LLC
K. HOVNIANIAN HOUSTON KATY POINTE, LLC

K. HOVNIANIAN HOUSTON KINGDOM HEIGHTS, LLC
K. HOVNIANIAN HOUSTON LAKES OF BELLA TERRA WEST II, LLC
K. HOVNIANIAN HOUSTON LAKES OF BELLA TERRA WEST, LLC
K. HOVNIANIAN HOUSTON LAUREL GLEN, LLC
K. HOVNIANIAN HOUSTON MAGNOLIA CREEK, LLC
K. HOVNIANIAN HOUSTON MIDTOWN PARK I, LLC
K. HOVNIANIAN HOUSTON PARK LAKES EAST, LLC
K. HOVNIANIAN HOUSTON PARKWAY TRAILS, LLC
K. HOVNIANIAN HOUSTON RIVER FARMS, LLC
K. HOVNIANIAN HOUSTON SUNSET RANCH, LLC
K. HOVNIANIAN HOUSTON TERRA DEL SOL, LLC
K. HOVNIANIAN HOUSTON THUNDER BAY SUBDIVISION, LLC
K. HOVNIANIAN HOUSTON TRANQUILITY LAKE ESTATES, LLC
K. HOVNIANIAN HOUSTON WESTWOOD, LLC
K. HOVNIANIAN HOUSTON WILLOWPOINT, LLC
K. HOVNIANIAN HOUSTON WOODSHORE, LLC
K. HOVNIANIAN OF HOUSTON II, L.L.C.
K. HOVNIANIAN OF HOUSTON III, L.L.C.
K. HOVNIANIAN TEXAS OPERATIONS, LLC
PARK TITLE COMPANY, LLC
K. HOVNIANIAN DFW CREEKSIDE ESTATES, LLC
EASTERN NATIONAL TITLE AGENCY VIRGINIA, INC.
GTIS-HOV LEELAND STATION LLC
GTIS-HOV WILLOWSFORD WINDMILL LLC
K. HOVNIANIAN AT ALEXANDER LAKES, LLC
K. HOVNIANIAN AT BELLEWOOD, LLC
K. HOVNIANIAN AT BENSEN'S MILL ESTATES, LLC
K. HOVNIANIAN AT CANTER V, LLC
K. HOVNIANIAN AT DOMINION CROSSING, LLC
K. HOVNIANIAN AT EAST CHASE, LLC
K. HOVNIANIAN AT EMBREY MILL VILLAGE, LLC
K. HOVNIANIAN AT EMBREY MILL, LLC
K. HOVNIANIAN AT ESTATES AT WHEATLANDS, LLC
K. HOVNIANIAN AT ESTATES OF CHANCELLORSVILLE, LLC
K. HOVNIANIAN AT GALLERY PARK AT WESTFIELDS, LLC
K. HOVNIANIAN AT HAMPTON RUN, LLC
K. HOVNIANIAN AT HIGHLAND PARK, LLC
K. HOVNIANIAN AT HOLLY RIDGE, LLC
K. HOVNIANIAN AT HUNTER'S POND, LLC
K. HOVNIANIAN AT JACKS RUN, LLC
K. HOVNIANIAN AT JACKSON VILLAGE, LLC
K. HOVNIANIAN AT LAUREL HILLS CROSSING, LLC
K. HOVNIANIAN AT LENA WOODS, LLC
K. HOVNIANIAN AT LINCOLN PARK, LLC

K. HOVNIANIAN AT MADISON SQUARE, LLC
K. HOVNIANIAN AT MELODY FARM, LLC
K. HOVNIANIAN AT NEW POST, LLC
K. HOVNIANIAN AT NICHOLSON, LLC
K. HOVNIANIAN AT NORTH HILL, LLC
K. HOVNIANIAN AT NORTH RIDGE, LLC
K. HOVNIANIAN AT OLD CAROLINA, LLC
K. HOVNIANIAN AT POTOMAC TRACE, LLC
K. HOVNIANIAN AT RAYMOND FARM, LLC
K. HOVNIANIAN AT RESERVES AT WHEATLANDS, LLC
K. HOVNIANIAN AT RESIDENCE AT DISCOVERY SQUARE, LLC
K. HOVNIANIAN AT ROCKLAND VILLAGE GREEN, LLC
K. HOVNIANIAN AT ROCKY RUN VILLAGE, LLC
K. HOVNIANIAN AT SUMMIT CROSSING ESTATES, LLC
K. HOVNIANIAN AT TANAGER, LLC
K. HOVNIANIAN AT TOWNES AT COUNTY CENTER, LLC
K. HOVNIANIAN AT WAXPOOL CROSSING, LLC
K. HOVNIANIAN AT WELLSPRINGS, LLC
K. HOVNIANIAN AT WILLOWSFORD GREENS III, LLC
K. HOVNIANIAN AT WREN HOLLOW, LLC
K. HOVNIANIAN DEVELOPMENTS OF VIRGINIA, INC.
K. HOVNIANIAN HOMES AT BURKE JUNCTION, LLC
K. HOVNIANIAN HOMES AT LEIGH MILL, LLC
K. HOVNIANIAN HOMES AT PENDER OAKS, LLC
K. HOVNIANIAN HOMES AT THOMPSON'S GRANT, LLC
K. HOVNIANIAN HOMES AT WILLOWSFORD GRANGE, LLC
K. HOVNIANIAN HOMES AT WILLOWSFORD GRANT II, LLC
K. HOVNIANIAN HOMES AT WILLOWSFORD GRANT, LLC
K. HOVNIANIAN HOMES AT WILLOWSFORD GREENS, LLC
K. HOVNIANIAN HOMES AT WILLOWSFORD NEW, LLC
K. HOVNIANIAN MID-ATLANTIC DIVISION, LLC
K. HOVNIANIAN SUMMIT HOLDINGS, L.L.C.
K. HOVNIANIAN VIRGINIA OPERATIONS, INC.
K. HOVNIANIAN'S FOUR SEASONS AT CHARLOTTESVILLE II, LLC
K. HOVNIANIAN'S FOUR SEASONS AT NEW KENT VINEYARDS, L.L.C.
K. HOVNIANIAN'S FOUR SEASONS AT VIRGINIA CROSSING, LLC
K. HOVNIANIAN AT DILLON FARM, LLC
K. HOVNIANIAN AT HUNTFIELD, LLC
K. HOVNIANIAN DEVELOPMENTS OF WEST VIRGINIA, INC.
K. HOVNIANIAN HOMES AT LIBERTY RUN, LLC
K. HOVNIANIAN HOMES AT SHENANDOAH SPRINGS, LLC
K. HOVNIANIAN WEST VIRGINIA BUILD ON YOUR LOT DIVISION, LLC
K. HOVNIANIAN WEST VIRGINIA OPERATIONS, LLC

UNRESTRICTED SUBSIDIARIES

K. HOVNIANIAN GT INVESTMENT, L.L.C.
K. HOVNIANIAN TERRA LAGO INVESTMENT, LLC
K. HOVNIANIAN AGENCY HOLDINGS, LLC
K. HOVNIANIAN GT IX INVESTMENT, LLC
K. HOVNIANIAN GT V INVESTMENT, LLC
K. HOVNIANIAN GT VI INVESTMENT, LLC
K. HOVNIANIAN GT VII INVESTMENT, LLC
K. HOVNIANIAN GT VIII INVESTMENT, LLC
K. HOVNIANIAN GT X INVESTMENT, LLC
K. HOVNIANIAN HOVSITE II INVESTMENT, LLC
K. HOVNIANIAN HOVSITE III INVESTMENT, LLC
K. HOVNIANIAN M.E. INVESTMENTS, LLC
GTIS-HOV HOLDINGS X LLC
K. HOVNIANIAN GT XII INVESTMENT, LLC
K. HOVNIANIAN GT XIII INVESTMENT, LLC
77 HUDSON STREET JOINT DEVELOPMENT, L.L.C.
GTIS-HOV HOLDINGS XII LLC
GTIS-HOV HOLDINGS XIII LLC
GTIS-HOV HOLDINGS XIV LLC
HOVSITE HOLDINGS II LLC
HOVSITE HOLDINGS III LLC
K. HOVNIANIAN GT XIV INVESTMENT, LLC
PORT IMPERIAL PARTNERS, LLC
TERRA LAGO INDIO LLC
K. HOVNIANIAN'S FOUR SEASONS AT BELLE TERRE, LLC
K. HOVNIANIAN'S FOUR SEASONS AT SCENIC MANOR, LLC
GTIS-HOV RESIDENCES AT COLUMBIA PARK PARENT LLC
K. HOVNIANIAN AT DELRAY BEACH, L.L.C.
HOVSITE II CASA DEL MAR LEASEHOLD LLC
HOVSITE II CASA DEL MAR LLC
HOVSITE III AT PARKLAND LLC
K. HOVNIANIAN AT MYSTIC DUNES, LLC
K. HOVNIANIAN OSPREY RANCH, LLC
AL TAHALUF AL AQARY LLC (AL TAHALUF REAL ESTATE LIMITED LIABILITY COMPANY)
K. HOVNIANIAN'S FOUR SEASONS AT KENT ISLAND III, LLC
K. HOVNIANIAN AT FAIRWAY ESTATES, LLC
K. HOVNIANIAN'S FOUR SEASONS AT KENT ISLAND II, LLC
K. HOVNIANIAN 77 HUDSON STREET INVESTMENTS, L.L.C.
K. HOVNIANIAN AT PORT IMPERIAL INVESTMENT, LLC
K. HOVNIANIAN GT XI INVESTMENT, LLC
MM-BEACHFRONT NORTH II, L.L.C.
K. HOVNIANIAN AT 77 HUDSON STREET URBAN RENEWAL COMPANY, L.L.C.
K. HOVNIANIAN AT MANALAPAN LANDING, LLC
K. HOVNIANIAN AT PORT IMPERIAL URBAN RENEWAL VI, L.L.C.

GTIS-HOV RESIDENCES AT COLUMBIA PARK LLC
K. HOVNANIAN AMERICAN MORTGAGE, L.L.C.
K. HOVNANIAN AT TRENTON II, L.L.C.
K. HOVNANIAN AT TRENTON URBAN RENEWAL, L.L.C.
MILLENNIUM TITLE AGENCY, LTD.
K. HOVNANIAN'S FOUR SEASONS AT CAROLINA OAKS, LLC
HOVNANIAN INSURANCE AGENCY, LLC
K. HOVNANIAN HOUSTON MARVIDA, LLC
EASTERN NATIONAL TITLE AGENCY TEXAS, INC.
K. HOVNANIAN AT HAZEL RUN GLEN, LLC
WHI-REPUBLIC, LLC
K. HOVNANIAN AT THE BOULEVARDS AT WESTFIELDS, LLC

Sch. B-2

[FACE OF NOTE]

K. HOVNANIAN ENTERPRISES, INC.

8.0% Senior Secured 1.125 Lien Notes due 2028

CUSIP No.: _____

No.

\$ _____ [, or such other amount as is provided in the schedule of exchanges of interests in global notes attached hereto]

K. Hovnanian Enterprises, Inc., a California corporation (the “**Issuer**,” which term includes any successor under the Indenture hereinafter referred to), for value received, promises to pay to _____, or its registered assigns, the principal sum of _____ DOLLARS (\$ _____), [or such other amount as is provided in the schedule of exchanges of interests in global notes attached hereto]¹, on September 30, 2028.

Interest Rate: 8.0% per annum.

Interest Payment Dates: March 30 and September 30, commencing March 30, 2024.

Record Dates: March 15 and September 15.

Reference is hereby made to the further provisions of this Note set forth on the reverse hereof, which will for all purposes have the same effect as if set forth at this place.

1 For Global Notes.

IN WITNESS WHEREOF, the Issuer has caused this Note to be signed manually or by facsimile by its duly authorized officer.

Dated:

K. HOVNANIAN ENTERPRISES, INC.

By: _____
Name:
Title:

[Form of] Trustee's Certificate of Authentication.

This is one of the 8.0% Senior Secured 1.125 Lien Notes due 2028 described in the Indenture referred to in this Note.

WILMINGTON TRUST, NATIONAL
ASSOCIATION, as Trustee

By: _____
Authorized Signatory

A-3

K. HOVNANIAN ENTERPRISES, INC.

8.0% Senior Secured 1.125 Lien Notes due 2028

Capitalized terms used herein are used as defined in the Indenture referred to below unless otherwise indicated. References to “Notes” or “Note” herein refer only to the 8.0% Senior Secured 1.125 Lien Notes due 2028.

1. *Principal and Interest.*

K. Hovnanian Enterprises, Inc. (the “**Issuer**,” which term includes any successor under the Indenture hereinafter referred to), a California corporation, promises to pay the principal of this Note on September 30, 2028.

The Issuer promises to pay interest on the principal amount of this Note on each Interest Payment Date, as set forth on the face of this Note, at the rate of 8.0% per annum.

Interest will be payable semiannually (to the holders of record of the Notes at the close of business on the March 15 or September 15 immediately preceding the Interest Payment Date) on each Interest Payment Date, commencing March 30, 2024.

Interest on this Note will accrue from the most recent date to which interest has been paid on this Note or the Note surrendered in exchange for this Note (or, if there is no existing default in the payment of interest and if this Note is authenticated between a regular record date and the next Interest Payment Date, from such Interest Payment Date) or, if no interest has been paid, from Issue Date. Interest will be computed on the basis of a 360-day year of twelve 30-day months.

2. *Paying Agent and Registrar.*

Initially, Wilmington Trust, National Association (the “**Trustee**”) will act as Paying Agent and Registrar. The Issuer may change or appoint any Paying Agent, Registrar or co-Registrar without notice to any Holder. The Issuer or any of its Subsidiaries may act as Paying Agent, Registrar or co-Registrar.

3. *Indenture; Liens; Guarantees.*

This is one of the 8.0% Senior Secured 1.125 Lien Notes due 2028 issued under an Indenture, dated as of October 5, 2023 (as amended from time to time, the “**Indenture**”), among the Issuer, the Guarantors party thereto, the Trustee and the Collateral Agent. The terms of the Notes include those stated in the Indenture and are not subject to the Trust Indenture Act except as expressly and to the extent provided for in the Indenture and the Notes, and Holders are referred to the Indenture and the Trust Indenture Act for a statement of such terms. To the extent permitted by applicable law, in the event of any inconsistency between the terms of this Note and the terms of the Indenture, the terms of the Indenture will control.

The Notes are general obligations of the Issuer, secured by Liens on the Collateral as described in the Indenture and the Security Documents. The Indenture limits the original aggregate principal amount of the Notes issued thereunder to \$225,000,000 but Additional Notes may be issued pursuant to the Indenture (subject to the conditions stated therein), and the originally issued Notes and all such Additional Notes vote together for all purposes as a single class. This Note is guaranteed by the Guarantors as set forth in the Indenture and the Guarantee endorsed hereon.

Reference is hereby made to the Indenture for a statement of the respective rights, duties and obligations thereunder of the Issuer, the Guarantors, the Trustee, the Collateral Agent and the Holders.

4. *Optional Redemption; Redemption with Proceeds of Equity Offering.*

(a) The Issuer may, at its option, redeem the Notes, in whole, at any time, or in part, from time to time, prior to September 30, 2025, at a redemption price equal to the sum of:

(i) 100% of the principal amount thereof, plus accrued and unpaid interest thereon to, but excluding, the redemption date, if any (subject to the right of Holders of record on the relevant Record Date to receive interest on the relevant Interest Payment Date); *plus*

(ii) the Make-Whole Amount.

The term “**Make-Whole Amount**” shall mean, in connection with any optional redemption of any Note, the greater of:

(i) the excess, if any, of (x) the present value at such redemption date of (A) the redemption price of the Note at September 30, 2025 (such redemption price being set forth in the table appearing in 4(b) below) plus (B) all required interest payments due on the Note through September 30, 2025 (excluding accrued but unpaid interest), computed using a discount rate equal to the Treasury Rate as of such redemption date plus 50 basis points *over* (y) the principal amount of the Note being redeemed; and

(i) 1.0% of the principal amount of the Note being redeemed.

In no case shall the Trustee be responsible for calculating, verifying or determining the Make-Whole Amount.

“**Treasury Rate**” means, in connection with the calculation of any Make-Whole Amount with respect to any Note, as calculated by the Company, the yield to maturity at the time of computation of United States Treasury securities with a constant maturity, as compiled by and published in the most recent Federal Reserve Statistical Release H.15 (519) that has become publicly available at least two Business Days prior to the redemption date (or, if such Statistical Release is no longer published, any publicly available source or similar market data), most nearly equal to the period from the redemption date to September 30, 2025; *provided, however*, that if the period from the redemption date to September 30, 2025 is not equal to the constant maturity of a United States Treasury security for which a weekly average yield is given, the Treasury Rate shall be obtained by linear interpolation (calculated to the nearest one-twelfth of a year) from the weekly average yields of United States Treasury securities for which such yields are given, except that if the period from the redemption date to September 30, 2025 is less than one year, the weekly average yield on actually traded United States Treasury securities adjusted to a constant maturity of one year will be used.

(b) At any time and from time to time on or after September 30, 2025, the Issuer may redeem the Notes, in whole or in part, at a redemption price equal to the percentage of the principal amount set forth below for the period during which the redemption date falls plus accrued and unpaid interest thereon, if any, to, but excluding, the applicable redemption date (subject to the right of Holders of record on the relevant Record Date to receive interest on the relevant Interest Payment Date).

Period Commencing	Percentage
September 30, 2025	104.000%
September 30, 2026	102.000%
September 30, 2027 and thereafter	100.000%

(c) If Holders of not less than 90% in aggregate principal amount of the outstanding Notes validly tender and do not validly withdraw such Notes in a Change of Control Offer in connection with a Change of Control and the Issuer, or any third party making a Change of Control Offer in lieu of the Issuer as permitted by Section 4.12 of the Indenture, purchases of all of the Notes validly tendered and not validly withdrawn by such Holders, the Issuer or such third party shall have the right, upon not less than 10 nor more than 60 days' prior notice to the Holders (with a copy to the Trustee), given not more than 30 days following such purchase pursuant to the Change of Control Offer described in Section 4.12 of the Indenture, to redeem all Notes that remain outstanding following such purchase at a redemption price in cash equal to 101% of the principal amount thereof plus accrued and unpaid interest, if any, to, but not including, the date of redemption.

(d) At any time and from time to time prior to September 30, 2025, the Issuer may redeem the Notes with the net cash proceeds received by the Issuer from any Equity Offering at a redemption price equal to 108.000% of the principal amount plus accrued and unpaid interest, if any, to, but excluding, the applicable redemption date (subject to the right of Holders of record on the relevant Record Date to receive interest on the relevant Interest Payment Date), in an aggregate principal amount for all such redemptions not to exceed 35% of the original aggregate principal amount of the Notes (including Additional Notes), *provided that*:

- (i) in each case the redemption takes place not later than 60 days after the closing of the related Equity Offering, and
- (ii) not less than 65% of the original aggregate principal amount of the Notes (including Additional Notes) remains outstanding immediately thereafter.

If fewer than all of the Notes are being redeemed, the Notes to be redeemed shall be selected by the Trustee by lot, pro rata or such other method as the Trustee deems fair and appropriate in consultation with the Issuer, subject to applicable DTC procedures and compliance with the rules of any securities exchange on which the Notes may be listed.

Notes shall be redeemed in denominations of \$2,000 principal amount or any multiple of \$1,000 in excess thereof. Notices of any redemption may be given prior to the completion thereof, and may, at the Issuer's discretion, be subject to one or more conditions precedent, including, but not limited to, completion of a related Equity Offering. If a redemption is subject to one or more conditions precedent, such notice shall describe each condition precedent.

If any Note is to be redeemed in part only, the notice of redemption that relates to that Note shall state the portion of the principal amount thereof to be redeemed. A new Note in principal amount equal to the unredeemed portion of the original Note will be issued in the name of the Holder thereof upon cancellation of the original Note. Notes called for redemption become due on the date fixed for redemption. On and after the redemption date, interest ceases to accrue on Notes or portions thereof called for redemption. Any notice of redemption will be given in accordance with Article III of the Indenture.

5. *Repurchase Provisions.*

If a Change of Control occurs, each Holder shall have the right, at such Holder's option, to require the Issuer to purchase all or any part (equal to \$2,000 principal amount or any multiple of \$1,000 in excess thereof) of such Holder's Notes on a date that is no later than 90 days after notice of the Change of Control, at a purchase price equal to 101% of the principal amount thereof, plus accrued and unpaid interest, if any, to the date of repurchase as provided in, and subject to the terms of, the Indenture.

6. *Mandatory Redemption.*

There is no sinking fund for, or mandatory redemption of, the Notes.

7. *Discharge and Defeasance.*

If the Issuer deposits with the Trustee money in U.S. dollars and/or U.S. Government Obligations sufficient to pay the then outstanding principal of, premium, interest and accrued interest on the Notes to redemption or maturity, as the case may be, the Issuer, the Company and the Guarantors may in certain circumstances be discharged from the Indenture, the Notes, the Guarantees and the Security Documents or may be discharged from certain of their obligations under certain provisions of the Indenture. In such circumstances, the Liens securing the Notes and the Guarantees will also be released.

8. *Registered Form; Denominations; Transfer; Exchange.*

The Notes are in registered form only without coupons in denominations of \$2,000 principal amount and any multiple of \$1,000 in excess thereof. A Holder may register the transfer or exchange of Notes in accordance with the Indenture. The Trustee may require a Holder, among other things, to furnish appropriate endorsements and transfer documents and to pay any taxes and fees required by law or permitted by the Indenture. Pursuant to the Indenture, there are certain periods during which the Trustee will not be required to issue, register the transfer of, or exchange any Note or certain portions of a Note.

9. *Persons Deemed Owners.*

The registered Holder of this Note shall be treated as the owner of it for all purposes.

10. *Defaults and Remedies.*

If an Event of Default occurs and is continuing, the Trustee or the Holders of at least 25% in principal amount of the Notes may declare all the Notes to be due and payable immediately. If a bankruptcy or insolvency default with respect to the Issuer or the Company occurs and is continuing, the Notes automatically become immediately due and payable. Holders may not enforce the Indenture or the Notes except as provided in the Indenture. The Trustee may require reasonable indemnity or security satisfactory to it before it enforces the Indenture or the Notes. Subject to certain limitations, Holders of a majority in principal amount of the Notes then outstanding may direct the Trustee in its exercise of remedies.

11. *Amendment, Supplement and Waiver.*

Subject to certain exceptions, the Indenture, the Notes, the Guarantees or the Security Documents may be amended or supplemented, or future compliance with any provision thereof may be waived, with the consent of the Holders of a majority in principal amount of the outstanding Notes. Without notice to or the consent of any Holder, the Company, the Issuer, the Guarantors, the Trustee, the Collateral Agent and the Joint First Lien Collateral Agent, as applicable, may amend or supplement, or waive future compliance with any provision of, the Indenture, the Notes, the Guarantees or the Security Documents with respect to the Notes to, among other things, cure any ambiguity, defect or inconsistency or if such amendment or supplement does not adversely affect the legal rights of any Holder. Without the consent of the Holders of at least 66⅔% in principal amount of the Notes, the Company, the Issuer, the Guarantors, the Trustee, the Collateral Agent and the Joint First Lien Collateral Agent may not effect a release of all or substantially all of the Collateral with respect to the Notes other than pursuant to the terms of the Security Documents or as otherwise permitted under the Indenture.

12. *Trustee Dealings With Issuer.*

The Trustee, in its individual or any other capacity, may become the owner or pledgee of Notes and may otherwise deal with the Issuer or its affiliates, with the same rights as if it were not Trustee; *however*, if it acquires any conflicting interest (as defined in the Trust Indenture Act), it must eliminate such conflict or resign.

13. *No Recourse Against Others.*

An incorporator, and any past, present or future director, officer, partner, employee or stockholder, as such, of the Issuer, the Company or the Guarantors shall not have any liability for any obligations of the Issuer, the Company or the Guarantors under the Notes, the Indenture or the Guarantees or for any claim based on, in respect of, or by reason of, such obligations or their creation. Each Holder by accepting a Note waives and releases all such liability. The waiver and release are part of the consideration for the issue of the Notes.

14. *Governing Law.*

THIS NOTE SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK.

15. *CUSIP Numbers.*

Pursuant to a recommendation promulgated by the Committee on Uniform Note Identification Procedures, the Issuer has caused CUSIP numbers to be printed on the Notes, and the Trustee may use CUSIP numbers in notices as a convenience to Holders. No representation is made as to the accuracy of such numbers either as printed on the Notes or as contained in any notice and reliance may be placed only on the other identification numbers placed thereon.

16. *Authentication.*

This Note is not valid until the Trustee (or Authenticating Agent) manually signs the certificate of authentication on the other side of this Note.

17. *Abbreviations.*

Customary abbreviations may be used in the name of a Holder or an assignee, such as: TEN COM (= tenants in common), TEN ENT (= tenants by the entireties), JT TEN (= joint tenants with right of survivorship and not as tenants in common), CUST (= Custodian) and U/G/M/A/ (= Uniform Gifts to Minors Act).

The Issuer will furnish a copy of the Indenture to any Holder upon written request and without charge.

[FORM OF TRANSFER NOTICE]

FOR VALUE RECEIVED the undersigned registered holder hereby sell(s), assign(s) and transfer(s) unto

Insert Social Security or Taxpayer Identification No.

Please print or typewrite name and address, including zip code, of assignee

the within Note and all rights thereunder, hereby irrevocably constituting and appointing

agent to transfer this Note on the books of the Issuer with full power of substitution in the premises.

Dated: _____

Signed: _____

(sign exactly as name appears on the other side of this Note)

Signature Guarantee²: _____

² Signatures must be guaranteed by an "eligible guarantor institution" meeting the requirements of the Registrar, which requirements include membership or participation in the Note Transfer Agent Medallion Program ("STAMP") or such other "signature guarantee program" as may be determined by the Registrar in addition to, or in substitution for, STAMP, all in accordance with the Securities Exchange Act of 1934, as amended.

[THE FOLLOWING PROVISION TO BE INCLUDED ON ALL CERTIFICATES BEARING A RESTRICTED LEGEND]

In connection with any transfer of this Note occurring prior to the Resale Restriction Termination Date (as defined in this Note), the undersigned confirms that such transfer is made without utilizing any general solicitation or general advertising in connection with the transfer and further as follows:

Check One

(1) This Note is being transferred to a “qualified institutional buyer” in compliance with Rule 144A under the Securities Act of 1933, as amended, and certification in the form of Exhibit F to the Indenture is being furnished herewith.

(2) This Note is being transferred to a non-“U.S. Person,” as defined in Rule 902 of Regulation S under the Securities Act in compliance with the exemption from registration under the Securities Act of 1933, as amended, provided by Regulation S thereunder, and certification in the form of Exhibit E to the Indenture is being furnished herewith.

or

(3) This Note is being transferred other than in accordance with (1) or (2) above and documents are being furnished herewith which comply with the conditions of transfer set forth in this Note and the Indenture.

If none of the foregoing boxes is checked, the Trustee is not obligated to register this Note in the name of any Person other than the Holder hereof unless and until the conditions to any such transfer of registration set forth herein and in the Indenture have been satisfied.

Dated: _____

Transferor

Signed: _____

NOTICE: The signature to this assignment must correspond with the name as written upon the face of the within-mentioned instrument in every particular, without alteration or any change whatsoever.

Signature Guarantee:³ _____

³ Signatures must be guaranteed by an “eligible guarantor institution” meeting the requirements of the Registrar, which requirements include membership or participation in the Note Transfer Agent Medallion Program (“STAMP”) or such other “signature guarantee program” as may be determined by the Registrar in addition to, or in substitution for, STAMP, all in accordance with the Securities Exchange Act of 1934, as amended. (...continued)

By: _____
(To be executed by an executive officer)

OPTION OF HOLDER TO ELECT PURCHASE

If you wish to have all of this Note purchased by the Issuer pursuant to Section 4.10 or Section 4.12 of the Indenture, check the box:

If you wish to have a portion of this Note purchased by the Issuer pursuant to Section 4.10 or Section 4.12 of the Indenture, state the amount (in original principal amount) below:

\$ _____.

Date: _____

Your Signature: _____

(Sign exactly as your name appears on the other side of this Note)

Signature Guarantee:⁴ _____

4 Signatures must be guaranteed by an “eligible guarantor institution” meeting the requirements of the Trustee, which requirements include membership or participation in the Note Transfer Agent Medallion Program (“STAMP”) or such other “signature guarantee program” as may be determined by the Trustee in addition to, or in substitution for, STAMP, all in accordance with the Securities Exchange Act of 1934, as amended.

SCHEDULE OF EXCHANGES OF INTERESTS IN GLOBAL NOTES⁵

The following exchanges of a part of this Global Note for Certificated Notes or an interest in another Global Note, or exchanges of a part of another Global Note or Certificated Note for an interest in this Global Note, have been made:

Date of Exchange	Amount of decrease in principal amount of this Global Note	Amount of increase in principal amount of this Global Note	Principal amount of this Global Note following such decrease or increase	Signature of authorized officer of Trustee
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⁵ For Global Notes

GUARANTEE

The undersigned (the “**Guarantors**”) have unconditionally guaranteed, jointly and severally (such guarantee by each Guarantor being referred to herein as the “**Guarantee**”) (i) the due and punctual payment of the principal of and interest on the Issuer’s 8.0% Senior Secured 1.125 Lien Notes due 2028 (the “**Notes**”), whether at maturity or on an Interest Payment Date, by acceleration or otherwise, on the Notes, to the extent lawful, and of all other obligations of the Issuer to the Holders or the Trustee all in accordance with the terms set forth in Article VI of the Indenture and (ii) in case of any extension of time of payment or renewal of any Notes or any of such other obligations, that the same will be promptly paid in full when due or performed in accordance with the terms of the extension or renewal, whether at stated maturity, by acceleration or otherwise. This Guarantee is secured by Liens on the Collateral as described in the Indenture and the Security Documents.

No past, present or future stockholder, officer, director, employee, partner or incorporator, as such, of any of the Guarantors shall have any liability under the Guarantee evidenced hereby by reason of such person’s status as stockholder, officer, director, employee, partner or incorporator. Each Holder of a Note by accepting a Note waives and releases all such liability. This waiver and release are part of the consideration for the issuance of the Guarantee.

Each Holder of a Note by accepting a Note agrees that any Guarantor named below shall have no further liability with respect to its Guarantee if such Guarantor otherwise ceases to be liable in respect of its Guarantee in accordance with the terms of the Indenture.

The Guarantee evidenced hereby shall not be valid or obligatory for any purpose until the certificate of authentication on the Notes upon which the Guarantee is noted shall have been executed by the Trustee under the Indenture by the manual signature of one of its authorized officers.

This Guarantee shall be governed by, and construed in accordance with, the laws of the State of New York.

EASTERN NATIONAL TITLE AGENCY ARIZONA, LLC
GTIS-HOV AT SILVERSTONE LLC
GTIS-HOV POINTE 16 LLC
K. HOVNANIAN ARIZONA NEW GC, LLC
K. HOVNANIAN ARIZONA OPERATIONS, LLC
K. HOVNANIAN AT 17 NORTH, LLC
K. HOVNANIAN AT 23 NORTH, LLC
K. HOVNANIAN AT 240 MISSOURI, LLC
K. HOVNANIAN AT ACACIA PLACE, LLC
K. HOVNANIAN AT AIRE ON MCDOWELL, LLC
K. HOVNANIAN AT ALAMEDA POINT, LLC
K. HOVNANIAN AT ALTO, LLC
K. HOVNANIAN AT AMBRA, LLC
K. HOVNANIAN AT ASTER RIDGE, LLC
K. HOVNANIAN AT CATANIA, LLC
K. HOVNANIAN AT EAGLE HEIGHTS, LLC
K. HOVNANIAN AT GALLERY, LLC

K. HOVNIANIAN AT GALLOWAY RIDGE, LLC
K. HOVNIANIAN AT HONEYSUCKLE TRAIL, LLC
K. HOVNIANIAN AT LAWEEN SPRINGS, LLC
K. HOVNIANIAN AT LUKE LANDING, LLC
K. HOVNIANIAN AT MARYLAND RIDGE, LLC
K. HOVNIANIAN AT MCCARTNEY RANCH, LLC
K. HOVNIANIAN AT MONROE RANCH, LLC
K. HOVNIANIAN AT MONTANA VISTA DOBBINS, LLC
K. HOVNIANIAN AT MONTANA VISTA, LLC
K. HOVNIANIAN AT ORANGEWOOD RANCH, LLC
K. HOVNIANIAN AT PALERMO, LLC
K. HOVNIANIAN AT PALM VALLEY, L.L.C.
K. HOVNIANIAN AT PARK PASEO, LLC
K. HOVNIANIAN AT PINNACLE PEAK PATIO, LLC
K. HOVNIANIAN AT POINTE 16, LLC
K. HOVNIANIAN AT QUAIL CREEK, L.L.C.
K. HOVNIANIAN AT RANCHO CABRILLO, LLC
K. HOVNIANIAN AT RANCHO EL DORADO, LLC
K. HOVNIANIAN AT RANCHO MIRAGE PARCEL 17, LLC
K. HOVNIANIAN AT RANCHO MIRAGE PARCEL 23, LLC
K. HOVNIANIAN AT SANTA ROSA SPRINGS, LLC
K. HOVNIANIAN AT SANTANILLA, LLC
K. HOVNIANIAN AT SCOTTSDALE HEIGHTS, LLC
K. HOVNIANIAN AT SIENNA HILLS, LLC
K. HOVNIANIAN AT SILVERSTONE G, LLC
K. HOVNIANIAN AT SILVERSTONE, LLC
K. HOVNIANIAN AT SKYE ON MCDOWELL, LLC
K. HOVNIANIAN AT STERLING VISTAS, LLC
K. HOVNIANIAN AT SUN CITY WEST, LLC
K. HOVNIANIAN AT SUNRISE TRAIL II, LLC
K. HOVNIANIAN AT SUNRISE TRAIL III, LLC
K. HOVNIANIAN AT THE MEADOWS 9, LLC
K. HOVNIANIAN AT THE MEADOWS, LLC
K. HOVNIANIAN AT TORTOSA SOUTH, LLC
K. HOVNIANIAN AT UNION PARK, LLC
K. HOVNIANIAN AT VENTANA LAKES, LLC
K. HOVNIANIAN AT VERRADO CASCINA, LLC
K. HOVNIANIAN AT VERRADO MARKETSIDE, LLC
K. HOVNIANIAN AT VICTORY AT VERRADO, LLC
K. HOVNIANIAN AT VILLAGO, LLC
K. HOVNIANIAN COMPANIES OF ARIZONA, LLC
K. HOVNIANIAN GREAT WESTERN HOMES, LLC
K. HOVNIANIAN LEGACY AT VIA BELLA, LLC
K. HOVNIANIAN PHOENIX DIVISION, INC.
K. HOVNIANIAN WEST GROUP, LLC
K. HOVNIANIAN'S FOUR SEASONS AT THE MANOR II, LLC
K. HOVNIANIAN'S FOUR SEASONS AT THE MANOR, LLC
VISTAS AT SILVERSTONE LLC

2700 EMPIRE, LLC
GTIS-HOV RANCHO 79 LLC
K. HOV IP, II, INC.
K. HOVNANIAN ASPIRE AT BELLEVUE RANCH M2, LLC
K. HOVNANIAN ASPIRE AT BELLEVUE RANCH, LLC
K. HOVNANIAN ASPIRE AT RIVER TERRACE, LLC
K. HOVNANIAN ASPIRE AT SOLAIRE, LLC
K. HOVNANIAN ASPIRE AT STONES THROW, LLC
K. HOVNANIAN AT ANDALUSIA, LLC
K. HOVNANIAN AT ASPIRE AT APRICOT GROVE PH2, LLC
K. HOVNANIAN AT BAKERSFIELD 463, L.L.C.
K. HOVNANIAN AT BEACON PARK AREA 129 II, LLC
K. HOVNANIAN AT BEACON PARK AREA 129, LLC
K. HOVNANIAN AT BEACON PARK AREA 137, LLC
K. HOVNANIAN AT BENNETT RANCH, LLC
K. HOVNANIAN AT BLACKSTONE, LLC
K. HOVNANIAN AT CADENCE PARK, LLC
K. HOVNANIAN AT CAPISTRANO, L.L.C.
K. HOVNANIAN AT CARLSBAD, LLC
K. HOVNANIAN AT CEDAR LANE, LLC
K. HOVNANIAN AT CIELO, L.L.C.
K. HOVNANIAN AT FIDDYMENT RANCH, LLC
K. HOVNANIAN AT FIREFLY AT WINDING CREEK, LLC
K. HOVNANIAN AT FRESNO, LLC
K. HOVNANIAN AT GILROY 60, LLC
K. HOVNANIAN AT GILROY, LLC
K. HOVNANIAN AT HIDDEN LAKE, LLC
K. HOVNANIAN AT JAEGER RANCH, LLC
K. HOVNANIAN AT LA LAGUNA, L.L.C.
K. HOVNANIAN AT LADD RANCH, LLC
K. HOVNANIAN AT LUNA VISTA, LLC
K. HOVNANIAN AT MELANIE MEADOWS, LLC
K. HOVNANIAN AT MERIDIAN HILLS, LLC
K. HOVNANIAN AT MUIRFIELD, LLC
K. HOVNANIAN AT PARKSIDE, LLC
K. HOVNANIAN AT PAVILION PARK, LLC
K. HOVNANIAN AT POSITANO, LLC
K. HOVNANIAN AT ROSEMARY LANTANA, L.L.C.
K. HOVNANIAN AT SAGE II HARVEST AT LIMONEIRA, LLC
K. HOVNANIAN AT SANTA NELLA, LLC
K. HOVNANIAN AT SENDERO RANCH, LLC
K. HOVNANIAN AT SIERRA VISTA, LLC
K. HOVNANIAN AT SKYE ISLE, LLC
K. HOVNANIAN AT SUNRIDGE PARK, LLC
K. HOVNANIAN AT TRAIL RIDGE, LLC
K. HOVNANIAN AT VALLE DEL SOL, LLC
K. HOVNANIAN AT VERONA ESTATES, LLC
K. HOVNANIAN AT VICTORVILLE, L.L.C.

K. HOVNIANIAN AT VILLAGE CENTER, LLC
K. HOVNIANIAN AT VINEYARD HEIGHTS, LLC
K. HOVNIANIAN AT WATERSTONE, LLC
K. HOVNIANIAN AT WEST VIEW ESTATES, L.L.C.
K. HOVNIANIAN AT WESTSHORE, LLC
K. HOVNIANIAN AT WHEELER RANCH, LL
K. HOVNIANIAN AT WOODCREEK WEST, LLC
K. HOVNIANIAN CA LAND HOLDINGS, LLC
K. HOVNIANIAN CALIFORNIA OPERATIONS, INC.
K. HOVNIANIAN CALIFORNIA REGION, INC.
K. HOVNIANIAN COMMUNITIES, INC.
K. HOVNIANIAN COMPANIES OF SOUTHERN CALIFORNIA, INC.
K. HOVNIANIAN COMPANIES, LLC
K. HOVNIANIAN EAST GROUP, LLC
K. HOVNIANIAN ENTERPRISES, INC.
K. HOVNIANIAN FOUR SEASONS AT HOMESTEAD, LLC
K. HOVNIANIAN HOMES NORTHERN CALIFORNIA, INC.
K. HOVNIANIAN JV HOLDINGS, L.L.C.
K. HOVNIANIAN JV SERVICES COMPANY, L.L.C.
K. HOVNIANIAN MEADOW VIEW AT MOUNTAIN HOUSE, LLC
K. HOVNIANIAN NORTHEAST DIVISION, INC.
K. HOVNIANIAN NORTHERN CALIFORNIA DIVISION, LLC
K. HOVNIANIAN OPERATIONS COMPANY, INC.
K. HOVNIANIAN SOUTHERN CALIFORNIA DIVISION, LLC
K. HOVNIANIAN'S ASPIRE AT UNION VILLAGE, LLC
K. HOVNIANIAN'S FOUR SEASONS AT BAKERSFIELD, L.L.C.
K. HOVNIANIAN'S FOUR SEASONS AT BEAUMONT, LLC
K. HOVNIANIAN'S FOUR SEASONS AT LOS BANOS, LLC
K. HOVNIANIAN'S SONATA AT THE PRESERVE, LLC
K. HOVNIANIAN'S VERANDA AT RIVERPARK II, LLC
K. HOVNIANIAN'S VERANDA AT RIVERPARK, LLC
STONEBROOK HOMES, INC.
K. HOVNIANIAN PARKVIEW AT STERLING MEADOWS, LLC
K. HOVNIANIAN DEVELOPMENTS OF D.C., INC.
K. HOVNIANIAN HOMES AT PARKSIDE, LLC
K. HOVNIANIAN HOMES OF D.C., L.L.C.
GTIS-HOV ARBORS AT MONROE PARENT LLC
GTIS-HOV FOUR PONDS PARENT LLC
GTIS-HOV HEATHERFIELD PARENT LLC
GTIS-HOV HILLTOP AT CEDAR GROVE PARENT LLC
GTIS-HOV HOLDINGS IX LLC
GTIS-HOV HOLDINGS LLC
GTIS-HOV HOLDINGS V LLC
GTIS-HOV HOLDINGS VI LLC
GTIS-HOV HOLDINGS VII LLC
GTIS-HOV HOLDINGS VIII LLC
GTIS-HOV LAKES OF CANE BAY PARENT LLC
GTIS-HOV PARKSIDE OF LIBERTYVILLE PARENT LLC

GTIS-HOV PENDER OAKS PARENT LLC
GTIS-HOV PINNACLE PEAK PATIO PARENT LLC
GTIS-HOV SAUGANASH GLEN PARENT LLC
HOMEBUYERS FINANCIAL USA, LLC
HOVNIANIAN ENTERPRISES, INC. (PARENT COMPANY)
HOVSITE CHURCHILL CLUB LLC
HOVSITE FIRENZE LLC
HOVSITE HUNT CLUB LLC
HOVSITE LIBERTY LAKES LLC
HOVSITE PROVIDENCE LLC
HOVSITE SOUTHAMPTON LLC
K. HOVNIANIAN ASPIRE AT LYNNBURY WOODS, LLC
K. HOVNIANIAN AT ADMIRAL'S LANDING, LLC
K. HOVNIANIAN AT ASHBY PLACE, LLC
K. HOVNIANIAN AT ASPIRE AT WEBBER FARM, LLC
K. HOVNIANIAN AT ASPIRE AT WICKERSHAM, LLC
K. HOVNIANIAN AT AUTUMN RIDGE, LLC
K. HOVNIANIAN AT BAY KNOLLS, LLC
K. HOVNIANIAN AT BRENFORD STATION, LLC
K. HOVNIANIAN AT CEDAR LANE ESTATES, LLC
K. HOVNIANIAN AT EGRET SHORES, LLC
K. HOVNIANIAN AT FORK LANDING, LLC
K. HOVNIANIAN AT HARBOR'S EDGE AT BAYSIDE, LLC
K. HOVNIANIAN AT HIDDEN BROOK, LLC
K. HOVNIANIAN AT LIBERTY WEST, LLC
K. HOVNIANIAN AT MIDDLETOWN RESERVE, LLC
K. HOVNIANIAN AT MONARCH GLEN, LLC
K. HOVNIANIAN AT NORTH BRUNSWICK VI, L.L.C.
K. HOVNIANIAN AT NOTTINGHAM MEADOWS, LLC
K. HOVNIANIAN AT OCEAN VIEW BEACH CLUB, LLC
K. HOVNIANIAN AT OYSTER COVE, LLC
K. HOVNIANIAN AT PATRIOTS BLUFF, LLC
K. HOVNIANIAN AT PLANTATION LAKES, L.L.C.
K. HOVNIANIAN AT PLEASANTON, LLC
K. HOVNIANIAN AT RED MILL POND, LLC
K. HOVNIANIAN AT RETREAT AT MILLSTONE, LLC
K. HOVNIANIAN AT SATTERFIELD, LLC
K. HOVNIANIAN AT SEABROOK, LLC
K. HOVNIANIAN AT TOWER HILL, LLC
K. HOVNIANIAN AT TOWNSEND FIELDS, LLC
K. HOVNIANIAN AT WOODFIELD, LLC
K. HOVNIANIAN CENTRAL ACQUISITIONS, L.L.C.
K. HOVNIANIAN DELAWARE DIVISION, INC.
K. HOVNIANIAN DELAWARE OPERATIONS, LLC
K. HOVNIANIAN HOMES AT KNOLLAC ACRES, LLC
K. HOVNIANIAN HOMES AT SUMMIT POINTE, LLC
K. HOVNIANIAN HOMES OF DELAWARE I, LLC
K. HOVNIANIAN HOMES OF LONGACRE VILLAGE, L.L.C.

K. HOVNIANIAN NEW JERSEY OPERATIONS, LLC
K. HOVNIANIAN NORTH CENTRAL ACQUISITIONS, L.L.C.
K. HOVNIANIAN NORTH JERSEY ACQUISITIONS, L.L.C.
K. HOVNIANIAN SOUTH JERSEY ACQUISITIONS, L.L.C.
K. HOVNIANIAN'S FOUR SEASONS AT BAYMONT FARMS L.L.C.
K. HOVNIANIAN'S FOUR SEASONS AT HATTERAS HILLS, LLC
K. HOVNIANIAN'S FOUR SEASONS AT SILVER MAPLE FARM, L.L.C.
KHH SHELL HALL LOAN ACQUISITION, LLC
RIDGEMORE UTILITY OF DELAWARE, LLC
TRAVERSE PARTNERS, LLC
WASHINGTON HOMES, INC.
WTC VENTURES, L.L.C.
GTIS-HOV NICHOLSON PARENT LLC
EASTERN NATIONAL TITLE AGENCY FLORIDA, LLC
HOVNIANIAN DEVELOPMENTS OF FLORIDA, INC.
K. HOVNIANIAN AMBER GLEN, LLC
K. HOVNIANIAN ASPIRE AT BOATMAN HAMMOCK, LLC
K. HOVNIANIAN ASPIRE AT EAST LAKE, LLC
K. HOVNIANIAN ASPIRE AT HAWKS RIDGE, LLC
K. HOVNIANIAN ASPIRE AT MARION OAKS, LLC
K. HOVNIANIAN ASPIRE AT PALM BAY, LLC
K. HOVNIANIAN ASPIRE AT PALM COAST, LLC
K. HOVNIANIAN ASPIRE AT PORT ST. LUCIE, LLC
K. HOVNIANIAN ASPIRE AT VICTORIA PARC, LLC
K. HOVNIANIAN ASPIRE AT WATERSTONE, LLC
K. HOVNIANIAN AT ARMEN GROVES, LLC
K. HOVNIANIAN AT AVENIR II, LLC
K. HOVNIANIAN AT AVENIR, LLC
K. HOVNIANIAN AT BOCA DUNES, LLC
K. HOVNIANIAN AT CORAL LAGO, LLC
K. HOVNIANIAN AT HAMPTON COVE, LLC
K. HOVNIANIAN AT HERITAGE GROVE, LLC
K. HOVNIANIAN AT HILLTOP RESERVE II, LLC
K. HOVNIANIAN AT HILLTOP RESERVE, LLC
K. HOVNIANIAN AT LAKE BURDEN, LLC
K. HOVNIANIAN AT LAKE FLORENCE, LLC
K. HOVNIANIAN AT LAKE LECLARE, LLC
K. HOVNIANIAN AT PICKETT RESERVE, LLC
K. HOVNIANIAN AT REDTAIL, LLC
K. HOVNIANIAN AT SALERNO RESERVE, LLC
K. HOVNIANIAN AT SPRING ISLE, LLC
K. HOVNIANIAN AT SUMMERLAKE, LLC
K. HOVNIANIAN AT TERRA BELLA TWO, LLC
K. HOVNIANIAN AT THE HIGHLANDS AT SUMMERLAKE GROVE, LLC
K. HOVNIANIAN AT VALLETTA, LLC
K. HOVNIANIAN AT WALKERS GROVE, LLC
K. HOVNIANIAN BELMONT RESERVE, LLC
K. HOVNIANIAN CAMBRIDGE HOMES, L.L.C.

K. HOVNIANIAN COMPANIES OF FLORIDA, LLC
K. HOVNIANIAN CYPRESS CREEK, LLC
K. HOVNIANIAN CYPRESS KEY, LLC
K. HOVNIANIAN ESTATES AT WEKIVA, LLC
K. HOVNIANIAN FIRST HOMES, L.L.C.
K. HOVNIANIAN FLORIDA OPERATIONS, LLC
K. HOVNIANIAN FLORIDA REALTY, L.L.C.
K. HOVNIANIAN GRAND CYPRESS, LLC
K. HOVNIANIAN GRANDEFIELD, LLC
K. HOVNIANIAN HOMES OF FLORIDA I, LLC
K. HOVNIANIAN IVY TRAIL, LLC
K. HOVNIANIAN LAKE PARKER, LLC
K. HOVNIANIAN MAGNOLIA AT WESTSIDE, LLC
K. HOVNIANIAN MONTCLAIRE ESTATES, LLC
K. HOVNIANIAN OCOEE LANDINGS, LLC
K. HOVNIANIAN ORLANDO DIVISION, LLC
K. HOVNIANIAN PRESERVE AT AVONLEA, LLC
K. HOVNIANIAN PRESERVE AT TURTLE CREEK LLC
K. HOVNIANIAN REYNOLDS RANCH, LLC
K. HOVNIANIAN RIVERSIDE, LLC
K. HOVNIANIAN RIVINGTON, LLC
K. HOVNIANIAN SAN SEBASTIAN, LLC
K. HOVNIANIAN SERENO, LLC
K. HOVNIANIAN SOLA VISTA, LLC
K. HOVNIANIAN SOUTH FORK, LLC
K. HOVNIANIAN SOUTHEAST FLORIDA DIVISION, LLC
K. HOVNIANIAN STERLING RANCH, LLC
K. HOVNIANIAN T&C HOMES AT FLORIDA, L.L.C.
K. HOVNIANIAN TERRALARGO, LLC
K. HOVNIANIAN UNION PARK, LLC
K. HOVNIANIAN WINDING BAY PRESERVE, LLC
K. HOVNIANIAN WINDWARD HOMES, LLC
K. HOVNIANIAN'S FOUR SEASONS AT WYLDER, LLC
KHOV WINDING BAY II, LLC
LINKS AT CALUSA SPRINGS, LLC
K. HOVNIANIAN AT THE COMMONS AT RICHMOND HILL, LLC
K. HOVNIANIAN AT WESTBROOK, LL
K. HOVNIANIAN DEVELOPMENTS OF GEORGIA, INC.
K. HOVNIANIAN GEORGIA OPERATIONS, LLC
K. HOVNIANIAN HOMES AT CREEKSIDE, LLC
K. HOVNIANIAN'S ASPIRE AT NEW HAMPSTEAD, LLC
AMBER RIDGE, LLC
ARBOR TRAILS, LLC
EASTERN NATIONAL TITLE AGENCY ILLINOIS, LLC
GLENRISE GROVE, L.L.C.
GTIS-HOV PARKSIDE OF LIBERTYVILLE LLC
GTIS-HOV SAUGANASH GLEN LLC
K. HOVNIANIAN AT AMBERLEY WOODS, LLC

K. HOVNIANIAN AT ASHLEY POINTE LLC
K. HOVNIANIAN AT BRADWELL ESTATES, LLC
K. HOVNIANIAN AT CHRISTINA COURT, LLC
K. HOVNIANIAN AT CHURCHILL FARMS LLC
K. HOVNIANIAN AT DEER RIDGE, LLC
K. HOVNIANIAN AT ESTATES OF FOX CHASE, LLC
K. HOVNIANIAN AT FAIRFIELD RIDGE, LLC
K. HOVNIANIAN AT GRANDE PARK, LLC
K. HOVNIANIAN AT HANOVER ESTATES, LLC
K. HOVNIANIAN AT HEATHERFIELD, LLC
K. HOVNIANIAN AT ISLAND LAKE, LLC
K. HOVNIANIAN AT LINK CROSSING, LLC
K. HOVNIANIAN AT MAPLE HILL LLC
K. HOVNIANIAN AT MEADOWRIDGE VILLAS, LLC
K. HOVNIANIAN AT NORTH GROVE CROSSING, LC
K. HOVNIANIAN AT NORTH POINTE ESTATES LLC
K. HOVNIANIAN AT NORTHRIDGE ESTATES, LLC
K. HOVNIANIAN AT ORCHARD MEADOWS, LLC
K. HOVNIANIAN AT PRAIRIE POINTE, LLC
K. HOVNIANIAN AT RANDALL HIGHLANDS, LLC
K. HOVNIANIAN AT RIVER HILLS, LLC
K. HOVNIANIAN AT SAGEBROOK, LLC
K. HOVNIANIAN AT SILVER LEAF, LLC
K. HOVNIANIAN AT SILVERWOOD GLEN, LLC
K. HOVNIANIAN AT SOMERSET, LLC
K. HOVNIANIAN AT TAMARACK SOUTH LLC
K. HOVNIANIAN AT TANGLEWOOD OAKS, LLC
K. HOVNIANIAN AT TRAFFORD PLACE, LLC
K. HOVNIANIAN AT TRAMORE LLC
K. HOVNIANIAN AT VILLAS AT THE COMMONS, LLC
K. HOVNIANIAN CHICAGO DIVISION, INC.
K. HOVNIANIAN ESTATES AT REGENCY, L.L.C.
K. HOVNIANIAN ILLINOIS OPERATIONS, LLC
K. HOVNIANIAN T&C HOMES AT ILLINOIS, L.L.C.
K. HOVNIANIAN AT NORTON LAKE LLC
EASTERN NATIONAL TITLE AGENCY MARYLAND, LLC
GTIS-HOV VILLAGES AT PEPPER MILL LLC
HOMEBUYERS FINANCIAL SERVICES, L.L.C.
HOVNIANIAN LAND INVESTMENT GROUP OF MARYLAND, L.L.C.
HOVNIANIAN LAND INVESTMENT GROUP, L.L.C.
K. HOVNIANIAN AT BRITTANY MANOR, LLC
K. HOVNIANIAN AT CATON'S RESERVE, LLC
K. HOVNIANIAN AT EDEN TERRACE, L.L.C.
K. HOVNIANIAN AT GRACE MEADOWS, LLC
K. HOVNIANIAN AT LOCKE LANDING, LLC
K. HOVNIANIAN AT SOUTHPOINTE, LLC
K. HOVNIANIAN AT WADE'S GRANT, L.L.C.
K. HOVNIANIAN BRITTANY MANOR BORROWER, LLC

K. HOVNIANIAN DEVELOPMENTS OF MARYLAND, INC.
K. HOVNIANIAN HOMES OF MARYLAND I, LLC
K. HOVNIANIAN HOMES OF MARYLAND II, LLC
K. HOVNIANIAN HOMES OF MARYLAND, L.L.C.
K. HOVNIANIAN'S FOUR SEASONS AT KENT ISLAND, L.L.C.
RIDGEMORE UTILITY L.L.C.
K. HOVNIANIAN DEVELOPMENTS OF MINNESOTA, INC.
K. HOVNIANIAN HOMES OF MINNESOTA AT ARBOR CREEK, LLC
K. HOVNIANIAN HOMES OF MINNESOTA AT AUTUMN MEADOWS, LLC
K. HOVNIANIAN HOMES OF MINNESOTA AT BRYNWOOD, LLC
K. HOVNIANIAN HOMES OF MINNESOTA AT CEDAR HOLLOW, LLC
K. HOVNIANIAN HOMES OF MINNESOTA AT FOUNDER'S RIDGE, LLC
K. HOVNIANIAN HOMES OF MINNESOTA AT HARPERS STREET WOODS, LLC
K. HOVNIANIAN HOMES OF MINNESOTA AT OAKS OF OXBOW, LLC
K. HOVNIANIAN HOMES OF MINNESOTA AT REGENT'S POINT, LLC
K. HOVNIANIAN HOMES OF MINNESOTA, L.L.C.
K. HOVNIANIAN LIBERTY ON BLUFF CREEK, LLC
K. HOVNIANIAN TIMBRES AT ELM CREEK, LLC
K. HOVNIANIAN'S FOUR SEASONS AT RUSH CREEK II, LLC
K. HOVNIANIAN AT BURCH KOVE, LLC
K. HOVNIANIAN AT INDIAN WELLS, LLC
K. HOVNIANIAN AT LILY ORCHARD, LLC
K. HOVNIANIAN AT MAIN STREET SQUARE, LLC
K. HOVNIANIAN AT OAK POINTE, LLC
K. HOVNIANIAN AT THE PROMENADE AT BEAVER CREEK, LLC
K. HOVNIANIAN AT WHEELER WOODS, LLC
K. HOVNIANIAN DEVELOPMENTS OF NORTH CAROLINA, INC.
K. HOVNIANIAN HOMES AT BROOK MANOR, LLC
K. HOVNIANIAN HOMES OF NORTH CAROLINA, INC.
K. HOVNIANIAN SHERWOOD AT REGENCY, LLC
BUILDER SERVICES NJ, L.L.C.
EASTERN NATIONAL TITLE AGENCY, INC.
F&W MECHANICAL SERVICES, L.L.C.
GTIS-HOV ARBORS AT MONROE LLC
GTIS-HOV HOLDINGS XI LLC
HILLTOP AT CEDAR GROVE URBAN RENEWAL, LLC
K. HOVNIANIAN ACQUISITIONS, INC.
K. HOVNIANIAN AT ACADEMY HILL, LLC
K. HOVNIANIAN AT ASBURY PARK URBAN RENEWAL, LLC
K. HOVNIANIAN AT CARRIAGES AT WALL, LLC
K. HOVNIANIAN AT CHARLESTON MEADOWS, LLC
K. HOVNIANIAN AT CHESTERFIELD, L.L.C.
K. HOVNIANIAN AT DUNELLEN URBAN RENEWAL, LLC
K. HOVNIANIAN AT EAST BRUNSWICK III, LLC
K. HOVNIANIAN AT EAST BRUNSWICK, LLC
K. HOVNIANIAN AT EAST WINDSOR, LLC
K. HOVNIANIAN AT FRANKLIN II, L.L.C.
K. HOVNIANIAN AT FRANKLIN, L.L.C.

K. HOVNIANIAN AT FREEHOLD TOWNSHIP III, LLC
K. HOVNIANIAN AT GLEN OAKS, LLC
K. HOVNIANIAN AT GREAT NOTCH, L.L.C.
K. HOVNIANIAN AT HILLANDALE, LLC
K. HOVNIANIAN AT HILLSBOROUGH, LLC
K. HOVNIANIAN AT HOWELL FORT PLAINS, LLC
K. HOVNIANIAN AT HOWELL II, LLC
K. HOVNIANIAN AT HOWELL, LLC
K. HOVNIANIAN AT JACKSON I, L.L.C.
K. HOVNIANIAN AT JACKSON, L.L.C.
K. HOVNIANIAN AT LITTLE EGG HARBOR TOWNSHIP II, L.L.C.
K. HOVNIANIAN AT MANALAPAN CROSSING, LLC
K. HOVNIANIAN AT MANALAPAN II, L.L.C.
K. HOVNIANIAN AT MANALAPAN IV, LLC
K. HOVNIANIAN AT MANALAPAN V, LLC
K. HOVNIANIAN AT MAPLE AVENUE, L.L.C.
K. HOVNIANIAN AT MARLBORO GROVE, LLC
K. HOVNIANIAN AT MIDDLETOWN III, LLC
K. HOVNIANIAN AT MIDDLETOWN IV, LLC
K. HOVNIANIAN AT MILLVILLE II, L.L.C.
K. HOVNIANIAN AT MONROE NJ II, LLC
K. HOVNIANIAN AT MONROE NJ III, LLC
K. HOVNIANIAN AT MONROE NJ, L.L.C.
K. HOVNIANIAN AT MONTGOMERY, LLC
K. HOVNIANIAN AT MONTVALE II, LLC
K. HOVNIANIAN AT MORRIS TWP, LLC
K. HOVNIANIAN AT MORRIS WOODS, LLC
K. HOVNIANIAN AT NORTH CALDWELL III, L.L.C.
K. HOVNIANIAN AT NORTH WILDWOOD, L.L.C.
K. HOVNIANIAN AT OAKLAND, LLC
K. HOVNIANIAN AT OLD BRIDGE II, LLC
K. HOVNIANIAN AT OLD BRIDGE, L.L.C.
K. HOVNIANIAN AT PORT IMPERIAL URBAN RENEWAL V, L.L.C.
K. HOVNIANIAN AT PORT IMPERIAL URBAN RENEWAL VIII, L.L.C.
K. HOVNIANIAN AT PRESERVE AT FREEHOLD, LLC
K. HOVNIANIAN AT RANCOCAS CREEK, LLC
K. HOVNIANIAN AT RESERVOIR POINT, LLC
K. HOVNIANIAN AT RIDGEMONT, L.L.C.
K. HOVNIANIAN AT SANDPIPER PLACE, LLC
K. HOVNIANIAN AT SHREWSBURY, LLC
K. HOVNIANIAN AT SMITHVILLE, INC.
K. HOVNIANIAN AT SOUTH BRUNSWICK II, LLC
K. HOVNIANIAN AT SOUTH BRUNSWICK III, LLC
K. HOVNIANIAN AT SOUTH BRUNSWICK IV, LLC
K. HOVNIANIAN AT STATION SQUARE, L.L.C.
K. HOVNIANIAN AT THE MONARCH, L.L.C.
K. HOVNIANIAN AT TOWNES AT PARKVIEW, LLC
K. HOVNIANIAN AT TOWNES AT WEST LONG BRANCH, LLC

K. HOVNIANIAN AT VILLAGES AT COUNTRY VIEW, LLC
K. HOVNIANIAN AT WALL DONATO, LLC
K. HOVNIANIAN AT WALL QUAIL RIDGE, LLC
K. HOVNIANIAN AT WARREN TOWNSHIP II, LLC
K. HOVNIANIAN AT WASHINGTON RIDGE, LLC
K. HOVNIANIAN AT WILDWOOD BAYSIDE, L.L.C.
K. HOVNIANIAN AT WOOLWICH I, L.L.C.
K. HOVNIANIAN HOLDINGS NJ, L.L.C.
K. HOVNIANIAN MANALAPAN ACQUISITION, LLC
K. HOVNIANIAN NORTHEAST SERVICES, L.L.C.
K. HOVNIANIAN PROPERTIES OF RED BANK, LLC
K. HOVNIANIAN SERENITY WALK AT PLAINSBORO URBAN RENEWAL, LLC
K. HOVNIANIAN SOUTHERN NEW JERSEY, L.L.C.
K. HOVNIANIAN VILLAGES AT HAYS MILL CREEK, LLC
K. HOVNIANIAN'S AEGEAN AT ASBURY PARK URBAN RENEWAL, LLC
K. HOVNIANIAN'S BALTIC AT ASBURY PARK URBAN RENEWAL, LLC
K. HOVNIANIAN'S COVE AT ASBURY PARK URBAN RENEWAL, LLC
K. HOVNIANIAN'S DELTA AT ASBURY PARK, LLC
K. HOVNIANIAN'S ENCLAVE AT OLD TAPPAN, LLC
K. HOVNIANIAN'S FOUR SEASONS AT COLTS FARM, LLC
K. HOVNIANIAN'S THE TOWNES AT WEST WINDSOR, LLC
LANDARAMA, INC.
M & M AT MONROE WOODS, L.L.C.
M&M AT WEST ORANGE, L.L.C.
MATZEL & MUMFORD AT EGG HARBOR, L.L.C.
MCNJ, INC.
MM-BEACHFRONT NORTH I, LLC
ROUTE 1 AND ROUTE 522, L.L.C.
TERRAPIN REALTY, L.L.C.
THE MATZEL & MUMFORD ORGANIZATION, INC
K. HOVNIANIAN AT WALDWICK, LLC
K. HOVNIANIAN CLASSICS, L.L.C.
K. HOVNIANIAN COMPANIES OF NEW YORK, INC.
K. HOVNIANIAN DEVELOPMENTS OF NEW YORK, INC.
K. HOVNIANIAN NEW YORK OPERATIONS, LLC
K. HOVNIANIAN ABERDEEN, LLC
K. HOVNIANIAN AKRON SCATTERED SITE, LLC
K. HOVNIANIAN ASBURY POINTE, LLC
K. HOVNIANIAN ASPIRE AT AULD FARMS, LLC
K. HOVNIANIAN ASPIRE AT WESTON PLACE, LLC
K. HOVNIANIAN AT BOOTH FARM, LLC
K. HOVNIANIAN AT COOPER'S LANDING, LLC
K. HOVNIANIAN AT COUNTRY VIEW ESTATES, LLC
K. HOVNIANIAN AT CREEKSIDE CROSSING, LLC
K. HOVNIANIAN AT HAMPSHIRE FARMS, LLC
K. HOVNIANIAN AT HARVEST MEADOWS, LLC
K. HOVNIANIAN AT HAWK RIDGE, LLC
K. HOVNIANIAN AT HERITAGE PARK, LLC

K. HOVNIANIAN AT ORCHARD PARK, LLC
K. HOVNIANIAN AT RIVERFIELD RESERVE, LLC
K. HOVNIANIAN BELDEN POINTE, LLC
K. HOVNIANIAN BUILD ON YOUR LOT DIVISION, LLC
K. HOVNIANIAN CLEVELAND DIVISION, LLC
K. HOVNIANIAN CORNERSTONE FARMS, LLC
K. HOVNIANIAN EDGEBROOK, LLC
K. HOVNIANIAN FALLS POINTE, LLC
K. HOVNIANIAN FOREST LAKES, LLC
K. HOVNIANIAN FOREST VALLEY, LLC
K. HOVNIANIAN FOUR SEASONS AT CHESTNUT RIDGE, LLC
K. HOVNIANIAN HIDDEN HOLLOW, LLC
K. HOVNIANIAN HIGHLAND RIDGE, LLC
K. HOVNIANIAN INDIAN TRAILS, LLC
K. HOVNIANIAN KINGSTON AT WESTERN RESERVE, LLC
K. HOVNIANIAN LADUE RESERVE, LLC
K. HOVNIANIAN LAKES OF GREEN, LLC
K. HOVNIANIAN LANDINGS 40S, LLC
K. HOVNIANIAN MEADOW LAKES, LLC
K. HOVNIANIAN MONARCH GROVE, LLC
K. HOVNIANIAN NORTHPOINTE 40S, LLC
K. HOVNIANIAN NORTHWEST OHIO, LLC
K. HOVNIANIAN NORTON PLACE, LLC
K. HOVNIANIAN OHIO REALTY, L.L.C.
K. HOVNIANIAN OHIO REGION, INC.
K. HOVNIANIAN REDFERN TRAILS, LLC
K. HOVNIANIAN RIVENDALE, LLC
K. HOVNIANIAN SCHADY RESERVE, LLC
K. HOVNIANIAN VILLAGE GLEN, LLC
K. HOVNIANIAN WATERBURY, LLC
K. HOVNIANIAN WHITE ROAD, LLC
K. HOVNIANIAN WOODLAND POINTE, LLC
K. HOVNIANIAN'S FOUR SEASONS AT ADDISON FARMS, LLC
K. HOVNIANIAN'S FOUR SEASONS AT SANDSTONE, LLC
MIDWEST BUILDING PRODUCTS & CONTRACTOR SERVICES, L.L.C.
NEW HOME REALTY, LLC
K. HOVNIANIAN OHIO OPERATIONS, LLC
K. HOVNIANIAN WOODRIDGE PLACE, LLC
BUILDER SERVICES PA, L.L.C.
EASTERN NATIONAL ABSTRACT, INC.
GTIS-HOV WARMINSTER LLC
K. HOVNIANIAN AT DOYLESTOWN, LLC
K. HOVNIANIAN AT MIDDLETOWN, LLC
K. HOVNIANIAN AT NORTHAMPTON, L.L.C.
K. HOVNIANIAN DEVELOPMENTS OF PENNSYLVANIA, INC.
K. HOVNIANIAN HOMES OF PENNSYLVANIA, L.L.C.
K. HOVNIANIAN PA REAL ESTATE, INC.
K. HOVNIANIAN PENNSYLVANIA BUILD ON YOUR LOT DIVISION, LLC

K. HOVNIANIAN PENNSYLVANIA OPERATIONS, LLC
MIDWEST BUILDING PRODUCTS & CONTRACTOR SERVICES OF PENNSYLVANIA, L.L.C.
K. HOVNIANIAN AT UPPER PROVIDENCE, LLC
K. HOVNIANIAN AT COOSAW POINT, LLC
K. HOVNIANIAN AT FOX PATH AT HAMPTON LAKE, LLC
K. HOVNIANIAN AT HAMMOCK BREEZE, LLC
K. HOVNIANIAN AT HAMPTON LAKE, LLC
K. HOVNIANIAN AT LAKES AT NEW RIVERSIDE, LLC
K. HOVNIANIAN AT LIBERTY HILL FARM, LLC
K. HOVNIANIAN AT MAGNOLIA PLACE, LLC
K. HOVNIANIAN AT PINCKNEY FARM, LLC
K. HOVNIANIAN AT PINE CREST, LLC
K. HOVNIANIAN CRAFTBUILT HOMES OF SOUTH CAROLINA, L.L.C.
K. HOVNIANIAN HOMES AT SALT CREEK LANDING, LLC
K. HOVNIANIAN HOMES AT SANDY CREEK LANDING, LLC
K. HOVNIANIAN HOMES AT SHELL HALL, LLC
K. HOVNIANIAN HOMES AT THE ABBY, LLC
K. HOVNIANIAN HOMES AT THE PADDOCKS, LLC
K. HOVNIANIAN SOUTH CAROLINA OPERATIONS, LLC
K. HOVNIANIAN SOUTHEAST COASTAL DIVISION, INC.
K. HOVNIANIAN'S FOUR SEASONS AT CANE BAY EXPANSION, LLC
K. HOVNIANIAN'S FOUR SEASONS AT HILTON HEAD LAKES, LLC
K. HOVNIANIAN'S FOUR SEASONS AT LAKES OF CANE BAY LLC
K. HOVNIANIAN'S LAKES AT NEW RIVERSIDE EXPANSION, LLC
SHELL HALL CLUB AMENITY ACQUISITION, LLC
SHELL HALL LAND ACQUISITION, LLC
K. HOVNIANIAN DEVELOPMENTS OF TEXAS, INC.
K. HOVNIANIAN DFW AGAVE RANCH, LLC
K. HOVNIANIAN DFW ASCEND AT CREEKSHAW, LLC
K. HOVNIANIAN DFW ASCEND AT JUSTIN CROSSING, LLC
K. HOVNIANIAN DFW AUBURN FARMS, LLC
K. HOVNIANIAN DFW BAYSIDE, LLC
K. HOVNIANIAN DFW BELMONT, LLC
K. HOVNIANIAN DFW BERKSHIRE II, LLC
K. HOVNIANIAN DFW BERKSHIRE, LLC
K. HOVNIANIAN DFW BLUFF CREEK, LLC
K. HOVNIANIAN DFW CALDWELL LAKES, LLC
K. HOVNIANIAN DFW CALLOWAY TRAILS, LLC
K. HOVNIANIAN DFW CANYON FALLS, LLC
K. HOVNIANIAN DFW CARILLON, LLC
K. HOVNIANIAN DFW COMMODORE AT PRESTON, LLC
K. HOVNIANIAN DFW CREEKSIDE ESTATES II, LLC
K. HOVNIANIAN DFW DIAMOND CREEK ESTATES, LLC
K. HOVNIANIAN DFW DIVISION, LLC
K. HOVNIANIAN DFW ELEVON, LLC
K. HOVNIANIAN DFW ENCORE OF LAS COLINAS II, LLC
K. HOVNIANIAN DFW ENCORE OF LAS COLINAS, LLC
K. HOVNIANIAN DFW HARMON FARMS, LLC

K. HOVNIANIAN DFW HERITAGE CROSSING, LLC
K. HOVNIANIAN DFW HERITAGE RANCH, LLC
K. HOVNIANIAN DFW HERON POND, LLC
K. HOVNIANIAN DFW HIGH POINTE, LLC
K. HOVNIANIAN DFW HIGHTOWER, LLC
K. HOVNIANIAN DFW HOMESTEAD, LLC
K. HOVNIANIAN DFW INSPIRATION, LLC
K. HOVNIANIAN DFW KENSINGTON PLACE, LLC
K. HOVNIANIAN DFW LEXINGTON, LLC
K. HOVNIANIAN DFW LIBERTY CROSSING II, LLC
K. HOVNIANIAN DFW LIBERTY CROSSING, LLC
K. HOVNIANIAN DFW LIBERTY, LLC
K. HOVNIANIAN DFW LIGHT FARMS CYPRESS III, LLC
K. HOVNIANIAN DFW LIGHT FARMS II, LLC
K. HOVNIANIAN DFW LIGHT FARMS, LLC
K. HOVNIANIAN DFW LINCOLN POINTE, LLC
K. HOVNIANIAN DFW MIDTOWN PARK, LLC
K. HOVNIANIAN DFW MILRANY RANCH, LLC
K. HOVNIANIAN DFW MONTERRA, LLC
K. HOVNIANIAN DFW MUSTANG LAKES II, LLC
K. HOVNIANIAN DFW MUSTANG LAKES, LLC
K. HOVNIANIAN DFW NOBLE RIDGE, LLC
K. HOVNIANIAN DFW NORTH CREEK, LLC
K. HOVNIANIAN DFW OAKMONT PARK II, LLC
K. HOVNIANIAN DFW OAKMONT PARK, LLC
K. HOVNIANIAN DFW PALISADES, LLC
K. HOVNIANIAN DFW PARKSIDE, LLC
K. HOVNIANIAN DFW PARKVIEW, LLC
K. HOVNIANIAN DFW REUNION, LLC
K. HOVNIANIAN DFW RIDGEVIEW, LLC
K. HOVNIANIAN DFW ROLLING RIDGE, LLC
K. HOVNIANIAN DFW SANFORD PARK, LLC
K. HOVNIANIAN DFW SAPPHIRE BAY, LLC
K. HOVNIANIAN DFW SEVENTEEN LAKES, LLC
K. HOVNIANIAN DFW SOUTH POINTE, LLC
K. HOVNIANIAN DFW THE PARKS AT ROSEHILL, LLC
K. HOVNIANIAN DFW TIMBERBROOK, LLC
K. HOVNIANIAN DFW TRAILWOOD II, LLC
K. HOVNIANIAN DFW TRAILWOOD, LLC
K. HOVNIANIAN DFW VILLAS AT MUSTANG PARK, LLC
K. HOVNIANIAN DFW VILLAS AT THE STATION, LLC
K. HOVNIANIAN DFW WATSON CREEK, LLC
K. HOVNIANIAN DFW WELLINGTON ESTATES SOUTH, LLC
K. HOVNIANIAN DFW WELLINGTON VILLAS, LLC
K. HOVNIANIAN DFW WELLINGTON, LLC
K. HOVNIANIAN DFW WILDRIDGE, LLC
K. HOVNIANIAN DISTRIBUTION SERVICES, INC.
K. HOVNIANIAN HOMES - DFW II, L.L.C.

K. HOVNIANIAN HOMES - DFW, L.L.C.
K. HOVNIANIAN HOUSTON BALMORAL PARK LAKES EAST SECTION 8, LLC
K. HOVNIANIAN HOUSTON BALMORAL, LLC
K. HOVNIANIAN HOUSTON BAYOU OAKS AT WEST OREM, LLC
K. HOVNIANIAN HOUSTON CAMBRIDGE HEIGHTS, LLC
K. HOVNIANIAN HOUSTON CITY HEIGHTS, LLC
K. HOVNIANIAN HOUSTON CREEK BEND, LLC
K. HOVNIANIAN HOUSTON DIVISION, LLC
K. HOVNIANIAN HOUSTON DRY CREEK VILLAGE, LLC
K. HOVNIANIAN HOUSTON ELDRIDGE PARK, LLC
K. HOVNIANIAN HOUSTON FAIRCHILD FARMS, LLC
K. HOVNIANIAN HOUSTON GREATWOOD LAKE, LLC
K. HOVNIANIAN HOUSTON KATY POINTE II, LLC
K. HOVNIANIAN HOUSTON KATY POINTE, LLC
K. HOVNIANIAN HOUSTON KINGDOM HEIGHTS, LLC
K. HOVNIANIAN HOUSTON LAKES OF BELLA TERRA WEST II, LLC
K. HOVNIANIAN HOUSTON LAKES OF BELLA TERRA WEST, LLC
K. HOVNIANIAN HOUSTON LAUREL GLEN, LLC
K. HOVNIANIAN HOUSTON MAGNOLIA CREEK, LLC
K. HOVNIANIAN HOUSTON MIDTOWN PARK I, LLC
K. HOVNIANIAN HOUSTON PARK LAKES EAST, LLC
K. HOVNIANIAN HOUSTON PARKWAY TRAILS, LLC
K. HOVNIANIAN HOUSTON RIVER FARMS, LLC
K. HOVNIANIAN HOUSTON SUNSET RANCH, LLC
K. HOVNIANIAN HOUSTON TERRA DEL SOL, LLC
K. HOVNIANIAN HOUSTON THUNDER BAY SUBDIVISION, LLC
K. HOVNIANIAN HOUSTON TRANQUILITY LAKE ESTATES, LLC
K. HOVNIANIAN HOUSTON WESTWOOD, LLC
K. HOVNIANIAN HOUSTON WILLOWPOINT, LLC
K. HOVNIANIAN HOUSTON WOODSHORE, LLC
K. HOVNIANIAN OF HOUSTON II, L.L.C.
K. HOVNIANIAN OF HOUSTON III, L.L.C.
K. HOVNIANIAN TEXAS OPERATIONS, LLC
PARK TITLE COMPANY, LLC
K. HOVNIANIAN DFW CREEKSIDE ESTATES, LLC
EASTERN NATIONAL TITLE AGENCY VIRGINIA, INC.
GTIS-HOV LEELAND STATION LLC
GTIS-HOV WILLOWSFORD WINDMILL LLC
K. HOVNIANIAN AT ALEXANDER LAKES, LLC
K. HOVNIANIAN AT BELLEWOOD, LLC
K. HOVNIANIAN AT BENSEN'S MILL ESTATES, LLC
K. HOVNIANIAN AT CANTER V, LLC
K. HOVNIANIAN AT DOMINION CROSSING, LLC
K. HOVNIANIAN AT EAST CHASE, LLC
K. HOVNIANIAN AT EMBREY MILL VILLAGE, LLC
K. HOVNIANIAN AT EMBREY MILL, LLC
K. HOVNIANIAN AT ESTATES AT WHEATLANDS, LLC
K. HOVNIANIAN AT ESTATES OF CHANCELLORSVILLE, LLC

K. HOVNIANIAN AT GALLERY PARK AT WESTFIELDS, LLC
K. HOVNIANIAN AT HAMPTON RUN, LLC
K. HOVNIANIAN AT HIGHLAND PARK, LLC
K. HOVNIANIAN AT HOLLY RIDGE, LLC
K. HOVNIANIAN AT HUNTER'S POND, LLC
K. HOVNIANIAN AT JACKS RUN, LLC
K. HOVNIANIAN AT JACKSON VILLAGE, LLC
K. HOVNIANIAN AT LAUREL HILLS CROSSING, LLC
K. HOVNIANIAN AT LENA WOODS, LLC
K. HOVNIANIAN AT LINCOLN PARK, LLC
K. HOVNIANIAN AT MADISON SQUARE, LLC
K. HOVNIANIAN AT MELODY FARM, LLC
K. HOVNIANIAN AT NEW POST, LLC
K. HOVNIANIAN AT NICHOLSON, LLC
K. HOVNIANIAN AT NORTH HILL, LLC
K. HOVNIANIAN AT NORTH RIDGE, LLC
K. HOVNIANIAN AT OLD CAROLINA, LLC
K. HOVNIANIAN AT POTOMAC TRACE, LLC
K. HOVNIANIAN AT RAYMOND FARM, LLC
K. HOVNIANIAN AT RESERVES AT WHEATLANDS, LLC
K. HOVNIANIAN AT RESIDENCE AT DISCOVERY SQUARE, LLC
K. HOVNIANIAN AT ROCKLAND VILLAGE GREEN, LLC
K. HOVNIANIAN AT ROCKY RUN VILLAGE, LLC
K. HOVNIANIAN AT SUMMIT CROSSING ESTATES, LLC
K. HOVNIANIAN AT TANAGER, LLC
K. HOVNIANIAN AT TOWNES AT COUNTY CENTER, LLC
K. HOVNIANIAN AT WAXPOOL CROSSING, LLC
K. HOVNIANIAN AT WELLSPRINGS, LLC
K. HOVNIANIAN AT WILLOWSFORD GREENS III, LLC
K. HOVNIANIAN AT WREN HOLLOW, LLC
K. HOVNIANIAN DEVELOPMENTS OF VIRGINIA, INC.
K. HOVNIANIAN HOMES AT BURKE JUNCTION, LLC
K. HOVNIANIAN HOMES AT LEIGH MILL, LLC
K. HOVNIANIAN HOMES AT PENDER OAKS, LLC
K. HOVNIANIAN HOMES AT THOMPSON'S GRANT, LLC
K. HOVNIANIAN HOMES AT WILLOWSFORD GRANGE, LLC
K. HOVNIANIAN HOMES AT WILLOWSFORD GRANT II, LLC
K. HOVNIANIAN HOMES AT WILLOWSFORD GRANT, LLC
K. HOVNIANIAN HOMES AT WILLOWSFORD GREENS, LLC
K. HOVNIANIAN HOMES AT WILLOWSFORD NEW, LLC
K. HOVNIANIAN MID-ATLANTIC DIVISION, LLC
K. HOVNIANIAN SUMMIT HOLDINGS, L.L.C.
K. HOVNIANIAN VIRGINIA OPERATIONS, INC.
K. HOVNIANIAN'S FOUR SEASONS AT CHARLOTTESVILLE II, LLC
K. HOVNIANIAN'S FOUR SEASONS AT NEW KENT VINEYARDS, L.L.C.
K. HOVNIANIAN'S FOUR SEASONS AT VIRGINIA CROSSING, LLC
K. HOVNIANIAN AT DILLON FARM, LLC
K. HOVNIANIAN AT HUNTFIELD, LLC

K. HOVNANIAN DEVELOPMENTS OF WEST VIRGINIA, INC.
K. HOVNANIAN HOMES AT LIBERTY RUN, LLC
K. HOVNANIAN HOMES AT SHENANDOAH SPRINGS, LLC
K. HOVNANIAN WEST VIRGINIA BUILD ON YOUR LOT DIVISION, LLC
K. HOVNANIAN WEST VIRGINIA OPERATIONS, LLC
MIDWEST BUILDING PRODUCTS & CONTRACTOR SERVICES OF WEST VIRGINIA, L.L.C.

By: _____
Name:
Title: Authorized Officer

[This Guarantee relates to K. Hovnanian Enterprises, Inc.'s 8.0% Senior Secured 1.125 Lien Notes due 2028 – CUSIP No.:]

SUPPLEMENTAL INDENTURE

dated as of _____, ____

among

K. HOVNANIAN ENTERPRISES, INC.,

HOVNANIAN ENTERPRISES, INC.,

The Other Guarantors Party Hereto

and

WILMINGTON TRUST, NATIONAL ASSOCIATION

as Trustee and Collateral Agent

8.0% Senior Secured 1.125 Lien Notes due 2028

THIS [] SUPPLEMENTAL INDENTURE (this “[] **Supplemental Indenture**”), entered into as of _____, ____, among K. Hovnanian Enterprises, Inc., a California corporation (the “**Issuer**”), Hovnanian Enterprises, Inc., a Delaware corporation (the “**Company**”), [list each new guarantor and its jurisdiction of incorporation] (each an “**Undersigned**”) and Wilmington Trust, National Association, a national banking association, as Trustee (the “**Trustee**”) and as Collateral Agent (the “**Collateral Agent**”).

RECITALS

WHEREAS, the Issuer, Company, the other Guarantors party thereto, the Trustee and the Collateral Agent entered into an indenture, dated as of October 5, 2023 (the “**Indenture**”), relating to the Issuer’s 8.0% Senior Secured 1.125 Lien Notes due 2028 (the “**Notes**”);

WHEREAS, as a condition to the purchase of the Notes by the Holders, the Company agreed pursuant to the Indenture to cause any newly acquired or created Restricted Subsidiaries (other than any Excluded Subsidiary) to provide Guarantees.

AGREEMENT

NOW, THEREFORE, in consideration of the premises and mutual covenants herein contained and intending to be legally bound, the parties hereto hereby agree as follows:

SECTION 1. Capitalized terms used herein and not otherwise defined herein are used as defined in the Indenture.

SECTION 2. Each Undersigned, by its execution of this [] Supplemental Indenture, agrees to be a Guarantor with respect to the Notes under the Indenture and to be bound by the terms of the Indenture applicable to Guarantors, including, but not limited to, Article VI thereof.

SECTION 3. This [] Supplemental Indenture shall be governed by and construed in accordance with the laws of the State of New York.

SECTION 4. This [] Supplemental Indenture may be signed in various counterparts which together shall constitute one and the same instrument.

SECTION 5. This [] Supplemental Indenture is an amendment supplemental to the Indenture and the Indenture and this [] Supplemental Indenture shall henceforth be read together.

SECTION 6. The Trustee shall not be responsible in any manner whatsoever for or in respect of the validity or sufficiency of this Supplemental Indenture or for or in respect of the Recitals contained herein, all of which are made solely by the Issuer, the Company and each of the undersigned.

IN WITNESS WHEREOF, the parties hereto have caused this [] Supplemental Indenture to be duly executed as of the date first above written.

K. HOVNIANIAN ENTERPRISES, INC., as
Issuer

By: _____
Name:
Title:

HOVNIANIAN ENTERPRISES, INC.

By: _____
Name:
Title:

[GUARANTOR]

By: _____
Name:
Title:

WILMINGTON TRUST, NATIONAL
ASSOCIATION, as Trustee and Collateral
Agent

By: _____
Name:
Title:

RESTRICTED LEGEND

THIS NOTE (OR ITS PREDECESSOR) HAS NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”), AND, ACCORDINGLY, MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS, EXCEPT AS SET FORTH IN THE NEXT SENTENCE. BY ITS ACQUISITION HEREOF OR OF A BENEFICIAL INTEREST HEREIN, THE HOLDER:

(1) REPRESENTS THAT (A) IT IS A “QUALIFIED INSTITUTIONAL BUYER” (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT) (A “QIB”), (B) IT HAS ACQUIRED THIS NOTE IN AN OFFSHORE TRANSACTION IN COMPLIANCE WITH REGULATION S UNDER THE SECURITIES ACT OR (C) IT IS AN INSTITUTIONAL “ACCREDITED INVESTOR” (AS DEFINED IN RULE 501(a)(1), (2), (3) OR (7) OF REGULATION D UNDER THE SECURITIES ACT) (AN “IAI”),

(2) AGREES ON ITS OWN BEHALF AND ON BEHALF OF ANY INVESTOR ACCOUNT FOR WHICH IT HAS PURCHASED NOTES, NOT TO OFFER, SELL, OR OTHERWISE TRANSFER THIS NOTE OR ANY BENEFICIAL INTEREST HEREIN PRIOR TO THE DATE (THE “RESALE RESTRICTION TERMINATION DATE”) THAT IS [IN THE CASE OF RULE 144A NOTES: ONE YEAR AFTER THE LATER OF THE ORIGINAL ISSUE DATE HEREOF, THE ORIGINAL ISSUE DATE OF THE ISSUANCE OF ANY ADDITIONAL NOTES AND THE LAST DATE ON WHICH THE ISSUER OR ANY AFFILIATE OF THE ISSUER WAS THE OWNER OF THIS NOTE (OR ANY PREDECESSOR OF SUCH NOTE),] [IN THE CASE OF REGULATION S NOTES: 40 DAYS AFTER THE LATER OF THE ORIGINAL ISSUE DATE HEREOF, THE ORIGINAL ISSUE DATE OF THE ISSUANCE OF ANY ADDITIONAL NOTES AND THE DATE ON WHICH THIS NOTE (OR ANY PREDECESSOR OF SUCH NOTE) WAS FIRST OFFERED TO PERSONS OTHER THAN DISTRIBUTORS (AS DEFINED IN RULE 902 OF REGULATION S) IN RELIANCE ON REGULATION S], ONLY (A) TO THE ISSUER, THE COMPANY OR ANY OF ITS SUBSIDIARIES, (B) TO A PERSON WHOM THE SELLER REASONABLY BELIEVES IS A QIB PURCHASING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QIB IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A, (C) IN AN OFFSHORE TRANSACTION MEETING THE REQUIREMENTS OF RULE 903 OR 904 OF REGULATION S OF THE SECURITIES ACT, (D) IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144 UNDER THE SECURITIES ACT, (E) TO AN IAI THAT, PRIOR TO SUCH TRANSFER, FURNISHES THE TRUSTEE A SIGNED LETTER CONTAINING CERTAIN REPRESENTATIONS AND AGREEMENTS RELATING TO THE TRANSFER OF THIS NOTE (THE FORM OF WHICH CAN BE OBTAINED FROM THE TRUSTEE) AND, IF SUCH TRANSFER IS IN RESPECT OF AN AGGREGATE PRINCIPAL AMOUNT OF NOTES LESS THAN \$250,000, AN OPINION OF COUNSEL ACCEPTABLE TO THE ISSUER AND THE TRUSTEE THAT SUCH TRANSFER IS IN COMPLIANCE WITH THE SECURITIES ACT, (F) IN ACCORDANCE WITH ANOTHER EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT (AND BASED UPON AN OPINION OF COUNSEL ACCEPTABLE TO THE ISSUER AND THE TRUSTEE) OR (G) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT AND, IN EACH CASE, IN ACCORDANCE WITH THE APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OR ANY OTHER APPLICABLE JURISDICTION (THIS LEGEND WILL BE REMOVED UPON THE REQUEST OF THE HOLDER AFTER THE RESALE RESTRICTION TERMINATION DATE); AND

(3) AGREES THAT IT WILL DELIVER TO EACH PERSON TO WHOM THIS NOTE OR AN INTEREST HEREIN IS TRANSFERRED A NOTICE SUBSTANTIALLY TO THE EFFECT OF THIS LEGEND.

AS USED HEREIN, THE TERMS "OFFSHORE TRANSACTIONS" AND "UNITED STATES" HAVE THE MEANINGS GIVEN TO THEM BY RULE 902 OF REGULATION S UNDER THE SECURITIES ACT. THE INDENTURE CONTAINS A PROVISION REQUIRING THE TRUSTEE TO REFUSE TO REGISTER ANY TRANSFER OF THIS NOTE IN VIOLATION OF THE FOREGOING.

DTC LEGEND

UNLESS THIS NOTE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION (“**DTC**”), TO THE ISSUER OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY NOTE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

THIS NOTE IS A GLOBAL NOTE WITHIN THE MEANING OF THE INDENTURE HEREINAFTER REFERRED. TRANSFERS OF THIS GLOBAL NOTE ARE LIMITED TO TRANSFERS IN WHOLE, BUT NOT IN PART, BY DTC TO A NOMINEE OF DTC OR BY A NOMINEE OF DTC TO DTC OR ANOTHER NOMINEE OF DTC OR BY DTC OR ANY SUCH NOMINEE TO A SUCCESSOR DEPOSITARY OR A NOMINEE OF SUCH SUCCESSOR DEPOSITARY AND TRANSFERS OF PORTIONS OF THIS GLOBAL NOTE ARE LIMITED TO TRANSFERS MADE IN ACCORDANCE WITH THE TRANSFER PROVISIONS OF THE INDENTURE.

Regulation S Certificate

To: Wilmington Trust, National Association
246 Goose Lane, Suite 105
Guilford, CT 06437
Facsimile: 203-453-1183
Attention: Global Capital Markets – K. Hovnanian Relationship Manager

Re: K. Hovnanian Enterprises, Inc.
8.0% Senior Secured 1.125 Lien Notes due 2028 (the “Notes”)
issued under the Indenture (the “Indenture”) dated as
as of [_____], 2023 relating to the Notes _____

Dear Sirs:

Terms are used in this Certificate as used in Regulation S (“Regulation S”) under the Securities Act of 1933, as amended (the “Securities Act”), except as otherwise stated herein. [CHECK A OR B AS APPLICABLE.]

A. This Certificate relates to our proposed transfer of \$ ____ principal amount of Notes issued under the Indenture. We hereby certify as follows:

1. The offer and sale of the Notes was not and will not be made to a person in the United States (unless such person is excluded from the definition of “U.S. person” pursuant to Rule 902(k)(2)(vi) or the account held by it for which it is acting is excluded from the definition of “U.S. person” pursuant to Rule 902(k)(2)(i) under the circumstances described in Rule 902(g)(3)) and such offer and sale was not and will not be specifically targeted at an identifiable group of U.S. citizens abroad.
2. Unless the circumstances described in the parenthetical in paragraph 1 above are applicable, either (a) at the time the buy order was originated, the buyer was outside the United States or we and any person acting on our behalf reasonably believed that the buyer was outside the United States or (b) the transaction was executed in, on or through the facilities of a designated offshore securities market, and neither we nor any person acting on our behalf knows that the transaction was pre-arranged with a buyer in the United States.
3. Neither we, any of our affiliates, nor any person acting on our or their behalf has made any directed selling efforts in the United States with respect to the Notes.
4. The proposed transfer of Notes is not part of a plan or scheme to evade the registration requirements of the Securities Act.
5. If we are a dealer or a person receiving a selling concession, fee or other remuneration in respect of the Notes, and the proposed transfer takes place during the Restricted Period (as defined in the Indenture), or we are an officer or director of the Company, we certify that the proposed transfer is being made in accordance with the provisions of Rule 904(b) of Regulation S.

B. This Certificate relates to our proposed exchange of \$_____ principal amount of Notes issued under the Indenture for an equal principal amount of Notes to be held by us. We hereby certify as follows:

1. At the time the offer and sale of the Notes was made to us, either (i) we were not in the United States or (ii) we were excluded from the definition of "U.S. person" pursuant to Rule 902(k)(2)(vi) or the account held by us for which we were acting was excluded from the definition of "U.S. person" pursuant to Rule 902(k)(2)(i) under the circumstances described in Rule 902(g)(3); and we were not a member of an identifiable group of U.S. citizens abroad.
2. Unless the circumstances described in paragraph 1(ii) above are applicable, either (a) at the time our buy order was originated, we were outside the United States or (b) the transaction was executed in, on or through the facilities of a designated offshore securities market and we did not pre-arrange the transaction in the United States.
3. The proposed exchange of Notes is not part of a plan or scheme to evade the registration requirements of the Securities Act.

You and the Issuer are entitled to rely upon this Certificate and are irrevocably authorized to produce this Certificate or a copy hereof to any interested party in any administrative or legal proceeding or official inquiry with respect to the matters covered hereby.

Very truly yours,

[NAME OF SELLER (FOR TRANSFERS)
OR OWNER (FOR EXCHANGES)]

By: _____
Name:
Title:
Address:

Date: _____

Upon transfer of certificated Notes, the Notes would be registered in the name of the new beneficial owner as follows:

By: _____

Date: _____

Taxpayer ID number: _____

Rule 144A Certificate

To: Wilmington Trust, National Association
246 Goose Lane, Suite 105
Guilford, CT 06437
Facsimile: 203-453-1183
Attention: Global Capital Markets – K. Hovnanian Relationship Manager

Re: K. Hovnanian Enterprises, Inc.
8.0% Senior Secured 1.125 Lien Notes due 2028 (the “Notes”)
issued under the Indenture (the “Indenture”) dated as
as of October 5, 2023 relating to the Notes _____

Ladies and Gentlemen:

This Certificate relates to:

[CHECK A OR B AS APPLICABLE]

- A. Our proposed purchase of \$____ principal amount of Notes issued under the Indenture.
- B. Our proposed transfer or exchange of \$____ principal amount of Notes issued under the Indenture for an equal principal amount of Notes to be held by us.

We and, if applicable, each account for which we are acting, are a qualified institutional buyer within the meaning of Rule 144A (“**Rule 144A**”) under the Securities Act of 1933, as amended (the “**Securities Act**”). If we are acting on behalf of an account, we exercise sole investment discretion with respect to such account. We are aware that the transfer of Notes to us, or such exchange, as applicable, is being made in reliance upon the exemption from the provisions of Section 5 of the Securities Act provided by Rule 144A. Prior to the date of this Certificate we have received such information regarding the Company as we have requested pursuant to Rule 144A(d)(4) or have determined not to request such information.

You and the Issuer are entitled to rely upon this Certificate and are irrevocably authorized to produce this Certificate or a copy hereof to any interested party in any administrative or legal proceeding or official inquiry with respect to the matters covered hereby.

Very truly yours,

[NAME OF PURCHASER (FOR
TRANSFERS) OR OWNER (FOR
EXCHANGES)]

By: _____

Name:

Title:

Address:

Date: _____

Upon transfer of certificated Notes, the Notes would be registered in the name of the new beneficial owner as follows:

By: _____

Date: _____

Taxpayer ID number: _____

ORIGINAL ISSUE DISCOUNT LEGEND

THIS NOTE WAS ISSUED WITH ORIGINAL ISSUE DISCOUNT (“OID”) FOR UNITED STATES FEDERAL INCOME TAX PURPOSES. UPON REQUEST, THE ISSUER WILL PROMPTLY MAKE AVAILABLE TO A HOLDER OF THIS NOTE INFORMATION REGARDING THE ISSUE PRICE, THE AMOUNT OF OID, THE ISSUE DATE AND THE YIELD TO MATURITY OF THIS NOTE. HOLDERS SHOULD CONTACT: BRAD G. O’CONNOR, SENIOR VICE PRESIDENT, TREASURER AND CHIEF ACCOUNTING OFFICER, K. HOVNIANIAN ENTERPRISES, INC., 90 MATAWAN ROAD, FIFTH FLOOR, MATAWAN, NEW JERSEY 07747.

[COMPLETE FORM I OR FORM II AS APPLICABLE.]

[FORM I]

Certificate of Beneficial Ownership

To: Wilmington Trust, National Association
246 Goose Lane, Suite 105
Guilford, CT 06437
Facsimile: 203-453-1183
Attention: Global Capital Markets – K. Hovnanian Relationship Manager

[Euroclear Bank S.A./N.V., as operator of the Euroclear System] OR

[Clearstream Banking, *société anonyme*]

Re: K. Hovnanian Enterprises, Inc.
8.0% Senior Secured 1.125 Lien Notes due 2028 (the “Notes”)
issued under the Indenture (the “**Indenture**”) dated
as of October 5, 2023 relating to the Notes

Ladies and Gentlemen:

We are the beneficial owner of \$____ principal amount of Notes issued under the Indenture and represented by a Regulation S Temporary Global Note (as defined in the Indenture).

[CHECK A OR B AS APPLICABLE.]

- A. We are a non-U.S. person (within the meaning of Regulation S under the Securities Act of 1933, as amended).
- B. We are a U.S. person (within the meaning of Regulation S under the Securities Act of 1933, as amended) that purchased the Notes in a transaction that did not require registration under the Securities Act of 1933, as amended.

You and the Issuer are entitled to rely upon this Certificate and are irrevocably authorized to produce this Certificate or a copy hereof to any interested party in any administrative or legal proceeding or official inquiry with respect to the matters covered hereby.

Very truly yours,

[NAME OF BENEFICIAL OWNER]

By: _____
Name:
Title:
Address:

Date: _____

[FORM II]

Certificate of Beneficial Ownership

To: Wilmington Trust, National Association
246 Goose Lane, Suite 105
Guilford, CT 06437
Facsimile: 203-453-1183
Attention: Global Capital Markets – K. Hovnanian Relationship Manager

Re: K. Hovnanian Enterprises, Inc.
8.0% Senior Secured 1.125 Lien Notes due 2028 (the “Notes”)
issued under the Indenture (the “**Indenture**”) dated
as of October 5, 2023 relating to the Notes

Ladies and Gentlemen:

This is to certify that based solely on certifications we have received in writing, by tested telex or by electronic transmission from member organizations (“**Member Organizations**”) appearing in our records as persons being entitled to a portion of the principal amount of Notes represented by a Regulation S Temporary Global Note issued under the above-referenced Indenture, that as of the date hereof, \$____ principal amount of Notes represented by the Regulation S Temporary Global Note being submitted herewith for exchange is beneficially owned by persons that are either (i) non-U.S. persons (within the meaning of Regulation S under the Securities Act of 1933, as amended) or (ii) U.S. persons that purchased the Notes in a transaction that did not require registration under the Securities Act of 1933, as amended.

We further certify that (i) we are not submitting herewith for exchange any portion of such Regulation S Temporary Global Note excepted in such Member Organization certifications and (ii) as of the date hereof we have not received any notification from any Member Organization to the effect that the statements made by such Member Organization with respect to any portion of such Regulation S Temporary Global Note submitted herewith for exchange are no longer true and cannot be relied upon as of the date hereof.

You and the Issuer are entitled to rely upon this Certificate and are irrevocably authorized to produce this Certificate or a copy hereof to any interested party in any administrative or legal proceeding or official inquiry with respect to the matters covered hereby.

Yours faithfully,

[EUROCLEAR BANK S.A./N.V., as operator
of the Euroclear System]

OR

[CLEARSTREAM BANKING, *société
anonyme*]

By: _____

Name:

Title:

Address:

Date: _____

H-3

THIS NOTE IS A TEMPORARY GLOBAL NOTE. PRIOR TO THE EXPIRATION OF THE RESTRICTED PERIOD APPLICABLE HERETO, BENEFICIAL INTERESTS HEREIN MAY NOT BE HELD BY ANY PERSON OTHER THAN (1) A NON-U.S. PERSON OR (2) A U.S. PERSON THAT PURCHASED SUCH INTEREST IN A TRANSACTION EXEMPT FROM REGISTRATION UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE “**SECURITIES ACT**”). BENEFICIAL INTERESTS HEREIN ARE NOT EXCHANGEABLE FOR CERTIFICATED NOTES OTHER THAN A PERMANENT GLOBAL NOTE IN ACCORDANCE WITH THE TERMS OF THE INDENTURE. TERMS IN THIS LEGEND ARE USED AS USED IN REGULATION S UNDER THE SECURITIES ACT.

Institutional Accredited Investor Certificate

To: Wilmington Trust, National Association
246 Goose Lane, Suite 105
Guilford, CT 06437
Facsimile: 203-453-1183
Attention: Global Capital Markets – K. Hovnanian Relationship Manager

Re: K. Hovnanian Enterprises, Inc.
8.0% Senior Secured 1.125 Lien Notes due 2028 (the “Notes”)
issued under the Indenture (the “**Indenture**”) dated as
as of October 5, 2023 relating to the Notes

Ladies and Gentlemen:

This Certificate relates to:

[CHECK A, B OR C AS APPLICABLE]

- A. Our proposed purchase of \$____ principal amount of Notes issued under the Indenture.
- B. Our proposed purchase of \$____ principal amount of a beneficial interest in a Global Note
- C. Our proposed transfer or exchange of \$____ principal amount of Notes issued under the Indenture for an equal principal amount of Notes to be held by us.

We hereby confirm that:

1. We are an institutional “accredited investor” as defined in Rule 501(a)(1), (2), (3) or (7) of Regulation D under the Securities Act of 1933, as amended (the “**Securities Act**”) (an “**Institutional Accredited Investor**”).
2. Any acquisition of Notes by us will be for our own account or for the account of one or more other Institutional Accredited Investors as to which we exercise sole investment discretion.
3. We have such knowledge and experience in financial and business matters that we are capable of evaluating the merits and risks of an investment in the Notes and we and any accounts for which we are acting are able to bear the economic risks of and an entire loss of our or their investment in the Notes.
4. We are not acquiring the Notes or beneficial interest therein with a view to any distribution thereof in a transaction that would violate the Securities Act or the securities laws of any State of the United States or any other applicable jurisdiction; *provided*, that the disposition of our property and the property of any accounts for which we are acting as fiduciary will remain at all times within our and their control.

5. We acknowledge that the Notes have not been registered under the Securities Act and that the Notes may not be offered or sold within the United States or to or for the benefit of U.S. persons except as set forth below.
6. The principal amount of Notes to which this Certificate relates is at least equal to \$250,000.

We agree for the benefit of the Issuer and the Guarantors, on our own behalf and on behalf of each account for which we are acting, that we will not resell or otherwise transfer this Note or any beneficial interest herein except (A) to the Issuer, the Company or any of its subsidiaries, (B) to a person whom we reasonably believe is a QIB purchasing for its own account or for the account of a QIB in a transaction meeting the requirements of Rule 144A, (C) in an offshore transaction meeting the requirements of Rule 903 or 904 of Regulation S of the Securities Act, (D) in a transaction meeting the requirements of Rule 144 under the Securities Act, (E) to an Institutional Accredited Investor that, prior to such transfer, furnishes the Trustee a signed letter containing certain representations and agreements relating to the transfer of the Notes (the form of which can be obtained from the Trustee) and, if such transfer is in respect of an aggregate principal amount of Notes less than \$250,000, an opinion of counsel acceptable to the Issuer and the Trustee that such transfer is in compliance with the Securities Act, (F) in accordance with another exemption from the registration requirements of the Securities Act (and based upon an opinion of counsel acceptable to the Issuer and the Trustee) or (G) pursuant to an effective registration statement and, in each case, in accordance with the applicable securities laws of any state of the United States or any other applicable jurisdiction.

Prior to the registration of any transfer or exchange, we acknowledge that the Issuer reserves the right to require the delivery of such legal opinions, certifications or other evidence as may reasonably be required in order to determine that the proposed transfer or exchange is being made in compliance with the Securities Act and applicable state securities laws. We acknowledge that no representation is made as to the availability of any Rule 144 exemption from the registration requirements of the Securities Act.

We understand that the Trustee will not be required to accept for registration of transfer or exchange any Notes acquired by us, except upon presentation of evidence satisfactory to the Issuer and the Trustee that the foregoing restrictions on transfer have been complied with. We further agree to deliver to each person acquiring any of the Notes or any beneficial interest therein from us a notice advising such person that resales of the Notes are restricted as stated herein.

We agree to notify you promptly in writing if any of our acknowledgments, representations or agreements herein ceases to be accurate and complete.

We represent to you that we have full power to make the foregoing acknowledgments, representations and agreements on our own behalf and on behalf of any account for which we are acting.

You and the Issuer are entitled to rely upon this Certificate and are irrevocably authorized to produce this Certificate or a copy hereof to any interested party in any administrative or legal proceeding or official inquiry with respect to the matters covered hereby.

Very truly yours,

[NAME OF PURCHASER (FOR
TRANSFERS) OR OWNER (FOR
EXCHANGES)]

By: _____

Name:

Title:

Address:

Date: _____

Upon transfer of certificated Notes, the Notes would be registered in the name of the new beneficial owner as follows:

By: _____

Date: _____

Taxpayer ID number: _____

K. HOVNANIAN ENTERPRISES, INC.,
as Issuer

HOVNANIAN ENTERPRISES, INC.
and
the other Guarantors party hereto

and

WILMINGTON TRUST, NATIONAL ASSOCIATION,
as Trustee and Collateral Agent

Indenture

Dated as of October 5, 2023

11.75% Senior Secured 1.25 Lien Notes due 2029

TABLE OF CONTENTS

		Page
ARTICLE I		
DEFINITIONS AND INCORPORATION BY REFERENCE		
Section 1.1.	<i>Definitions</i>	1
Section 1.2.	<i>Rules of Construction</i>	34
ARTICLE II		
THE NOTES		
Section 2.1.	<i>Form, Dating and Denominations; Legends</i>	34
Section 2.2.	<i>Execution and Authentication; Additional Notes</i>	35
Section 2.3.	<i>Registrar, Paying Agent and Authenticating Agent; Paying Agent to Hold Money in Trust</i>	36
Section 2.4.	<i>Replacement Notes</i>	36
Section 2.5.	<i>Outstanding Notes</i>	37
Section 2.6.	<i>Temporary Notes</i>	37
Section 2.7.	<i>Cancellation</i>	37
Section 2.8.	<i>CUSIP and ISIN Numbers</i>	37
Section 2.9.	<i>Registration, Transfer and Exchange</i>	38
Section 2.10.	<i>Restrictions on Transfer and Exchange</i>	40
Section 2.11.	<i>Regulation S Temporary Global Notes</i>	41
ARTICLE III		
REDEMPTION; OFFER TO PURCHASE		
Section 3.1.	<i>Optional Redemption</i>	42
Section 3.2.	<i>Redemption with Proceeds of Equity Offering</i>	43
Section 3.3.	<i>Sinking Fund; Mandatory Redemption</i>	43
Section 3.4.	<i>Method and Effect of Redemption</i>	43
Section 3.5.	<i>Offer to Purchase</i>	44
ARTICLE IV		
COVENANTS		
Section 4.1.	<i>Payment of Notes</i>	46
Section 4.2.	<i>Maintenance of Office or Agency</i>	46
Section 4.3.	<i>Existence</i>	46
Section 4.4.	<i>Payment of Taxes</i>	47
Section 4.5.	<i>[Reserved]</i>	47
Section 4.6.	<i>Limitations on Indebtedness</i>	47
Section 4.7.	<i>Limitations on Restricted Payments</i>	49
Section 4.8.	<i>Limitations on Liens</i>	53
Section 4.9.	<i>Limitations on Restrictions Affecting Restricted Subsidiaries</i>	53
Section 4.10.	<i>Limitations on Dispositions of Assets</i>	55

Section 4.11.	<i>Guarantees by Restricted Subsidiaries</i>	57
Section 4.12.	<i>Repurchase of Notes upon a Change of Control</i>	57
Section 4.13.	<i>Limitations on Transactions with Affiliates</i>	58
Section 4.14.	<i>Limitations on Mergers, Consolidations and Sales of Assets</i>	59
Section 4.15.	<i>Reports to Holders of Notes</i>	60
Section 4.16.	<i>Limitation on Prepayment of Existing Junior Lien Indebtedness and Existing Unsecured Indebtedness</i>	61
Section 4.17.	<i>Notice of Other Defaults</i>	62
Section 4.18.	<i>Collateral Requirement; Further Assurances; Costs</i>	62
Section 4.19.	<i>Limitation of Applicability of Certain Covenants if Notes Rated Investment Grade</i>	65

ARTICLE V

REMEDIES

Section 5.1.	<i>Events of Default</i>	66
Section 5.2.	<i>Other Remedies</i>	69
Section 5.3.	<i>Waiver of Defaults by Majority of Holders</i>	69
Section 5.4.	<i>Direction of Proceedings</i>	69
Section 5.5.	<i>Application of Moneys Collected by Trustee</i>	70
Section 5.6.	<i>Proceedings by Holders</i>	70
Section 5.7.	<i>Proceedings by Trustee</i>	71
Section 5.8.	<i>Remedies Cumulative and Continuing</i>	71
Section 5.9.	<i>Undertaking to Pay Costs</i>	71
Section 5.10.	<i>Notice of Defaults</i>	71
Section 5.11.	<i>Waiver of Stay, Extension or Usury Laws</i>	72
Section 5.12.	<i>Trustee May File Proof of Claim</i>	72
Section 5.13.	<i>Payment of Notes on Default; Suit Therefor</i>	72

ARTICLE VI

GUARANTEES; RELEASE OF GUARANTOR

Section 6.1.	<i>Guarantee</i>	73
Section 6.2.	<i>Obligations of each Guarantor Unconditional</i>	74
Section 6.3.	<i>Release of a Guarantor</i>	74
Section 6.4.	<i>Execution and Delivery of Guarantee</i>	75
Section 6.5.	<i>Limitation on Guarantor Liability</i>	75
Section 6.6.	<i>Article VI not to Prevent Events of Default</i>	75
Section 6.7.	<i>Waiver by the Guarantors</i>	75
Section 6.8.	<i>Subrogation and Contribution</i>	75
Section 6.9.	<i>Stay of Acceleration</i>	76

ARTICLE VII

THE TRUSTEE

Section 7.1.	<i>General</i>	76
Section 7.2.	<i>Certain Rights of the Trustee</i>	76
Section 7.3.	<i>Individual Rights of the Trustee</i>	77
Section 7.4.	<i>Trustee's Disclaimer</i>	78
Section 7.5.	<i>[Reserved]</i>	78

Section 7.6.	<i>[Reserved]</i>	78
Section 7.7.	<i>Compensation and Indemnity</i>	78
Section 7.8.	<i>Replacement of Trustee</i>	79
Section 7.9.	<i>Successor Trustee by Merger</i>	79
Section 7.10.	<i>Eligibility</i>	79
Section 7.11.	<i>Money Held in Trust</i>	79
ARTICLE VIII		
DEFEASANCE AND DISCHARGE		
Section 8.1.	<i>Legal Defeasance and Discharge</i>	80
Section 8.2.	<i>Covenant Defeasance</i>	80
Section 8.3.	<i>Conditions to Legal or Covenant Defeasance</i>	80
Section 8.4.	<i>Deposited Money and Government Securities to be Held in Trust; Other Miscellaneous Provisions</i>	81
Section 8.5.	<i>Repayment to Issuer</i>	82
Section 8.6.	<i>Reinstatement</i>	82
Section 8.7.	<i>Survival</i>	82
Section 8.8.	<i>Satisfaction and Discharge of Indenture</i>	82
ARTICLE IX		
AMENDMENTS, SUPPLEMENTS AND WAIVERS		
Section 9.1.	<i>Amendments Without Consent of Holders</i>	83
Section 9.2.	<i>Amendments with Consent of Holders</i>	84
Section 9.3.	<i>Effect of Consent</i>	85
Section 9.4.	<i>Trustee's Rights and Obligations</i>	85
ARTICLE X		
[RESERVED]		
ARTICLE XI		
COLLATERAL AND SECURITY		
Section 11.1.	<i>Security Documents</i>	86
Section 11.2.	<i>Collateral Agent</i>	86
Section 11.3.	<i>Authorization of Actions to be Taken</i>	87
Section 11.4.	<i>Release of Liens</i>	88
Section 11.5.	<i>Filing, Recording, Certificates and Opinions</i>	89
ARTICLE XII		
RELEASE OF ISSUER AND GUARANTORS		
Section 12.1.	<i>Release of Issuer</i>	90
ARTICLE XIII		
MISCELLANEOUS		
Section 13.1.	<i>Trust Indenture Act</i>	90

Section 13.2.	<i>Holder Communications; Holder Actions</i>	90
Section 13.3.	<i>Notices</i>	90
Section 13.4.	<i>Certificate and Opinion as to Conditions Precedent</i>	91
Section 13.5.	<i>Statements Required in Certificate or Opinion</i>	92
Section 13.6.	<i>Payment Date Other Than a Business Day</i>	92
Section 13.7.	<i>Governing Law; Submission to Jurisdiction; Waiver of Jury Trial</i>	92
Section 13.8.	<i>No Adverse Interpretation of Other Agreements</i>	93
Section 13.9.	<i>Successors</i>	93
Section 13.10.	<i>Duplicate Originals; Electronic Signatures</i>	93
Section 13.11.	<i>Separability</i>	93
Section 13.12.	<i>Table of Contents and Headings</i>	93
Section 13.13.	<i>No Liability of Directors, Officers, Employees, Partners, Incorporators and Stockholders</i>	93
Section 13.14.	<i>Provisions of Indenture for the Sole Benefit of Parties and Holders of Notes</i>	93

EXHIBITS

EXHIBIT A	Form of Note and Guarantee
EXHIBIT B	Form of Supplemental Indenture
EXHIBIT C	Restricted Legend
EXHIBIT D	DTC Legend
EXHIBIT E	Regulation S Certificate
EXHIBIT F	Rule 144A Certificate
EXHIBIT G	Original Issue Discount Legend
EXHIBIT H	Certificate of Beneficial Ownership
EXHIBIT I	Regulation S Temporary Global Note Legend
EXHIBIT J	Institutional Accredited Investor Certificate

SCHEDULES

SCHEDULE A	Guarantors
SCHEDULE B	Unrestricted Subsidiaries

INDENTURE, dated as of October 5, 2023, among K. HOVNANIAN ENTERPRISES, INC., a California corporation (the “**Issuer**”), HOVNANIAN ENTERPRISES, INC., a Delaware corporation (the “**Company**”), each of the other Guarantors (as defined hereafter) and WILMINGTON TRUST, NATIONAL ASSOCIATION, a national banking association, as Trustee (the “**Trustee**”) and as Collateral Agent (the “**Collateral Agent**”).

RECITALS

The Issuer has duly authorized the execution and delivery of this Indenture to provide for the issuance on the Issue Date of \$430,000,000 aggregate principal amount of the Issuer’s 11.75% Senior Secured 1.25 Lien Notes due 2029 and, if and when issued, any Additional Notes (together, the “**Notes**”). All things necessary to make this Indenture a valid agreement of the Issuer, in accordance with its terms, have been done, and the Issuer has done all things necessary to make the Notes (in the case of any Additional Notes, when duly authorized), when duly issued and executed by the Issuer and authenticated and delivered by the Trustee, the valid obligations of the Issuer as hereinafter provided.

In addition, the Guarantors party hereto have duly authorized the execution and delivery of this Indenture as guarantors of the Notes. All things necessary to make this Indenture a valid agreement of each Guarantor, in accordance with its terms, have been done, and each Guarantor has done all things necessary to make the Guarantees (in the case of the Guarantee of any Additional Notes, when duly authorized), when duly issued and executed by each Guarantor and when the Notes have been authenticated and delivered by the Trustee, the valid obligation of such Guarantor as hereinafter provided.

THIS INDENTURE WITNESSETH

For and in consideration of the premises and the purchase of the Notes by the Holders thereof, the parties hereto covenant and agree, for the equal and proportionate benefit of all Holders, as follows:

ARTICLE I DEFINITIONS AND INCORPORATION BY REFERENCE

Section 1.1. *Definitions.*

“**1.125 Lien Collateral Agent**” means Wilmington Trust, National Association until such time, if any, a successor replaces such party in accordance with the applicable provisions of the 1.125 Lien Notes Indenture and thereafter means the successor serving thereunder.

“**1.125 Lien Notes**” means the Issuer’s 8.0% Senior Secured 1.125 Lien Notes due 2028 issued pursuant to the 1.125 Lien Notes Indenture.

“**1.125 Lien Notes Indenture**” means the Indenture, dated as of October 5, 2023, as amended or supplemented from time to time, among the Issuer, the guarantors party thereto and the 1.125 Lien Trustee and the 1.125 Lien Collateral Agent.

“**1.125 Lien Trustee**” means Wilmington Trust, National Association until such time, if any, a successor replaces such party in accordance with the applicable provisions of the 1.125 Lien Notes Indenture and thereafter means the successor serving thereunder.

“**1.75 Lien Notes**” means the Issuer’s 10.000% Senior Secured 1.75 Lien Notes due 2025 issued pursuant to the 1.75 Lien Notes Indenture.

“**1.75 Lien Notes Indenture**” means the Indenture, dated as of December 10, 2019, as amended or supplemented from time to time, among the Issuer, the guarantors party thereto and Wilmington Trust, National Association, as trustee and collateral agent.

“1.75 Lien Obligations” means (a) the 1.75 Lien Notes and (b) the 1.75 Lien Term Loan.

“1.75 Lien Term Loan” means the term loan under the Issuer’s \$81,498,000 Credit Agreement, dated as of December 10, 2019, as amended or supplemented from time to time, among the Issuer, the guarantors party thereto, the lenders party thereto and Wilmington Trust, National Association, as administrative agent.

“1.75 Lien Trustee” means Wilmington Trust, National Association until such time, if any, a successor replaces such party in accordance with the applicable provisions of the 1.75 Lien Notes Indenture and thereafter means the successor serving thereunder.

“1.75 Pari Passu Lien Collateral Agent” means Wilmington Trust, National Association, in its capacity as 1.75 Pari Passu Lien Collateral Agent as appointed under the 1.75 Lien Security Agreement, dated as of December 10, 2019, among the Issuer and the guarantors party thereto, in favor of the 1.75 Pari Passu Lien Collateral Agent, as amended, restated, supplemented or otherwise modified from time to time.

“5.0% Senior Notes” means the Issuer’s 5.0% Senior Notes due 2040 issued pursuant to the Indenture, dated as of February 1, 2018, as amended or supplemented from time to time, among the Issuer, the guarantors party thereto and Wilmington Trust, National Association, as trustee.

“8.000% Senior Notes” means the Issuer’s 8.000% Senior Notes due 2027 issued pursuant to the Indenture, dated as of November 5, 2014, as amended or supplemented from time to time, among the Issuer, the guarantors party thereto and Wilmington Trust, National Association, as trustee.

“Acceptable Commitment” has the meaning ascribed to it in Section 4.10(c) hereof.

“Acquired Indebtedness” means (a) with respect to any Person that becomes a Restricted Subsidiary (or is merged into the Company, the Issuer or any Restricted Subsidiary) after the Issue Date, Indebtedness of such Person or any of its Subsidiaries existing at the time such Person becomes a Restricted Subsidiary (or is merged into the Company, the Issuer or any Restricted Subsidiary) that was not incurred in connection with, or in contemplation of, such Person becoming a Restricted Subsidiary (or being merged into the Company, the Issuer or any Restricted Subsidiary) and (b) with respect to the Company, the Issuer or any Restricted Subsidiary, any Indebtedness expressly assumed by the Company, the Issuer or any Restricted Subsidiary in connection with the acquisition of any assets from another Person (other than the Company, the Issuer or any Restricted Subsidiary), which Indebtedness was not incurred by such other Person in connection with or in contemplation of such acquisition. Indebtedness incurred in connection with or in contemplation of any transaction described in clause (a) or (b) of the preceding sentence shall be deemed to have been incurred by the Company or a Restricted Subsidiary, as the case may be, at the time such Person becomes a Restricted Subsidiary (or is merged into the Company, the Issuer or any Restricted Subsidiary) in the case of clause (a) or at the time of the acquisition of such assets in the case of clause (b), but shall not be deemed Acquired Indebtedness.

“Additional 1.25 Lien Notes Amount” means (a) \$150.0 million *minus* (b) the sum of (x) the aggregate principal amount of Additional Notes incurred after the Issue Date pursuant to clause (a)(i)(y) of the definition of “Permitted Indebtedness” and (y) the aggregate amount of Prepayments made after the Issue Date pursuant to, and in accordance with, Section 4.16(a)(iv).

“Additional Notes” means any Notes issued under this Indenture in addition to the Initial Notes in accordance with Section 4.6 and Section 4.8 hereof having the same terms in all respects as the Initial Notes, other than the issue date, the issue price, the first interest payment date and the first date from which interest will accrue, and any notes issued in replacement therefor.

“Affiliate” means, when used with reference to a specified Person, any Person directly or indirectly controlling, or controlled by or under direct or indirect common control with, the Person specified.

“**Affiliate Transaction**” has the meaning ascribed to it in Section 4.13(a) hereof.

“**Agent**” means any Registrar, Paying Agent or Authenticating Agent.

“**Agent Member**” means a member of, or a participant in, the Depository.

“**Applicable Debt**” means all Indebtedness of the Company, the Issuer or any Subsidiary Guarantor (a) under Credit Facilities or (b) for borrowed money.

“**Asset Acquisition**” means (a) an Investment by the Company, the Issuer or any Restricted Subsidiary in any other Person if, as a result of such Investment, such Person shall become a Restricted Subsidiary or shall be consolidated or merged with or into the Company, the Issuer or any Restricted Subsidiary or (b) the acquisition by the Company, the Issuer or any Restricted Subsidiary of the assets of any Person, which constitute all or substantially all of the assets or of an operating unit or line of business of such Person or which is otherwise outside the ordinary course of business.

“**Asset Disposition**” means any sale, transfer, conveyance, lease or other disposition (including, without limitation, by way of merger, consolidation or sale and leaseback or sale of shares of Capital Stock in any Subsidiary) (each, a “**transaction**”) by the Company, the Issuer or any Restricted Subsidiary to any Person of any Property having a Fair Market Value in any transaction or series of related transactions of at least \$10.0 million, *provided* that such de minimis amount shall not apply to any Land Banking Transactions (and with respect to Land Banking Transactions, the proviso in clause (b) below shall apply). The term “**Asset Disposition**” shall not include:

(a) a transaction between the Company, the Issuer and any Subsidiary Guarantor or a transaction between Subsidiary Guarantors,

(b) a transaction in the ordinary course of business, including, without limitation, sales (directly or indirectly), sales subject to repurchase options, dedications and other donations to governmental authorities, leases and sales and leasebacks of (i) homes, improved land and unimproved land and (ii) real estate (including related amenities and improvements); *provided* that in the case of any Land Banking Transaction involving sales of Collateral (other than Collateral acquired by the Company, the Issuer or any Restricted Subsidiary within 180 days prior to the entering into of a definitive agreement for such Land Banking Transaction) (“**Land Banking Collateral Sales**”) this exception (b) to the definition of “**Asset Disposition**” shall only apply if (x) on a pro forma basis after giving effect to any such Land Banking Collateral Sales, the Collateral Ratio would not be less than 150% or (y) if the Collateral Ratio is not at least 150% after giving pro forma effect thereto, any Land Banking Collateral Sales do not in the aggregate exceed a GAAP book value for all such Collateral of (i) \$50.0 million in the fiscal quarter ending October 31, 2023 *plus* (ii) an additional \$10.0 million during any fiscal quarter beginning with the fiscal quarter ending January 31, 2024 (with any unused amounts in any fiscal quarter being carried over to subsequent fiscal quarters subject to a maximum GAAP book value of \$75.0 million in any fiscal quarter),

(c) a transaction involving the sale of Capital Stock of, or the disposition of assets in, an Unrestricted Subsidiary (other than a JV Holding Company or Permitted Joint Venture, except a sale or a disposition to a Restricted Subsidiary),

(d) any exchange or swap of assets of the Company, the Issuer or any Restricted Subsidiary for assets (including Capital Stock of any Person that is or will be a Restricted Subsidiary following receipt thereof) that (i) are to be used by the Company, the Issuer or any Restricted Subsidiary in the ordinary course of its Real Estate Business and (ii) have a Fair Market Value not less than the Fair Market Value of the assets exchanged or swapped (*provided* that (except as permitted by clause (c) under the definition of “**Permitted Investment**”) to the extent that the assets exchanged or swapped were Collateral, the assets received are pledged as Collateral under the Security Documents substantially simultaneously with such exchange or swap, with the Lien on such assets received being of the same priority with respect to the Notes as the Lien on the assets disposed of),

- (e) any sale, transfer, conveyance, lease or other disposition of assets and properties that is governed by Section 4.14 hereof,
- (f) dispositions of mortgage loans and related assets and mortgage-backed securities in the ordinary course of a mortgage lending business,
- (g) the creation of a Permitted Lien and dispositions in connection with Permitted Liens,
- (h) any sale, transfer, conveyance, lease or other disposition that constitutes a Restricted Payment or Permitted Investment,
- (i) sales, transfers and other dispositions of Investments in joint ventures to the extent required by, or made pursuant to, customary buy/sell arrangements between the joint venture parties set forth in joint venture arrangements and similar binding arrangements,
- (j) the unwinding of any Hedging Obligations,
- (k) foreclosures, condemnation, eminent domain or any similar action on assets,
- (l) any financing transaction with respect to property built or acquired by the Company or any Restricted Subsidiary after the Issue Date,
- (m) any surrender or waiver of contractual rights or the settlement, release or surrender of contractual rights or other litigation claims in the ordinary course of business, and
- (n) the issuance of directors' qualifying shares and shares issued to foreign nationals or other third parties as required by applicable law.

"Attributable Debt" means, with respect to any Financing Lease Obligations, the capitalized amount thereof determined in accordance with GAAP.

"Authenticating Agent" refers to a Person engaged to authenticate the Notes in the stead of the Trustee.

"Bankruptcy Law" means title 11 of the United States Code, as amended, or any similar federal or state law for the relief of debtors.

"Board of Directors" means, when used with reference to the Issuer or the Company, as the case may be, the board of directors or any duly authorized committee of that board or any director or directors and/or officer or officers to whom that board or committee shall have duly delegated its authority.

"Business Day" means any day except a Saturday, Sunday or other day on which commercial banks in New York City or in the city where the Corporate Trust Office of the Trustee is located are authorized or required by law or regulation to close.

"Capital Stock" means, with respect to any Person, any and all shares, interests, participations or other equivalents (however designated) of or in such Person's capital stock or other equity interests, and options, rights or warrants to purchase such capital stock or other equity interests, whether now outstanding or issued after the Issue Date, including, without limitation, all Disqualified Stock and Preferred Stock, but excluding any debt security that is convertible into, or exchangeable for, Capital Stock.

“Cash Equivalents” means

- (a) U.S. dollars, Canadian dollars, euros, pounds sterling, any national currency of any participating member state in the European Union or local currencies held from time to time in the ordinary course of business;
- (b) securities issued or directly and fully guaranteed or insured by the U.S. government or any country that is a member state of the European Union or any agency or instrumentality thereof having maturities of one year or less from the date of acquisition;
- (c) certificates of deposit, time deposits, eurodollar time deposits, overnight bank deposits or bankers’ acceptances with maturities of one year or less from the date of acquisition, in each case with any domestic commercial bank having capital and surplus in excess of \$500.0 million;
- (d) marketable general obligations issued by any state of the United States of America or any political subdivision of any such state or any public instrumentality thereof maturing within one year from the date of acquisition and, at the time of acquisition, having a credit rating of at least “A” or the equivalent thereof by S&P or Moody’s, or carrying an equivalent rating by a nationally recognized Rating Agency, if both of the two named Rating Agencies cease publishing ratings of investments;
- (e) repurchase obligations for underlying securities of the types described in clauses (b), (c) and (d) of this definition entered into with any financial institution meeting the qualifications specified in clause (c) of this definition;
- (f) commercial paper rated P-1, A-1 or the equivalent thereof by Moody’s or S&P, respectively, and in each case maturing within one year after the date of acquisition;
- (g) investments with average maturities of one year or less from the date of acquisition in money market funds rated AAA- (or the equivalent thereof) or better by S&P or Aaa3 (or the equivalent thereof) or better by Moody’s; and
- (h) investments in investment companies or money market funds substantially all of the assets of which consist of securities described in the foregoing clauses (a) through (g) of this definition.

Notwithstanding the foregoing, Cash Equivalents shall include amounts denominated in currencies other than those set forth in clause (a) above; *provided* that such amounts are converted into any currency listed in clause (a) as promptly as practicable and in any event within ten business days following the receipt of such amounts.

“Cash Management Services” means any of the following to the extent not constituting a line of credit (other than an overnight overdraft facility that is not in default): ACH transactions, treasury and/or cash management services, including, without limitation, controlled disbursement services, overdraft facilities, foreign exchange facilities, deposit and other accounts and merchant services.

“cash transaction” has the meaning ascribed to it in Section 7.3(a) hereof.

“Certificate of Beneficial Ownership” means a certificate substantially in the form of Exhibit H.

“Certificated Note” means a Note in registered individual form without interest coupons.

“Change of Control” means:

- (a) any sale, lease or other transfer (in one transaction or a series of transactions) of all or substantially all of the consolidated assets of the Company and its Restricted Subsidiaries to any Person (other than a Restricted Subsidiary); *provided, however*, that a transaction where the holders of all classes of Common Equity of the Company immediately prior to such transaction own, directly or indirectly, more than 50% of all classes of Common Equity of such Person immediately after such transaction shall not be a Change of Control;

(b) a “**person**” or “**group**” (within the meaning of Section 13(d) of the Exchange Act (other than (x) the Company or (y) the Permitted Hovnanian Holders)) becomes the “**beneficial owner**” (as defined in Rule 13d-3 under the Exchange Act) of Common Equity of the Company representing more than 50% of the voting power of the Common Equity of the Company; or

(c) the stockholders of the Company approve any plan or proposal for the liquidation or dissolution of the Company; *provided, however*, that a liquidation or dissolution of the Company which is part of a transaction that does not constitute a Change of Control under the proviso contained in clause (a) of this definition shall not constitute a Change of Control.

“**Change of Control Offer**” has the meaning ascribed to it in Section 3.1(c) hereof.

“**Clearstream**” means Clearstream Banking, société anonyme, Luxembourg and its successors and assigns.

“**Collateral**” means all property or assets of the Issuer and the Guarantors (whether now owned or hereafter arising or acquired) that secures Obligations with respect to the Notes and the Guarantees under the Security Documents.

“**Collateral Agency Agreement**” means the First Lien Collateral Agency Agreement, dated as of October 31, 2019, as amended, restated, supplemented or otherwise modified as of the Issue Date (including by the First Lien Joinder), among the Issuer, the Guarantors, Wilmington Trust, National Association, in its capacities as the Collateral Agent hereunder and as the Senior Credit Agreement Collateral Agent, the 1.125 Lien Collateral Agent, the 1.75 Pari Passu Lien Collateral Agent and the Joint First Lien Collateral Agent and any other representative of the holders of any other Obligations permitted to be incurred and secured under this Indenture, as such agreement may be further amended, restated, supplemented or otherwise modified from time to time, including by any other joinders thereto.

“**Collateral Agent**” means the party named as such in the preamble of this Indenture, including any agent appointed by the Collateral Agent to act in such capacity (which, for avoidance of doubt, includes the Joint First Lien Collateral Agent) and any successor acting in such capacity.

“**Collateral Ratio**” means the ratio of the aggregate fair market value of the Collateral (to the extent the Liens securing such Collateral have been perfected) (as determined in good faith by the Company’s chief financial officer) to the aggregate principal amount of Collateralized Debt as of such date of determination.

“**Collateralized Debt**” means (i) the aggregate principal amount of all outstanding Indebtedness and all letters of credit secured by Liens on the Collateral, plus (ii) the aggregate amount of all unfunded commitments under all revolving credit facilities or revolving lines of credit secured by Liens on the Collateral, plus (iii) without duplication, the aggregate principal amount of Indebtedness that at the time of determination would be permitted to be incurred under this Indenture and secured by Liens on the Collateral pursuant to clauses (i)(a), (i)(b) and (i)(e) under the definition of “Permitted Liens,” but excluding any such principal amount of potential Indebtedness to the extent any outstanding debt instrument of the Company or the Issuer would prohibit the incurrence of a Lien in respect thereof at such time, but in each case, excluding Indebtedness, letters of credit and unfunded commitments secured by Liens on the Collateral that rank junior to the Liens on the Collateral securing the Notes.

“**Commission**” means the Securities and Exchange Commission.

“**Common Equity**” of any Person means Capital Stock of such Person that is generally entitled to (a) vote in the election of directors of such Person or (b) if such Person is not a corporation, vote or otherwise participate in the selection of the governing body, partners, managers or others that will control the management or policies of such Person.

“**Company**” has the meaning ascribed to it in the preamble hereof and shall also refer to any successor obligor under this Indenture and its Guarantee(s).

“**Consolidated Cash Flow Available for Fixed Charges**” means, for any period, Consolidated Net Income for such period plus (each to the extent deducted in calculating such Consolidated Net Income and determined in accordance with GAAP) the sum for such period, without duplication, of:

(a) provision for taxes based on income or profits or capital gains, including, without limitation, U.S. federal, state, non-U.S., franchise, excise, value added and similar taxes and foreign withholding taxes of such Person paid or accrued during such period, including any penalties and interest relating to such taxes or arising from any tax examinations,

(b) Consolidated Interest Expense,

(c) depreciation and amortization expenses and other non-cash charges to earnings,

(d) any fees, expenses, charges or losses (other than depreciation or amortization expense) related to any Equity Offering, Permitted Investment, acquisition, disposition, recapitalization or the incurrence of Indebtedness permitted to be incurred by the Indenture (including a refinancing thereof) (whether or not successful), including (i) such fees, expenses or charges related to the issuance of the Notes and (ii) any amendment or other modification of the Notes or other Indebtedness,

(e) any other non-cash charges, including any write-offs, write-downs, expenses, losses or items, excluding any such charge that represents an accrual or reserve for a cash expenditure for a future period,

(f) costs of surety bonds incurred in such period in connection with financing activities,

(g) any costs or expense incurred by the Company, the Issuer or a Restricted Subsidiary pursuant to any management equity plan or stock option plan or any other management or employee benefit plan or agreement or any stock subscription or shareholder agreement, to the extent that such cost or expenses are funded with cash proceeds contributed to the capital of the Company or net cash proceeds of an issuance of Qualified Stock solely to the extent that such net cash proceeds are excluded from the calculation set forth in clause (iii) of Section 4.7(a),

(h) effects of adjustments (including the effects of such adjustments pushed down to the Company and its Restricted Subsidiaries) in any line item in such Person’s consolidated financial statements in accordance with GAAP resulting from the application of purchase accounting, or the amortization or write-off of any amounts thereof, net of taxes,

(i) any impairment charge, asset write-off or write-down pursuant to ASC 350 and ASC 360 (formerly Financial Accounting Standards Board Statement Nos. 142 and 144, respectively) and the amortization of intangibles arising pursuant to ASC 805 (formerly Financial Accounting Standards Board Statement No. 141), and

(j) cash receipts (or any netting arrangements resulting in reduced cash expenses) not included in Consolidated Cash Flow Available for Fixed Charges in any period to the extent non-cash gains relating to such receipts were deducted in the calculation of Consolidated Cash Flow Available for Fixed Charges pursuant to clause (k) below for any previous period and not added back, *minus*

(k) non-cash gains increasing Consolidated Net Income for such period, excluding any non-cash gains which represent the reversal of any accrual of, or cash reserve for, anticipated cash charges that reduced Consolidated Cash Flow Available for Fixed Charges in any prior period; *provided* that, to the extent non-cash gains are deducted pursuant to this clause (k) for any previous period and not otherwise added back to Consolidated Cash Flow Available for Fixed Charges, Consolidated Cash Flow Available for Fixed Charges shall be increased by the amount of any cash receipts (or any netting arrangements resulting in reduced cash expenses) in respect of such non-cash gains received in subsequent periods to the extent not already included therein, and *plus* or *minus* (as applicable and without duplication) to eliminate the following items to the extent reflected in Consolidated Net Income,

(l) (i) any net gain or loss resulting in such period from currency gains or losses related to Indebtedness, intercompany balances and other balance sheet items, and (ii) any unrealized net gain or loss resulting in such period from Hedging Obligations, and the application of Financial Accounting Standards Codification No. 815—Derivatives and Hedging (formerly Financing Accounting Standards Board Statement No. 133), and its related pronouncements and interpretations (or any successor provision).

“**Consolidated Fixed Charge Coverage Ratio**” means, with respect to any determination date, the ratio of (x) Consolidated Cash Flow Available for Fixed Charges for the prior four full fiscal quarters (the “**Four Quarter Period**”) for which financial results have been reported immediately preceding the determination date (the “**Transaction Date**”), to (y) the aggregate Consolidated Interest Incurred for the Four Quarter Period. For purposes of this definition, “**Consolidated Cash Flow Available for Fixed Charges**” and “**Consolidated Interest Incurred**” shall be calculated after giving effect on a *pro forma* basis for the period of such calculation to:

(a) the incurrence or the repayment, repurchase, redemption, retirement, defeasance or other discharge or the assumption by another Person that is not an Affiliate (collectively, “**repayment**”) of any Indebtedness of the Company, the Issuer or any Restricted Subsidiary (and the application of the proceeds thereof) giving rise to the need to make such calculation, and any incurrence or repayment of other Indebtedness (and the application of the proceeds thereof), at any time on or after the first day of the Four Quarter Period and on or prior to the Transaction Date, as if such incurrence or repayment, as the case may be (and the application of the proceeds thereof), occurred on the first day of the Four Quarter Period, except that Indebtedness under revolving credit facilities shall be deemed to be the average daily balance of such Indebtedness during the Four Quarter Period (as reduced on such *pro forma* basis by the application of any proceeds of the incurrence of Indebtedness giving rise to the need to make such calculation);

(b) any Asset Disposition, Asset Acquisition (including, without limitation, any Asset Acquisition giving rise to the need to make such calculation as a result of the Company, the Issuer or any Restricted Subsidiary (including any Person that becomes a Restricted Subsidiary as a result of any such Asset Acquisition) incurring Acquired Indebtedness at any time on or after the first day of the Four Quarter Period and on or prior to the Transaction Date), Investment, merger or consolidation as if such Asset Disposition, Asset Acquisition (including the incurrence or repayment of any such Indebtedness), Investment, merger or consolidation and the inclusion, notwithstanding clause (b) of the definition of “Consolidated Net Income,” of any Consolidated Cash Flow Available for Fixed Charges associated with such Asset Acquisition or other transaction occurred on the first day of the Four Quarter Period; *provided, however*, that the Consolidated Cash Flow Available for Fixed Charges associated with any Asset Acquisition or other transaction shall not be included to the extent the net income so associated would be excluded pursuant to the definition of “Consolidated Net Income,” other than clause (b) thereof, as if it applied to the Person or assets involved before they were acquired; and

(c) the Consolidated Cash Flow Available for Fixed Charges and the Consolidated Interest Incurred attributable to discontinued operations, as determined in accordance with GAAP, shall be excluded.

Furthermore, in calculating “Consolidated Cash Flow Available for Fixed Charges” for purposes of determining the denominator (but not the numerator) of this “Consolidated Fixed Charge Coverage Ratio,”

(a) interest on Indebtedness in respect of which a *pro forma* calculation is required that is determined on a fluctuating basis as of the Transaction Date (including Indebtedness actually incurred on the Transaction Date) and which will continue to be so determined thereafter shall be deemed to have accrued at a fixed rate per annum equal to the rate of interest on such Indebtedness in effect on the Transaction Date, and

(b) notwithstanding the immediately preceding clause (a), interest on such Indebtedness determined on a fluctuating basis, to the extent such interest is covered by agreements relating to Interest Protection Agreements, shall be deemed to accrue at the rate per annum resulting after giving effect to the operation of such agreements.

“**Consolidated Interest Expense**” of the Company for any period means the Interest Expense of the Company, the Issuer and the Restricted Subsidiaries for such period, determined on a consolidated basis in accordance with GAAP.

“**Consolidated Interest Incurred**” for any period means the Interest Incurred of the Company, the Issuer and the Restricted Subsidiaries for such period, determined on a consolidated basis in accordance with GAAP.

“**Consolidated Net Income**” for any period means the aggregate net income (or loss) of the Company and its Subsidiaries for such period, determined on a consolidated basis in accordance with GAAP; *provided*, that there will be excluded from such net income (loss) (to the extent otherwise included therein), without duplication:

(a) the net income (or loss) of (x) any Unrestricted Subsidiary (other than a Mortgage Subsidiary) or (y) any Person (other than a Restricted Subsidiary or a Mortgage Subsidiary) that is accounted for by the equity method of accounting, except, in each case, to the extent that any such income has actually been received by the Company, the Issuer or any Restricted Subsidiary in the form of cash dividends or similar cash distributions during such period,

(b) except to the extent includable in Consolidated Net Income pursuant to clause (a) of this definition, the net income (or loss) of any Person that accrued prior to the date that (i) such Person becomes a Restricted Subsidiary or is merged with or into or consolidated with the Company, the Issuer or any of its Restricted Subsidiaries (except, in the case of an Unrestricted Subsidiary that is redesignated a Restricted Subsidiary during such period, to the extent of its retained earnings from the beginning of such period to the date of such redesignation) or (ii) the assets of such Person are acquired by the Company or any Restricted Subsidiary,

(c) solely for the purpose of determining the amount available for Restricted Payments under clause (iii) of Section 4.7(a), the net income of any Restricted Subsidiary that is not a Guarantor to the extent that (but only so long as) the declaration or payment of dividends or similar distributions by such Restricted Subsidiary of that income is not permitted by operation of the terms of its charter or any agreement, instrument, judgment, decree, order, statute, rule or governmental regulation applicable to that Restricted Subsidiary during such period, except, the net income of any such Restricted Subsidiary for such period will be included in such Consolidated Net Income up to the aggregate amount of cash that could have been distributed by such Restricted Subsidiary during such period to the Company or another Restricted Subsidiary as a dividend,

(d) the gains or losses, together with any related provision for taxes, realized during such period by the Company, the Issuer or any Restricted Subsidiary resulting from (i) the acquisition of securities, or extinguishment of Indebtedness or Hedging Obligations or other derivative instruments (including deferred financing costs written off and premiums paid), of the Company or any Restricted Subsidiary, (ii) any Asset Disposition by the Company or any Restricted Subsidiary, (iii) any non-cash income (or loss) related to currency gains or losses related to Indebtedness, intercompany balances and other balance sheet items and to Hedging Obligations pursuant to Financial Accounting Standards Codification No. 815—Derivatives and Hedging (formerly Financing Accounting Standards Board Statement No. 133) and its related pronouncements and interpretations (or any successor provision) and (iv) any non-cash expense, income or loss attributable to the movement in mark-to-market valuation of foreign currencies, Indebtedness or derivative instruments pursuant to GAAP,

(e) any unusual and infrequent or non-recurring gain or loss (but excluding any impairment charges), in each case, less all fees and expenses relating thereto and any expenses, severance, relocation costs, curtailments or modifications to pension and post-retirement employee benefits plans, integration and other restructuring and business optimization costs, charges, reserves or expenses (including relating to acquisitions after the Issue Date), and one-time compensation charges together with any related provision for taxes, realized by the Company, the Issuer or any Restricted Subsidiary,

(f) the cumulative effect of a change in accounting principles and changes as a result of adoption or modification of accounting policies during such period,

(g) any net after-tax gains or losses on disposal of disposed, abandoned, transferred, closed or discontinued operations,

(h) any after-tax effect of gains or losses (less all fees and expenses relating thereto) attributable to asset dispositions or abandonments other than in the ordinary course of business, as determined in good faith by the Company,

(i) (i) any non-cash compensation expense recorded from grants of stock appreciation or similar rights, phantom equity, stock options, restricted stock, units or other rights to officers, directors, managers or employees and (ii) non-cash income (loss) attributable to deferred compensation plans or trusts,

(j) any fees and expenses incurred during such period, or any amortization thereof for such period, in connection with any acquisition, investment, recapitalization, Asset Disposition, issuance or repayment of Indebtedness, issuance of Capital Stock, refinancing transaction or amendment or modification of any debt instrument (in each case, including any such transaction consummated prior to the Issue Date and any such transaction undertaken but not completed) and any charges or non-recurring merger costs incurred during such period as a result of any such transaction, and

(k) to the extent covered by insurance or indemnification and actually reimbursed, or, so long as the Issuer has made a determination that there exists reasonable evidence that such amount will in fact be reimbursed by the insurer or indemnifying party and only to the extent that such amount is (i) not denied by the applicable carrier or indemnifying party in writing within 180 days and (ii) in fact reimbursed within 365 days of the date of such evidence (with a deduction for any amount so added back to the extent not so reimbursed within 365 days), losses and expenses with respect to liability or casualty events or business interruption shall be excluded;

provided, further, that for purposes of calculating Consolidated Net Income solely as it relates to clause (iii) of Section 4.7(a), clauses (d)(ii) and (h) above shall not be applicable.

“**Consolidated Tangible Assets**” of the Company as of any date means the total amount of assets of the Company and its Restricted Subsidiaries (less applicable reserves) on a consolidated basis at the end of the fiscal quarter for which financial results have been reported immediately preceding such date, as determined in accordance with GAAP, less: (a) non-recourse mortgages secured by inventory, net of debt issuance costs, (b) liabilities from inventory not owned, net of debt issuance costs, (c) any deferred tax assets and any valuation allowance recorded with respect thereto, (d) Intangible Assets and (e) appropriate adjustments on account of minority interests of other Persons holding equity investments in Restricted Subsidiaries, in the case of each of clauses (a) through (e) above, as reflected on the consolidated balance sheet of the Company and its Restricted Subsidiaries as of the end of the fiscal quarter immediately preceding such date, with such pro forma adjustments to Consolidated Tangible Assets as are appropriate and consistent with the pro forma adjustment provisions set forth in the definition of “Consolidated Fixed Charge Coverage Ratio.”

“**Consolidated Total Debt**” of the Company means, on any date of determination, the aggregate amount of Indebtedness of the Company, the Issuer and Restricted Subsidiaries incurred under (without duplication): (x) Section 4.6(a) *plus* (y) Sections 4.6(b)(ii) and 4.6(b)(iii) *plus* (z) clauses (a), (b), (c), (g), (k), (n) and (u) of the definition of “Permitted Indebtedness” outstanding on the applicable date of determination. For purposes of calculating the Secured Debt Leverage Ratio, all amounts committed but not yet incurred under the Specified Credit Facility or the Reserved Indebtedness Amount shall be deemed to have been incurred.

“**control**” when used with respect to any Person, means the power to direct the management and policies of such Person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise; and the terms “**controlling**” and “**controlled**” have meanings correlative to the foregoing.

“**Corporate Trust Office**” means the office of the Trustee at which the corporate trust business of the Trustee is principally administered, which at the date of this Indenture is located at 246 Goose Lane, Suite 105, Guilford, CT 06437.

“**Covenant Defeasance**” has the meaning ascribed to it in Section 8.2 hereof.

“**Credit Facilities**” means, with respect to the Company, the Issuer or any of its Restricted Subsidiaries, one or more debt facilities or other financing arrangements (including, without limitation, commercial paper facilities or indentures) providing for revolving credit loans, bonds, term loans, letters of credit or other long-term indebtedness, including any notes, mortgages, guarantees, collateral documents, instruments and agreements executed in connection therewith, and any amendments, supplements, modifications, extensions, renewals, restatements or refundings thereof and any indentures or credit facilities or commercial paper facilities that exchange, replace, refund, refinance, extend, renew, restate, amend, supplement or modify any part of the loans, notes, other credit facilities or commitments thereunder, including any such exchanged, replacement, refunding, refinancing, extended, renewed, restated, amended, supplemented or modified facility or indenture that increases the amount permitted to be borrowed thereunder or alters the maturity thereof (provided that such increase in borrowings is permitted under Section 4.6 hereof) or adds the Company, the Issuer or Restricted Subsidiaries as additional borrowers or guarantors thereunder and whether by the same or any other agent, trustee, lender, holder, beneficial owner or group of lenders, holders or beneficial owners.

“**Currency Agreement**” of any Person means any foreign exchange contract, currency swap agreement or other similar agreement or arrangement designed to protect such Person or any of its Subsidiaries against fluctuations in currency values. For the avoidance of doubt, any Permitted Convertible Indebtedness Call Transaction will not constitute a Currency Agreement.

“**Custodian**” means any receiver, trustee, assignee, liquidator or similar official under any Bankruptcy Law.

“**Default**” means any event, act or condition that is, or after notice or the passage of time or both would be, an Event of Default.

“**Depositary**” means the depositary of each Global Note, which will initially be DTC.

“**Designation Amount**” has the meaning ascribed to it in the definition of “Unrestricted Subsidiary.”

“**Disqualified Stock**” means any Capital Stock that, by its terms (or by the terms of any security into which it is convertible or for which it is exchangeable), or upon the happening of any event, (a) matures or is mandatorily redeemable, pursuant to a sinking fund obligation or otherwise, or is redeemable at the option of the holder thereof, in whole or in part, on or prior to the final maturity date of the Notes or (b) is convertible into or exchangeable or exercisable for (whether at the option of the issuer or the holder thereof) (i) debt securities or (ii) any Capital Stock referred to in (a) above, in each case, at any time prior to the final maturity date of the Notes; *provided, however*, that any Capital Stock that would not constitute Disqualified Stock but for provisions thereof giving holders thereof (or the holders of any security into or for which such Capital Stock is convertible, exchangeable or exercisable) the right to require the Company to repurchase or redeem such Capital Stock upon the occurrence of a change in control or asset disposition occurring prior to the final maturity date of the Notes shall not constitute Disqualified Stock if the asset disposition or change in control provision applicable to such Capital Stock are no more favorable to such holders than the provisions of Section 4.10 or Section 4.12 hereof (as applicable) and such Capital Stock specifically provides that the Company will not repurchase or redeem any such Capital Stock pursuant to such provisions prior to the Company’s repurchase of the Notes as are required pursuant to the provisions of Section 4.10 or Section 4.12 hereof (as applicable).

“**DTC**” means The Depository Trust Company and its successors and assigns.

“**DTC Legend**” means the legend set forth in Exhibit D.

“**Equity Offering**” means any public or private sale, after the Issue Date, of Qualified Stock of the Company, other than (i) an issuance by or to any Subsidiary, (ii) public offerings registered on Form S-4 or S-8 or any successor form thereto or (iii) any issuance pursuant to employee benefit plans or otherwise in compensation to officers, directors or employees.

“**Euroclear**” means Euroclear Bank S.A./N.V. and its successors or assigns, as operator of the Euroclear System.

“**Event of Default**” has the meaning ascribed to it in Section 5.1 hereof.

“**Exchange Act**” means the Securities Exchange Act of 1934, as amended.

“**Excluded Property**” means (a) to the extent the Notes are required to be registered pursuant to this Indenture or applicable law, rule or regulation or are registered with the consent of Holders of a majority in principal amount of the outstanding Notes, any pledges of stock issued by the Issuer, any Guarantor or any JV Holding Company to the extent that Rule 3-16 of Regulation S-X under the Securities Act requires or would require (or is replaced with another rule or regulation, or any other law, rule or regulation is adopted, that would require) the filing with the Commission of separate financial statements of the Issuer, such Guarantor or JV Holding Company that are not otherwise required to be filed, but only to the extent necessary to not be subject to such requirement, (b) up to \$50.0 million of assets received in connection with Asset Dispositions and asset swaps or exchanges as permitted by clause (c) of the definition of “Permitted Investment”; *provided* that such assets are not of a character that would be Collateral and the Company is not able to obtain a Lien on such assets in favor of the Collateral Agent for the benefit of the Holders of the Notes after the use of reasonable efforts, (c) personal property where the cost of obtaining a security interest or perfection thereof exceeds its benefits (as reasonably determined by the Company’s Board of Directors in a board resolution delivered to the Collateral Agent), (d) assets securing Purchase Money Indebtedness, Non-Recourse Indebtedness and Refinancing Non-Recourse Indebtedness to the extent the terms of such Indebtedness prohibit the incurrence of any other Liens thereon; *provided* that the Company uses reasonable efforts to obtain Liens on the assets securing such Indebtedness, in favor of the Collateral Agent for the benefit of the Holders of the Notes, that is junior to the Liens securing such Indebtedness and otherwise consistent with priorities set forth in the First Lien Intercreditor Agreement, (e) real property located outside the United States, (f) Unentitled Land, (g) equity interests in Unrestricted Subsidiaries, except for JV Holding Companies, (h) any property in a community under development with a dollar amount of investment as of the most recent month-end (as determined in accordance with GAAP) of less than \$2.0 million or with less than 10 lots remaining, (i) any assets or property excluded from the Collateral pursuant to clause (ii) of the proviso of Article 2 of the Security Agreement and (j) up to \$25.0 million of cash or cash equivalents that are pledged to secure obligations permitted to be secured pursuant to clause (d) of the definition of “Permitted Liens” if, after the use of reasonable efforts by the Company to obtain a Lien on such cash or cash equivalents in favor of the Collateral Agent for the benefit of the Holders of the Notes, the holders of the obligations secured by such cash and cash equivalents do not consent to the granting of such Liens.

“Excluded Subsidiary” means (i) each non-wholly owned Subsidiary and (ii) each Subsidiary of the Company (other than the Issuer) that has a book value of less than \$2.0 million, measured at the end of the most recently completed fiscal year for which financial statements have been provided as set forth under Section 4.15 hereof (or if acquired or created subsequent to such delivery, measured at the most recent practicable date (or estimated in the reasonable judgment of the Company)); *provided* that in each case, such Subsidiary has not guaranteed any other Applicable Debt of the Company or the Issuer; *provided, further*, that in no event shall Excluded Subsidiaries comprise in the aggregate more than 2.0% of the Consolidated Tangible Assets, measured at the end of the most recently completed fiscal year for which financial statements have been provided as set forth under Section 4.15 hereof.

“Existing Jurisdiction” has the meaning ascribed to it in Section 4.18(c) hereof.

“Existing Unsecured Indebtedness” means (i) the Issuer’s 13.5% Senior Notes due 2026 and 5.0% Senior Notes, each issued pursuant to an indenture dated as of February 1, 2018, as amended or supplemented from time to time, among the Issuer, the guarantors party thereto and Wilmington Trust, National Association, as trustee, (ii) obligations under the Issuer’s \$212,500,000 Credit Agreement, dated as of January 29, 2018, as amended or supplemented from time to time, among the Issuer, the guarantors party thereto, the lenders party thereto and Wilmington Trust, National Association, as administrative agent and (iii) the 8.000% Senior Notes.

“expiration date” has the meaning ascribed to it in Section 3.5(b) hereof.

“Fair Market Value” means, with respect to any asset, the price (after taking into account any liabilities relating to such assets) that would be negotiated in an arm’s-length transaction for cash between a willing seller and a willing and able buyer, neither of which is under any compulsion to complete the transaction, as such price is determined in good faith by the Board of Directors of the Company or a duly authorized committee thereof, as evidenced by a resolution of such Board of Directors or committee.

“Financing Lease Obligations” of any Person means the obligations of such Person that is required to be accounted for as a financing or capital lease (and, for the avoidance of doubt, not a straight-line or operating lease) on both the balance sheet and income statement for financial reporting purposes in accordance with GAAP. At the time any determination thereof is to be made, the amount of the liability in respect of a financing or capital lease would be the amount required to be reflected as a liability on such balance sheet (excluding the footnotes thereto) in accordance with GAAP.

“First Lien Intercreditor Agreement” means the First Lien Intercreditor Agreement, dated as of October 31, 2019, as amended, restated, supplemented or otherwise modified as of the Issue Date (including by the First Lien Joinder), among the Issuer, the Guarantors, Wilmington Trust, National Association, in its capacities as the Trustee and the Collateral Agent hereunder, the Senior Credit Agreement Collateral Agent, the 1.125 Lien Trustee, the 1.125 Lien Collateral Agent, the 1.75 Lien Trustee, the 1.75 Pari Passu Lien Collateral Agent and the Joint First Lien Collateral Agent (each as defined therein) and any other representative of the holders of any other Obligations permitted to be incurred and secured under this Indenture, as such agreement may be further amended, restated, supplemented or otherwise modified from time to time, including by any other joinders thereto.

“First Lien Joinder” means the Joinder, dated as of the Issue Date, to the First Lien Collateral Agency Agreement and the First Lien Intercreditor Agreement, among Wilmington Trust, National Association, in its capacities as Trustee and Collateral Agent, with receipt acknowledged by the other first lien representatives and first lien collateral agents parties to the Collateral Agency Agreement and the First Lien Intercreditor Agreement.

“**GAAP**” means generally accepted accounting principles set forth in the opinions and pronouncements of the Accounting Principles Board of the American Institute of Certified Public Accountants and statements and pronouncements of the Financial Accounting Standards Board or in such other statements by such other entity as may be approved by a significant segment of the accounting profession of the United States, as in effect from time to time.

“**Global Note**” means a Note in registered, global form without interest coupons.

“**Guarantee**” means the guarantee of the Notes by each Guarantor under this Indenture.

“**guarantee**” means any obligation, contingent or otherwise, of any Person directly or indirectly guaranteeing any Indebtedness of any other Person and, without limiting the generality of the foregoing, any obligation, direct or indirect, contingent or otherwise, of such Person: (a) to purchase or pay (or advance or supply funds for the purchase or payment of) such Indebtedness of such other Person (whether arising by virtue of partnership arrangements, or by agreement to keep-well, to purchase assets, goods, securities or services, to take-or-pay, or to maintain financial statement conditions or otherwise) or (b) entered into for purposes of assuring in any other manner the obligee of such Indebtedness of the payment thereof or to protect such obligee against loss in respect thereof, in whole or in part; *provided*, that the term “**guarantee**” does not include endorsements for collection or deposit in the ordinary course of business. The term “**guarantee**” used as a verb has a corresponding meaning.

“**Guarantors**” means (a) initially, the Company and each of the other Guarantors signatory hereto as set forth on Schedule A hereto, and (b) each of the Company’s Subsidiaries that becomes a Guarantor of the Notes pursuant to the provisions of this Indenture, and their successors, in each case, until released from its respective Guarantee pursuant to this Indenture.

“**Hedging Obligations**” means, with respect to any Person, the obligations of such Person under any Interest Protection Agreement, commodity swap agreement, commodity cap agreement, commodity collar agreement, Currency Agreement or similar agreement providing for the transfer or mitigation of interest rate, commodity price or currency risks either generally or under specific contingencies.

“**Holder**”, “**Holders**”, “**Holder of Notes**” or “**Holders of Notes**” means the Person or each Person in whose name a Note is registered in the books of the applicable Registrar for the Notes.

“**incurrence**” has the meaning ascribed to it in Section 4.6(a) hereof.

“**Indebtedness**” of any Person means, without duplication,

(a) any liability of such Person (i) for borrowed money or under any reimbursement obligation relating to a letter of credit or other similar instruments (other than standby letters of credit or similar instruments issued for the benefit of, or surety, performance, completion or payment bonds, earnest money notes or similar purpose undertakings or indemnifications issued by, such Person in the ordinary course of business), (ii) evidenced by a bond, note, debenture or similar instrument (including a purchase money obligation) given in connection with the acquisition of any businesses, properties or assets of any kind or with services incurred in connection with capital expenditures (other than any obligation to pay a contingent purchase price which, as of the date of incurrence thereof, is not required to be recorded as a liability in accordance with GAAP), or (iii) in respect of Financing Lease Obligations (to the extent of the Attributable Debt in respect thereof),

(b) any Indebtedness of others that such Person has guaranteed to the extent of the guarantee; *provided, however*, that Indebtedness of the Company and its Restricted Subsidiaries will not include the obligations of the Company or a Restricted Subsidiary under warehouse lines of credit of Mortgage Subsidiaries to repurchase mortgages at prices no greater than 98% of the principal amount thereof, and upon any such purchase the excess, if any, of the purchase price thereof over the Fair Market Value of the mortgages acquired, will constitute Restricted Payments subject to Section 4.7 hereof,

(c) to the extent not otherwise included, the obligations of such Person under Hedging Obligations to the extent recorded as liabilities not constituting Interest Incurred, net of amounts recorded as assets in respect of such obligations, in accordance with GAAP, and

(d) all Indebtedness of others secured by a Lien on any asset of such Person, whether or not such Indebtedness is assumed by such Person;

provided, that Indebtedness shall not include accounts payable, liabilities to trade creditors of such Person or other accrued expenses arising in the ordinary course of business or completion guarantees entered into in the ordinary course of business. The amount of Indebtedness of any Person at any date shall be (i) the outstanding balance at such date of all unconditional obligations as described above, net of any unamortized discount to be accounted for as Interest Expense, in accordance with GAAP, (ii) the maximum liability of such Person for any contingent obligations under clause (a) of this definition at such date, net of an unamortized discount to be accounted for as Interest Expense in accordance with GAAP, (iii) in the case of clause (c) above, zero if permitted under clause (f) of the definition of “Permitted Indebtedness” or, otherwise, the net termination amount payable in respect thereof, and (iv) in the case of clause (d) above, the lesser of (x) the fair market value of any asset subject to a Lien securing the Indebtedness of others on the date that the Lien attaches and (y) the amount of the Indebtedness secured.

For the avoidance of doubt, obligations of any Person under a Permitted Bond Hedge transaction or a Permitted Warrant transaction shall be deemed not to constitute Indebtedness.

“**Indenture**” means this indenture, as amended or supplemented from time to time.

“**Initial Notes**” means the Notes of the Issuer issued under this Indenture on the Issue Date and any Notes issued in replacement thereof.

“**Institutional Accredited Investor Certificate**” means a certificate substantially in the form of Exhibit J hereto.

“**Intangible Assets**” of the Company means all unamortized debt discount and expense, unamortized deferred charges, goodwill, patents, trademarks, service marks, trade names, copyrights and all other items (other than any deferred tax assets) which would be treated as intangibles on the consolidated balance sheet of the Company and its Restricted Subsidiaries prepared in accordance with GAAP.

“**Intercreditor Agreements**” means, collectively, the First Lien Intercreditor Agreement and the Junior Lien Intercreditor Agreement.

“**Interest Expense**” of any Person for any period means, without duplication, the aggregate amount of (a) interest which, in conformity with GAAP, would be set opposite the caption “interest expense” or any like caption on an income statement for such Person (including, without limitation, imputed interest included in Financing Lease Obligations, all commissions, discounts and other fees and charges owed with respect to letters of credit and bankers’ acceptance financing, the net costs (but reduced by net gains) associated with Currency Agreements and Interest Protection Agreements, amortization of other financing fees and expenses, the interest portion of any deferred payment obligation, amortization of discount or premium, if any, and all other noncash interest expense (other than interest and other charges amortized to cost of sales)), and (b) all interest actually paid by the Company or a Restricted Subsidiary under any guarantee of Indebtedness (including, without limitation, a guarantee of principal, interest or any combination thereof) of any Person other than the Company, the Issuer or any Restricted Subsidiary during such period; *provided*, that Interest Expense shall exclude any expense associated with the complete write-off of financing fees and expenses in connection with the repayment of any Indebtedness.

“**Interest Incurred**” of any Person for any period means, without duplication, the aggregate amount of (a) Interest Expense and (b) all capitalized interest and amortized debt issuance costs.

“**Interest Payment Date**” means each March 30 and September 30 of each year, commencing March 30, 2024.

“**Interest Protection Agreement**” of any Person means any interest rate swap agreement, interest rate collar agreement, option or futures contract or other similar agreement or arrangement designed to protect such Person or any of its Subsidiaries against fluctuations in interest rates with respect to Indebtedness permitted to be incurred under this Indenture. For the avoidance of doubt, any Permitted Convertible Indebtedness Call Transaction will not constitute an Interest Protection Agreement.

“**Investment Grade**” means, with respect to a debt rating of the Notes, a rating of Baa3 (or the equivalent) or higher by Moody’s together with a rating of BBB- (or the equivalent) or higher by S&P or, in the event S&P or Moody’s or both shall cease rating the Notes (for reasons outside the control of the Company or the Issuer) and the Company shall select any other Rating Agency, the equivalent of such ratings by such other Rating Agency.

“**Investments**” of any Person means (a) all investments by such Person in any other Person in the form of loans, advances or capital contributions, (b) all guarantees of Indebtedness of any other Person by such Person, (c) all purchases (or other acquisitions for consideration) by such Person of Indebtedness, Capital Stock or other securities of any other Person and (d) all other items that would be classified as investments in any other Person (including, without limitation, purchases of assets outside the ordinary course of business) on a balance sheet of such Person prepared in accordance with GAAP.

“**Issue Date**” means October 5, 2023.

“**Issuer**” has the meaning ascribed to it in the preamble hereof and shall also refer to any successor obligor under this Indenture.

“**Joint First Lien Collateral Agent**” means Wilmington Trust, National Association, in its capacity as Joint First Lien Collateral Agent under the Collateral Agency Agreement.

“**Junior Lien Indebtedness**” has the meaning ascribed to it in Section 4.16.

“**Junior Lien Intercreditor Agreement**” means any intercreditor agreement setting forth the relative priority of Liens securing the Obligations subject to the First Lien Intercreditor Agreement, on the one hand, and the Second Lien Obligations, on the other hand, which shall be on substantially the same terms as the First Lien Intercreditor Agreement (with the Notes being treated as senior priority obligations under such intercreditor agreement), including with respect to the release of Guarantees and Collateral (or on terms not materially less favorable to the Holders as established by the Officer’s Certificate delivered pursuant to the terms of Section 9.1 hereof), in a form reasonably satisfactory to the Issuer, the Guarantors and Wilmington Trust, National Association, in its capacities as the Trustee and the Collateral Agent hereunder and as the Joint First Lien Collateral Agent.

“**JV Holding Company**” means a Subsidiary of JV Holdings, the only material asset of which constitutes Capital Stock of one or more joint ventures owned on the Issue Date or Permitted Joint Ventures in existence on the Issue Date or acquired or formed after the Issue Date; *provided* that neither JV Holdings nor K. Hovnanian JV Services Company, L.L.C. shall be deemed a JV Holding Company.

“**JV Holdings**” means K. Hovnanian JV Holdings, L.L.C.

“**L/C Collateral**” means cash and cash equivalents that secure obligations permitted to be secured pursuant to clause (d) of the definition of “Permitted Liens”.

“**Land Banking Collateral Sales**” has the meaning ascribed to it in the definition of “Asset Disposition”.

“**Land Banking Transaction**” means an arrangement relating to Property now owned or hereafter acquired whereby the Company, the Issuer or a Restricted Subsidiary sells such Property to a Person (other than the Company, the Issuer or a Restricted Subsidiary) and the Company, the Issuer or a Restricted Subsidiary, as applicable, has an option to purchase such Property back on a specified schedule.

“**Legal Defeasance**” has the meaning ascribed to it in Section 8.1 hereof.

“**Lien**” means, with respect to any Property, any mortgage, lien, pledge, charge, security interest or encumbrance of any kind in respect of such Property. For purposes of this definition, a Person shall be deemed to own, subject to a Lien, any Property which it has acquired or holds subject to the interest of a vendor or lessor under any conditional sale agreement, capital lease or other title retention agreement relating to such Property.

“**Make-Whole Amount**” has the meaning ascribed to it in Section 3.1(a) hereof.

“**Marketable Securities**” means (a) equity securities that are listed on the New York Stock Exchange, the NYSE MKT or The Nasdaq Stock Market and (b) debt securities that are rated by a nationally recognized rating agency, listed on the New York Stock Exchange, the NYSE MKT or covered by at least two reputable market makers.

“**Moody’s**” means Moody’s Investors Service, Inc. or any successor to its debt rating business.

“**Mortgage**” means the mortgages, deeds of trust, deed to secure debts, or similar instruments in favor of the Collateral Agent, granting liens and security interests in the real property owned by the Company, the Issuer or any Guarantor to secure the Indebtedness and related Obligations under the Notes and the Guarantees, as each may be amended, restated, supplemented, or otherwise modified from time to time.

“**Mortgage Subsidiary**” means any Subsidiary of the Company substantially all of whose operations consist of the mortgage lending business.

“**Most Recent Fiscal Quarter**” means the most recently completed fiscal quarter for which financial statements have been provided pursuant to Section 4.15 hereof.

“**Net Cash Proceeds**” means with respect to an Asset Disposition, payments received in cash (including any such payments received by way of deferred payment of principal pursuant to a note or installment receivable or otherwise (including any cash received upon sale or disposition of such note or receivable), but only as and when received), excluding any other consideration received in the form of assumption by the acquiring Person of Indebtedness or other obligations relating to the Property disposed of in such Asset Disposition or received in any other non-cash form unless and until such non-cash consideration is converted into cash therefrom, in each case, net of all legal, title and recording tax expenses, commissions and other fees and expenses incurred, and all federal, state and local taxes required to be accrued as a liability under GAAP as a consequence of such Asset Disposition, and in each case, net of a reasonable reserve for the after-tax cost of any indemnification or other payments (fixed and contingent) attributable to the seller’s indemnities or other obligations to the purchaser undertaken by the Company, the Issuer or any of its Restricted Subsidiaries in connection with such Asset Disposition, and net of all payments made on any Indebtedness which is secured by or relates to such Property (other than Indebtedness secured by Liens on the Collateral) in accordance with the terms of any Lien or agreement upon or with respect to such Property or which such Indebtedness must by its terms or by applicable law be repaid out of the proceeds from such Asset Disposition, and net of all contractually required distributions and payments made to minority interest holders in Restricted Subsidiaries or joint ventures as a result of such Asset Disposition.

“**New Secured Notes**” means, collectively, the Notes and the 1.125 Lien Notes.

“**Non-Recourse Indebtedness**” with respect to any Person means Indebtedness of such Person for which (a) the sole legal recourse for collection of principal and interest on such Indebtedness is against the specific property, including for the avoidance of doubt, assets directly related thereto or derived therefrom, identified in the instruments evidencing or securing such Indebtedness or other property of such Person financed pursuant to the Credit Facility of such Person under which such Indebtedness was incurred (*provided* that the aggregate principal amount of the total Indebtedness shall not exceed the purchase price or cost (including financing costs) of the properties financed thereby), (b) such properties were acquired (directly or indirectly, including through the purchase of Capital Stock of the Person owning such property), constructed or improved with the proceeds of such Indebtedness or such Indebtedness was incurred within 365 days after the acquisition (directly or indirectly, including through the purchase of Capital Stock of the Person owning such property) or completion of such construction or improvement and (c) no other assets of such Person may be realized upon in collection of principal or interest on such Indebtedness. Indebtedness which is otherwise Non-Recourse Indebtedness will not lose its character as Non-Recourse Indebtedness because there is recourse to the borrower, any guarantor or any other Person for (i) environmental warranties, covenants and indemnities, (ii) indemnities for and liabilities arising from fraud, misrepresentation, misapplication or non-payment of rents, profits, deposits, insurance and condemnation proceeds and other sums actually received by the borrower from secured assets to be paid to the lender, waste and mechanics’ liens, breach of separateness covenants, and other customary exceptions, (iii) in the case of the borrower thereof only, other obligations in respect of such Indebtedness that are payable solely as a result of a voluntary or collusive non-voluntary bankruptcy filing (or similar filing or action) by such borrower or (iv) similar customary “bad-boy” guarantees.

“**Non-Recourse Indebtedness Amount**” has the meaning ascribed to it in Section 4.6(b) hereof.

“**Non-U.S. Person**” means a Person that is not a “U.S. person,” as such term is defined in Regulation S.

“**Notes**” has the meaning ascribed to it in the Recitals hereof.

“**Obligations**” means with respect to any Indebtedness, all obligations (whether in existence on the Issue Date or arising afterwards, absolute or contingent, direct or indirect) for or in respect of principal (when due, upon acceleration, upon redemption, upon mandatory repayment or repurchase pursuant to a mandatory offer to purchase, or otherwise), premium, interest, penalties, fees, indemnification, reimbursement and other amounts payable and liabilities with respect to such Indebtedness, including all interest accrued or accruing after the commencement of any bankruptcy, insolvency or reorganization or similar case or proceeding at the contract rate (including, without limitation, any contract rate applicable upon default) specified in the relevant documentation, whether or not the claim for such interest is allowed as a claim in such case or proceeding.

“**offer**” has the meaning ascribed to it in Section 3.5(a) hereof.

“**Offer to Purchase**” has the meaning ascribed to it in Section 3.5(a) hereof.

“**Officer**,” when used with respect to the Issuer or the Company, means the chairman of the Board of Directors, the president or chief executive officer, any vice president, the chief financial officer, the treasurer, any assistant treasurer, the controller, any assistant controller, the secretary or any assistant secretary of the Issuer or the Company, as the case may be.

“**Officer’s Certificate**,” when used with respect to the Issuer or the Company, means a certificate signed by the chairman of the Board of Directors, the president, the chief executive officer, any vice president, the chief financial officer, the treasurer, any assistant treasurer, the controller, any assistant controller, the secretary or any assistant secretary of the Issuer or the Company, as the case may be.

“**Opinion of Counsel**” means a written opinion signed by legal counsel of the Issuer or the Company, who may be an employee of, or counsel to, the Issuer or the Company, and who shall be reasonably satisfactory to the Trustee.

“**Original Issue Discount Legend**” means the legend set forth in Exhibit G.

“**Pari Secured Debt Obligations**” has the meaning ascribed to it in subclause (i)(b) of the definition of “Permitted Liens”.

“**Paying Agent**” refers to a Person engaged to perform the obligations of the Trustee in respect of payments made or funds held hereunder in respect of the Notes.

“**Permanent Regulation S Global Note**” means a Regulation S Global Note that does not bear the Regulation S Temporary Global Note Legend.

“**Permitted Bond Hedge**” means any call or capped call option (or substantively equivalent derivative transaction) on the Company’s Capital Stock purchased by the Company, the Issuer or any Restricted Subsidiary in connection with the issuance of any Permitted Convertible Indebtedness; *provided* that the purchase price for such Permitted Bond Hedge, less the proceeds received by the Company, the Issuer or the Restricted Subsidiaries from the sale of any related Permitted Warrant, does not exceed the net proceeds received by the Company, the Issuer or the Restricted Subsidiaries from the sale of such Permitted Convertible Indebtedness issued in connection with the Permitted Bond Hedge.

“**Permitted Convertible Indebtedness**” means Indebtedness of the Company, the Issuer or any Restricted Subsidiary permitted to be incurred under the terms of this Indenture that is either (a) convertible or exchangeable into Capital Stock of the Company (and cash in lieu of fractional shares) and/or cash (in an amount determined by reference to the price of such Capital Stock) or (b) sold as units with call options, warrants or rights to purchase (or substantively equivalent derivative transactions) that are exercisable for Capital Stock of the Company and/or cash (in an amount determined by reference to the price of such Capital Stock).

“**Permitted Convertible Indebtedness Call Transaction**” means any Permitted Bond Hedge and any Permitted Warrant.

“**Permitted Hovnanian Holders**” means, collectively, Ara K. Hovnanian, the members of his immediate family and the members of the immediate family of the late Kevork S. Hovnanian, the respective estates, spouses, heirs, ancestors, lineal descendants, legatees and legal representatives of any of the foregoing and the trustee of any *bona fide* trust of which one or more of the foregoing are the sole beneficiaries or the grantors thereof, or any entity of which any of the foregoing, individually or collectively, beneficially own more than 50% of the Common Equity. Any Person or group whose acquisition of beneficial ownership constitutes a Change of Control in respect of which a Change of Control Offer is made in accordance with the requirements of the Indenture (or would result in a Change of Control Offer in the absence of the waiver of such requirement by Holders in accordance with the Indenture) will thereafter constitute Permitted Hovnanian Holders.

“**Permitted Indebtedness**” means:

(a) Indebtedness under (i) any Credit Facilities in an aggregate principal amount outstanding at any one time (including for the purposes of determining amounts outstanding under this clause (a)(i), the Notes (and Guarantees thereof) and any Refinancing Indebtedness in respect of Indebtedness incurred or deemed incurred under this clause (a)(i) (and any subsequently incurred Refinancing Indebtedness with respect to Refinancing Indebtedness included in this clause (a)(i) for purposes of determining amounts outstanding under this clause (a)(i))) not to exceed (x) \$430.0 million plus (y) Additional Notes issued under this Indenture to Specified Persons in an aggregate principal amount not to exceed the Additional 1.25 Lien Notes Amount and (ii) any Specified Credit Facility (and the guarantees thereof), in an aggregate amount outstanding at any one time and at the stated maturity thereof not to exceed \$125.0 million;

(b) Indebtedness incurred under (i) any Credit Facilities in an aggregate principal amount outstanding at any one time (including for the purposes of determining amounts outstanding under this clause (b)(i), the 1.125 Lien Notes (and the guarantees thereof) and any Refinancing Indebtedness in respect of Indebtedness incurred or deemed incurred under this clause (b)(i) (and any subsequently incurred Refinancing Indebtedness with respect to Refinancing Indebtedness included in this clause (b)(i) for purposes of determining amounts outstanding under this clause (b)(i))) not to exceed \$225.0 million and (ii) prior to November 20, 2023, the 1.75 Lien Notes not to exceed \$159.0 million (and the guarantees thereof);

(c) Indebtedness outstanding on the Issue Date, excluding Indebtedness constituting Permitted Indebtedness pursuant to clauses (a), (b), (d) through (s) and (u) of this definition, which shall be deemed to be incurred pursuant to such clauses;

(d) Indebtedness in respect of obligations of the Company and its Subsidiaries to the trustees under indentures for debt securities;

(e) intercompany debt obligations of (i) the Company to the Issuer, (ii) the Issuer to the Company, (iii) the Company or the Issuer to any Subsidiary Guarantor and (iv) any Restricted Subsidiary to the Company or the Issuer or any other Subsidiary Guarantor; *provided, however*, that any Indebtedness of any Subsidiary Guarantor or the Issuer or the Company owed to any Subsidiary Guarantor or the Issuer that ceases to be a Subsidiary Guarantor shall be deemed to be incurred and shall be treated as an incurrence for purposes of Section 4.6 hereof at the time the Subsidiary Guarantor in question ceases to be a Subsidiary Guarantor;

(f) Indebtedness of the Company or the Issuer or any Subsidiary Guarantor under Hedging Obligations, in the case of any Currency Agreements or Interest Protection Agreements in a notional amount no greater than the payments due (at the time the related Currency Agreement or Interest Protection Agreement is entered into) with respect to the Indebtedness or currency being hedged, to the extent entered into in the ordinary course of business and not for speculative purposes;

(g) Purchase Money Indebtedness and Financing Lease Obligations entered into in the ordinary course of business in an aggregate principal amount (including for purposes of determining amounts outstanding under this clause (g), any Refinancing Indebtedness in respect thereof (and any subsequently incurred Refinancing Indebtedness with respect to Refinancing Indebtedness included in this clause (g) for purposes of determining amounts outstanding under this clause (g))) at any one time outstanding not to exceed \$30.0 million;

(h) obligations for, pledge of assets in respect of, and guaranties of, bond financings of political subdivisions or enterprises thereof in the ordinary course of business;

(i) [reserved];

(j) Indebtedness under warehouse lines of credit, repurchase agreements and Indebtedness secured only by mortgage loans and related assets of mortgage lending Subsidiaries in the ordinary course of a mortgage lending business;

(k) Indebtedness under any Credit Facilities in an aggregate principal amount outstanding under this clause (k) at any one time (including for purposes of determining amounts outstanding under this clause (k), the Existing Unsecured Indebtedness (and guarantees thereof) and any Refinancing Indebtedness in respect of Indebtedness incurred or deemed incurred under this clause (k) (and any subsequently incurred Refinancing Indebtedness with respect to Refinancing Indebtedness included in this clause (k) for purposes of determining amounts outstanding under this clause (k))) not to exceed \$247.0 million;

(l) obligations in respect of self-insurance, performance, bid, appeal and surety bonds and completion guarantees and similar obligations provided by the Company or any Restricted Subsidiary or obligations in respect of letters of credit, bank guarantees or similar instruments related thereto, in each case, in the ordinary course of business;

(m) [reserved];

(n) Indebtedness under any Credit Facilities in an aggregate principal amount outstanding under this clause (n) at any one time (including for purposes of determining amounts outstanding under this clause (n), the 1.75 Lien Term Loan (and the guarantees thereof) and any Refinancing Indebtedness in respect of Indebtedness incurred or deemed incurred under this clause (n) (and any subsequently incurred Refinancing Indebtedness with respect to Refinancing Indebtedness included in this clause (n) for purposes of determining amounts outstanding under this clause (n))) not to exceed \$400.0 million;

(o) Indebtedness arising from the honoring by a bank or other financial institution of a check, draft or similar instrument drawn against insufficient funds in the ordinary course of business;

(p) Indebtedness of the Company or any Restricted Subsidiary supported by a letter of credit (which letter of credit is incurred pursuant to another clause hereof (other than clause (l) of this definition)), in a principal amount not in excess of the stated amount of such letter of credit;

(q) Indebtedness of the Company or any Restricted Subsidiary consisting of (i) the financing of insurance premiums or (ii) take or pay obligations contained in supply arrangements, in each case incurred in the ordinary course of business;

(r) Indebtedness of the Company or any of its Restricted Subsidiaries in respect of Cash Management Services;

(s) obligations (other than Indebtedness for borrowed money) of the Company or any of its Restricted Subsidiaries under an agreement with any governmental authority, quasi-governmental entity, utility, adjoining (or common master plan) landowner or seller of real property, in each case entered into in the ordinary course of business in connection with the acquisition of real property, to entitle, develop or construct infrastructure thereupon;

(t) the incurrence by the Company or any Restricted Subsidiary of Indebtedness deemed to exist pursuant to the terms of a joint venture agreement as a result of a failure of the Company or such Restricted Subsidiary to make a required capital contribution therein; *provided* that the only recourse on such Indebtedness is limited to the Company's or such Restricted Subsidiary's equity interests in the related joint venture; and

(u) Indebtedness of the Company, the Issuer or a Subsidiary Guarantor which, together with all other Indebtedness under this clause (u), does not exceed \$75.0 million aggregate principal amount outstanding at any one time (including for purposes of determining amounts outstanding under this clause (u), any Refinancing Indebtedness in respect thereof (or of such Refinancing Indebtedness), which Refinancing Indebtedness shall be deemed to have been incurred under this clause (u)).

"Permitted Investment" means

(a) Cash Equivalents;

(b) any Investment in the Company, the Issuer or any Subsidiary Guarantor or any Person that becomes a Subsidiary Guarantor as a result of such Investment or that is consolidated or merged with or into, or transfers all or substantially all of the assets of it or an operating unit or line of business to, the Company or a Subsidiary Guarantor;

(c) any receivables, loans or other consideration taken by the Company, the Issuer or any Restricted Subsidiary in connection with any asset sale otherwise permitted by this Indenture; *provided* that non-cash consideration received in an Asset Disposition or an exchange or swap of assets shall be pledged as Collateral under the Security Documents to the extent the assets subject to such Asset Disposition or exchange or swap of assets constituted Collateral, with the Lien on such Collateral securing the Notes being of the same priority with respect to the Notes as the Lien on the assets disposed of; *provided, further*, that notwithstanding the foregoing clause, if such assets are not of a character that would be Collateral and the Company is not able to obtain a Lien on such assets in favor of the Collateral Agent for the benefit of the Holders of the Notes after the use of reasonable efforts, up to an aggregate of \$50.0 million of (x) non-cash consideration and consideration received as referred to in Section 4.10(b)(ii), (y) assets invested pursuant to Section 4.10(c) and (z) assets received pursuant to clause (d) under the definition of “Asset Disposition” may be designated by the Company or the Issuer as Excluded Property not required to be pledged as Collateral;

(d) Investments received in connection with any bankruptcy or reorganization proceeding, or as a result of foreclosure, perfection or enforcement of any Lien or any judgment or settlement of any Person in exchange for or satisfaction of Indebtedness or other obligations or other property received from such Person, or for other liabilities or obligations of such Person created, in accordance with the terms of this Indenture;

(e) Investments in Hedging Obligations described in the definition of “Permitted Indebtedness”;

(f) any loan or advance to an executive officer, director or employee of the Company or any Restricted Subsidiary made in the ordinary course of business or in accordance with past practice; *provided, however*, that any such loan or advance exceeding \$1.0 million shall have been approved by the Board of Directors of the Company or a committee thereof consisting of disinterested members;

(g) Investments in interests in issuances of collateralized mortgage obligations, mortgages, mortgage loan servicing, or other mortgage related assets;

(h) obligations of the Company or a Restricted Subsidiary under warehouse lines of credit of Mortgage Subsidiaries to repurchase mortgages;

(i) Investments in an aggregate amount at any time outstanding not to exceed the greater of (x) \$20.0 million and (y) 1.4% of Consolidated Tangible Assets (measured at the time made and without giving effect to subsequent changes in value);

(j) Guarantees issued in accordance with Section 4.6 hereof;

(k) Investments in existence on the Issue Date (other than Restricted Payments described in Section 4.7(b)(xii)) not otherwise constituting Permitted Investments pursuant to clause (b) above;

(l) Permitted Bond Hedges which constitute Investments;

(m) extensions of trade credit and credit in connection with the sale of land owned by the Company or a Restricted Subsidiary which is zoned by the applicable governmental authority having jurisdiction for construction and use as a detached or attached (including town homes or condominium) single-family house (but excluding mobile homes), or the sale of a detached or attached (including town homes or condominium) single-family house (but excluding mobile homes) owned by the Company or a Restricted Subsidiary which is completed or for which there has been a start of construction and which has been or is being constructed on any such land;

(n) obligations (but not payments thereon) with respect to homeowners association obligations, community facility district bonds, metro district bonds, mello-roos bonds and subdivision improvement bonds and similar bonding requirements arising in the ordinary course of business of a homebuilder;

(o) guarantee obligations, including completion guarantee or indemnification obligations (other than for the payment of borrowed money) entered into in the ordinary course of business and incurred for the benefit of any adjoining landowner, lender, seller of real property or municipal government authority (or enterprises thereof) in connection with the acquisition, construction, subdivision, entitlement and development of real property;

(p) Investments the payment for which consists of Qualified Stock of the Company; *provided* that such Qualified Stock will not increase the amount available for Restricted Payments under clause (iii) of Section 4.7(a);

(q) advances, loans or extensions of trade credit in the ordinary course of business by the Company or any of the Restricted Subsidiaries;

(r) intercompany current liabilities owed by or to Unrestricted Subsidiaries or joint ventures incurred in the ordinary course of business in connection with the cash management operations of the Company and its Subsidiaries; and

(s) insurance, lease, utility and workers' compensation, performance and other similar deposits made in the ordinary course of business.

"Permitted Joint Venture" means any joint venture between the Issuer, the Company or any of its Subsidiaries, on the one hand, and any other person that is not an affiliate of the Company, on the other; *provided* that (i) such joint venture is solely engaged in the business of the development, construction and sale of homes and has no assets, liabilities or operations other than those reasonably related to such business, and (ii) such person owns no Capital Stock or other equity interests in the Issuer or any of its Restricted Subsidiaries and owns no Indebtedness (except in the case of the Company, any Applicable Debt that constitutes "capital markets" or bank lending Indebtedness) and makes no Investments in the Company or any of its Restricted Subsidiaries.

"Permitted Liens" means

(a) Liens for taxes, assessments or governmental or quasi-governmental charges or claims that (i) are not yet delinquent for a period of more than 30 days, (ii) are being contested in good faith by appropriate proceedings and as to which appropriate reserves have been established or other provisions have been made in accordance with GAAP, if required, or (iii) encumber solely property abandoned or in the process of being abandoned;

(b) statutory Liens of landlords and carriers', warehousemen's, mechanics', suppliers', materialmen's, repairmen's or other Liens imposed by law and arising in the ordinary course of business and with respect to amounts that, to the extent applicable, either (i) are not yet delinquent for a period of more than 30 days or (ii) are being contested in good faith by appropriate proceedings and as to which appropriate reserves have been established or other provisions have been made in accordance with GAAP, if required;

(c) Liens (other than any Lien imposed by the Employer Retirement Income Security Act of 1974, as amended) incurred or deposits made in the ordinary course of business in connection with workers' compensation, unemployment insurance and other types of social security or similar legislation or other insurance related obligations (including, but not limited to, in respect of deductibles, self-insured retention amounts and premiums and adjustments thereto) or indemnification obligations of (including obligations in respect of letters of credit or bank guarantees for the benefit of) insurance carriers providing property, casualty or liability insurance, or good faith deposits in connection with bids, tenders, contracts (other than for the payment of Indebtedness) or leases to which such Person is a party, or deposits to secure public or statutory obligations of such Person or deposits of cash or U.S. government bonds to secure surety, stay, customs or appeal bonds to which such Person is a party, or deposits as security for contested taxes or import duties or for the payment of rent, performance and return-of-money bonds and other similar obligations (including letters of credit issued in lieu of any such bonds or to support the issuance thereof and including those to secure health, safety and environmental obligations);

(d) Liens incurred or deposits made to secure the performance of tenders, bids, leases, statutory obligations, surety and appeal bonds, development obligations, progress payments, government contracts, utility services, developer's or other obligations to make on-site or off-site improvements and other obligations of like nature (exclusive of obligations for the payment of borrowed money but including the items referred to in the parenthetical in clause (a)(i) of the definition of "Indebtedness"), in each case incurred in the ordinary course of business of the Company, the Issuer and the Restricted Subsidiaries;

(e) attachment or judgment Liens not giving rise to a Default or an Event of Default;

(f) easements, dedications, assessment district or similar Liens in connection with municipal or special district financing, rights-of-way, restrictions, reservations and other similar charges, burdens, and other similar charges or encumbrances not materially interfering with the ordinary course of business of the Company, the Issuer and the Restricted Subsidiaries;

(g) zoning restrictions, licenses, restrictions on the use of real property or minor irregularities in title thereto, which do not materially impair the use of such real property in the ordinary course of business of the Company, the Issuer and the Restricted Subsidiaries;

(h) Liens securing Indebtedness incurred pursuant to clause (j) of the definition of "Permitted Indebtedness";

(i) Liens on the Collateral and other assets not constituting Collateral pursuant to clause (a) of the definition of "Excluded Property" securing:

(a) (i) Indebtedness incurred or deemed incurred under clause (b)(i) of the definition of "Permitted Indebtedness" and (ii) any Refinancing Indebtedness in respect thereof (and any subsequently incurred Refinancing Indebtedness in respect of any such Refinancing Indebtedness); *provided* that the Liens incurred pursuant to this clause (a) may secure Senior Priority Lien Obligations;

(b) (i) Indebtedness incurred or deemed incurred under clause (a)(i) of the definition of "Permitted Indebtedness" and (ii) any Refinancing Indebtedness in respect thereof (and any subsequently incurred Refinancing Indebtedness in respect of any such Refinancing Indebtedness) (Indebtedness so secured under clauses (b)(i) and (ii), collectively, the "**Pari Secured Debt Obligations**"), *provided* that the Liens incurred pursuant to this clause (b) shall rank equal or junior to the Liens securing the Notes pursuant to the terms of the First Lien Intercreditor Agreement, the Junior Lien Intercreditor Agreement or other intercreditor agreement that is substantially similar to such intercreditor agreements (in the case of any junior Liens, with the Notes being treated as senior priority obligations thereunder), as applicable;

(c) Indebtedness incurred or deemed incurred under clause (b)(ii) of the definition of "Permitted Indebtedness", *provided* that the Liens incurred pursuant to this clause (c) shall rank junior to the Liens securing the Notes pursuant to the terms of the First Lien Intercreditor Agreement (with the Notes being treated as senior priority obligations thereunder);

(d) (i) Indebtedness incurred or deemed incurred under clause (n) of the definition of "Permitted Indebtedness" and (ii) any Refinancing Indebtedness in respect thereof (and any subsequently incurred Refinancing Indebtedness in respect of any such Refinancing Indebtedness), *provided* that the Liens incurred pursuant to this clause (d) shall rank junior to the Liens securing the Notes pursuant to the terms of the First Lien Intercreditor Agreement, the Junior Lien Intercreditor Agreement or other intercreditor agreement that is substantially similar to such intercreditor agreements (with the Notes being treated as senior priority obligations thereunder), as applicable;

(e) Indebtedness under clause (a)(ii) of the definition of “Permitted Indebtedness”, *provided* that the Liens incurred pursuant to this clause (e) may secure Senior Priority Lien Obligations;

(f) [reserved]; and

(g) any other Indebtedness (including Refinancing Indebtedness) permitted to be incurred under this Indenture in an aggregate amount at any time outstanding not to exceed \$100.0 million; *provided* that the Liens securing any such Indebtedness incurred pursuant to this clause (g) shall rank junior to the Liens on the Collateral securing the Notes pursuant to the terms of the Junior Lien Intercreditor Agreement (with the Notes being treated as senior priority obligations thereunder), as applicable;

(j) Liens securing Non-Recourse Indebtedness and Refinancing Non-Recourse Indebtedness of the Company, the Issuer or any Restricted Subsidiary; *provided*, that such Liens apply only to (i) the property financed, constructed or improved with the proceeds of such Non-Recourse Indebtedness, and, including for the avoidance of doubt, assets directly related thereto or derived therefrom or other property of the Company, the Issuer or any Restricted Subsidiary financed pursuant to the Credit Facility of such person under which the Non-Recourse Indebtedness or Refinancing Non-Recourse Indebtedness was incurred, or (ii) licenses, permits, authorizations, consent forms or contracts related to the acquisition, development, use or improvement of such property; *provided*, that the Company uses reasonable efforts to obtain Liens on the assets securing such Indebtedness, in favor of the Collateral Agent for the benefit of the Holders of the Notes, that is junior to the Liens securing such Indebtedness and otherwise consistent with priorities set forth in the First Lien Intercreditor Agreement;

(k) Liens securing Purchase Money Indebtedness; *provided*, that such Liens apply only to (i) the property financed, designed, installed, constructed, leased or improved with the proceeds of such Purchase Money Indebtedness, and, including for the avoidance of doubt, assets directly related thereto or derived therefrom or other property of the Company, the Issuer or any Restricted Subsidiary financed pursuant to the Credit Facility of such person under which the Purchase Money Indebtedness was incurred, or (ii) licenses, permits, authorizations, consent forms or contracts related to the acquisition, development, use or improvement of such property;

(l) Liens on property or assets of the Company, the Issuer or any Subsidiary Guarantor securing Indebtedness of the Company, the Issuer or any Subsidiary Guarantor owing to the Company, the Issuer or one or more Subsidiary Guarantors;

(m) leases, subleases, licenses or sublicenses (including of intellectual property) granted to others not materially interfering with the ordinary course of business of the Company and the Restricted Subsidiaries;

(n) Financing Lease Obligations; *provided*, that such Liens apply only to the Property acquired and the related Indebtedness is incurred within 365 days after the acquisition of such Property;

(o) any right of first refusal, right of first offer, option, contract or other agreement to sell an asset; *provided* that such sale is not otherwise prohibited under this Indenture;

(p) any right of a lender or lenders to which the Company, the Issuer or a Restricted Subsidiary may be indebted to offset against, or appropriate and apply to the payment of such, Indebtedness and any and all balances, credits, deposits, accounts or money of the Company, the Issuer, or a Restricted Subsidiary with or held by such lender or lenders or its Affiliates;

(q) any pledge or deposit of cash or property in conjunction with obtaining surety, performance, completion or payment bonds and letters of credit or other similar instruments or providing earnest money obligations, escrows or similar purpose undertakings or indemnifications in the ordinary course of business of the Company, the Issuer and the Restricted Subsidiaries;

(r) Liens for homeowner, condominium, property owner association developments and similar fees, assessments and other payments;

(s) Liens securing Refinancing Indebtedness (except Liens securing Refinancing Indebtedness in respect of Indebtedness secured pursuant to clause (i) under this definition); *provided*, that such Liens extend only to the assets securing the Indebtedness being refinanced and have the same or junior priority as the initial Liens;

(t) Liens incurred in the ordinary course of business as security for the obligations of the Company, the Issuer and the Restricted Subsidiaries with respect to indemnification in respect of title insurance providers;

(u) Liens on property of a Person existing at the time such Person is merged with or into or consolidated with the Company or any Subsidiary of the Company or becomes a Subsidiary of the Company; *provided*, that such Liens were in existence prior to the contemplation of such merger or consolidation or acquisition and do not extend to any assets other than those of the Person merged into or consolidated with the Company or the Subsidiary or acquired by the Company or its Subsidiaries;

(v) Liens on property existing at the time of acquisition thereof by the Company or any Subsidiary of the Company, *provided*, that such Liens were in existence prior to the contemplation of such acquisition;

(w) Liens existing on the Issue Date (other than Liens securing Obligations under Indebtedness secured pursuant to clause (i) under this definition) and any extensions, renewals, refinancings or replacements thereof;

(x) Liens on specific items of inventory or other goods and proceeds of any Person securing such Person's obligations in respect of bankers' acceptances issued or created for the account of such Person to facilitate the purchase, shipment or storage of such inventory or other goods;

(y) pledges, deposits and other Liens existing under, or required to be made in connection with, (i) earnest money obligations, escrows or similar purpose undertakings or indemnifications in connection with any purchase and sale agreement, (ii) development agreements or other contracts entered into with governmental authorities (or an entity sponsored by a governmental authority) in connection with the entitlement of real property or (iii) agreements for the funding of infrastructure, including in respect of the issuance of community facility district bonds, metro district bonds, subdivision improvement bonds and similar bonding requirements arising in the ordinary course of business of a homebuilder;

(z) Liens securing obligations of the Company or any Restricted Subsidiary to any third party in connection with any option, repurchase right or right of first refusal to purchase real property granted to the master developer or the seller of real property that arises as a result of the non-use or non-development of such real property by the Company or any Restricted Subsidiary and joint development agreements with third parties to perform and/or pay for or reimburse the costs of construction and/or development related to or benefiting property (and additions, accessions, improvements and replacements and customary deposits in connection therewith and proceeds and products therefrom) of the Company or any Restricted Subsidiary and property belonging to such third parties, in each case entered into in the ordinary course of business; *provided* that such Liens do not at any time encumber any property, other than the property (and additions, accessions, improvements and replacements and customary deposits in connection therewith and proceeds and products therefrom) financed by such Indebtedness and the proceeds and products thereof;

- (aa) Liens securing Hedging Obligations and Cash Management Services permitted to be incurred under this Indenture, so long as the related Indebtedness is, and is permitted under this Indenture to be, secured by a Lien on the same property securing such Hedging Obligations or Cash Management Services;
- (bb) Liens arising from Uniform Commercial Code (or equivalent statute) financing statement filings regarding operating leases or consignments entered into by the Company or any Restricted Subsidiary in the ordinary course of business;
- (cc) Liens in favor of the Issuer or any Guarantor;
- (dd) deposits made or other security provided to secure liabilities to insurance carriers under insurance or self-insurance arrangements in the ordinary course of business;
- (ee) Liens in favor of customs and revenue authorities arising as a matter of law to secure payment of customs duties in connection with the importation of goods in the ordinary course of business;
- (ff) Liens (i) of a collection bank arising under Section 4-210 of the Uniform Commercial Code or any comparable or successor provision on items in the course of collection, and (ii) in favor of banking or other financial institutions or electronic payment service providers arising as a matter of law encumbering deposits (including the right of set-off) and which are within the general parameters customary in the banking or finance industry;
- (gg) the rights reserved or vested in any Person by the terms of any lease, license, grant or permit held by the Company or any of its Restricted Subsidiaries or by a statutory provision, to terminate any such lease, license, grant or permit, or to require annual or periodic payments as a condition to the continuance thereof;
- (hh) restrictive covenants affecting the use to which real property may be put; *provided* that the covenants are complied with;
- (ii) security given to a public utility or any municipality or governmental authority when required by such utility or authority in connection with the operations of that Person in the ordinary course of business;
- (jj) zoning by-laws and other land use restrictions, including, without limitation, site plan agreements, development agreements and contract zoning agreements;
- (kk) Liens arising out of conditional sale, title retention, consignment or similar arrangements for sale of goods entered into by the Company or any Restricted Subsidiary in the ordinary course of business;
- (ll) Liens on the Equity Interests of a Mortgage Subsidiary securing Indebtedness of the type set forth under clause (j) of the definition of "Permitted Indebtedness";
- (mm) [Reserved];
- (nn) any encumbrance or restriction (including put and call arrangements) with respect to capital stock of any joint venture or similar arrangement pursuant to any joint venture or similar agreement, to the extent that such encumbrance or restriction does not secure Indebtedness;
- (oo) Liens on property or assets used to defease or to irrevocably satisfy and discharge Indebtedness; *provided* that such defeasance or satisfaction and discharge is not prohibited by the Indenture;
- (pp) easements, rights-of-way, dedications, covenants, conditions, restrictions, reservations and assessment district or similar Liens in connection with municipal or special district financing, agreements with adjoining landowners or state or local government authorities, quasi-governmental entities or utilities and other similar charges or encumbrances incurred in the ordinary course of business and which do not, in the aggregate, materially interfere with the ordinary course of business of the Company and its Subsidiaries; and

(qq) Liens securing obligations not to exceed \$25.0 million at any one time outstanding; *provided* that any Liens on the Collateral securing any Indebtedness (or Obligations in respect thereof) incurred pursuant to this clause (qq) shall rank junior to the Liens securing the Notes pursuant to the terms of the First Lien Intercreditor Agreement, the Junior Lien Intercreditor Agreement or other intercreditor agreement that is substantially similar to such intercreditor agreements (with the Notes being treated as senior priority obligations thereunder), as applicable.

For purposes of determining compliance with this definition of “Permitted Liens”, (x) a Lien need not be incurred solely by reference to one category of Permitted Liens described in this definition but may be incurred under any combination of such categories (including in part under one such category and in part under any other such category) and (y) in the event that a Lien (or any portion thereof) meets the criteria of one or more of such categories of Permitted Liens, the Issuer shall, in its sole discretion, classify or reclassify such Lien (or any portion thereof) in any manner that complies with this definition.

“**Permitted Warrant**” means any call option on, warrant or right to purchase (or substantively equivalent derivative transaction) the Company’s Capital Stock sold by the Company, the Issuer or any Restricted Subsidiary substantially concurrently with any purchase by the Company, the Issuer or any Restricted Subsidiary of a related Permitted Bond Hedge.

“**Person**” means any individual, corporation, partnership, limited liability company, joint venture, incorporated or unincorporated association, joint stock company, trust, unincorporated organization or government or any agency or political subdivision thereof.

“**Pledge Agreement**” means the 1.25 Lien Pledge Agreement, dated as of the Issue Date, among the Issuer and the Guarantors, in favor of the Collateral Agent and the Joint First Lien Collateral Agent for the benefit of itself, the Trustee and the Holders, as amended, restated, supplemented or otherwise modified from time to time.

“**Preferred Stock**” of any Person means all Capital Stock of such Person which has a preference in liquidation or with respect to the payment of dividends.

“**Prepay**”, “**Prepaid**” and “**Prepayment**” have the meanings ascribed to them in Section 4.16 hereof.

“**Prepayment Indebtedness**” has the meaning ascribed to it in Section 4.16 hereof.

“**Property**” of any Person means all types of real, personal, tangible, intangible or mixed property owned by such Person, whether or not included in the most recent consolidated balance sheet of such Person and its Subsidiaries under GAAP.

“**purchase amount**” has the meaning ascribed to it in Section 3.5(b) hereof.

“**purchase date**” has the meaning ascribed to it in Section 3.5(b) hereof.

“**Purchase Money Indebtedness**” means Indebtedness of the Company, the Issuer or any Restricted Subsidiary incurred for the purpose of financing all or any part of the purchase price, or the cost of design, installation, construction, lease or improvement, of any property to be used in the business of the Company, the Issuer and the Restricted Subsidiaries; *provided, however*, that (a) the aggregate principal amount of such Indebtedness shall not exceed such purchase price or cost (including financing costs) and (b) such Indebtedness shall be incurred no later than 365 days after the acquisition of such property or completion of such design, installation, construction, lease or improvement.

“**Qualified Stock**” means Capital Stock of the Company other than Disqualified Stock.

“**Rating Agency**” means a statistical rating agency or agencies, as the case may be, nationally recognized in the United States and selected by the Company (as certified by a resolution of the Board of Directors of the Company) which shall be substituted for S&P or Moody’s, or both, as the case may be.

“**Real Estate Business**” means homebuilding, housing construction, real estate development or construction and the sale of homes and related real estate activities, including the provision of mortgage financing or title insurance.

“**Record Date**” for the interest payable on any Interest Payment Date means the March 15 or September 15 (whether or not a Business Day) immediately preceding such Interest Payment Date.

“**Refinancing Indebtedness**” means Indebtedness that refunds, refinances or extends any Indebtedness of the Company, the Issuer or any Restricted Subsidiary (excluding Non-Recourse Indebtedness or Permitted Indebtedness described under clauses (a)(ii), (b)(ii), (d), (e), (f), (h), (j), (l) and (o) through (t) of the definition thereof), but only to the extent that:

(a) the Refinancing Indebtedness is subordinated, if at all, to the Notes or the Guarantees, as the case may be, to the same extent as the Indebtedness being refunded, refinanced or extended;

(b) the Refinancing Indebtedness is scheduled to mature either (x) no earlier than the Indebtedness being refunded, refinanced or extended or (y) no earlier than 91 days after the maturity date of the Notes;

(c) the portion, if any, of the Refinancing Indebtedness that is scheduled to mature on or prior to the maturity date of the Notes has a Weighted Average Life to Maturity at the time such Refinancing Indebtedness is incurred that is equal to or greater than the Weighted Average Life to Maturity of the portion of the Indebtedness being refunded, refinanced or extended that is scheduled to mature on or prior to the maturity date of the Notes;

(d) such Refinancing Indebtedness is in an aggregate principal amount that is equal to or less than the aggregate principal amount then outstanding under the Indebtedness being refunded, refinanced or extended (plus all accrued interest thereon and the amount of any premiums (including tender premiums) and fees, costs and expenses incurred in connection with the refinancing thereof);

(e) such Refinancing Indebtedness, if secured, is (x) secured only by Permitted Liens at the time of such refinancing, refunding or extension (it being understood that secured Indebtedness may be refinanced with unsecured Indebtedness and unsecured Indebtedness may be refinanced with secured Indebtedness) and (y) to the extent the Indebtedness being refunded, refinanced or extended was not secured by any assets other than the Collateral, such Refinancing Indebtedness is not secured by any assets other than the Collateral; and

(f) such Refinancing Indebtedness may not be incurred or guaranteed by any Person that is not the Issuer or a Guarantor hereunder;

provided, that for purposes of determining the principal amount outstanding under clauses (a)(i), (b)(i), (g), (k), (n) and (u) of “Permitted Indebtedness” and clauses (i) and (qq) of “Permitted Liens”, the principal amount referred to in such clauses shall be calculated excluding any principal amount that was incurred in respect of amounts set forth in the parenthetical in clause (d) of this definition and such principal amount shall nonetheless be permitted under such clauses.

“**Refinancing Non-Recourse Indebtedness**” has the meaning ascribed to it in Section 4.6(b) hereof.

“**Register**” has the meaning ascribed to it in Section 2.9(a) hereof.

“**Registrar**” means a Person engaged to maintain the Register.

“**Regulation S**” means Regulation S under the Securities Act.

“**Regulation S Certificate**” means a certificate substantially in the form of Exhibit E hereto.

“**Regulation S Global Note**” means a Global Note representing Notes issued and sold pursuant to Regulation S.

“**Regulation S Temporary Global Note**” means a Regulation S Global Note that bears the Regulation S Temporary Global Note Legend.

“**Regulation S Temporary Global Note Legend**” means the legend set forth in Exhibit I.

“**Repurchase Date**” has the meaning ascribed to it in Section 4.12(a) hereof.

“**Reserved Indebtedness Amount**” has the meaning ascribed to it in Section 4.6(k) hereof.

“**Responsible Officer**,” when used with respect to the Trustee, means any officer in the corporate trust department of the Trustee with direct responsibility for the administration of the trust created by this Indenture.

“**Restricted Investment**” means any Investment other than a Permitted Investment.

“**Restricted Legend**” means the legend set forth in Exhibit C.

“**Restricted Payment**” means any of the following:

(a) the declaration or payment of any dividend or any other distribution on Capital Stock of the Company, the Issuer or any Restricted Subsidiary or any payment made to the direct or indirect holders (in their capacities as such) of Capital Stock of the Company, the Issuer or any Restricted Subsidiary (other than (i) dividends or distributions payable solely in Qualified Stock and (ii) in the case of the Issuer or Restricted Subsidiaries, dividends or distributions payable to the Company, the Issuer or a Restricted Subsidiary);

(b) the purchase, redemption or other acquisition or retirement for value of any Capital Stock of the Company, the Issuer or any Restricted Subsidiary (other than a payment made to the Company, the Issuer or any Restricted Subsidiary); and

(c) any Investment (other than any Permitted Investment), including any Investment in an Unrestricted Subsidiary (including by the designation of a Subsidiary of the Company as an Unrestricted Subsidiary).

“**Restricted Period**” means the relevant 40-day “distribution compliance period” as such term is defined in Regulation S, which, for each relevant Note, commences on the date such Note is issued.

“**Restricted Subsidiary**” means any Subsidiary of the Company which is not an Unrestricted Subsidiary.

“**Reversion Date**” has the meaning ascribed to it in Section 4.19(a) hereof.

“**Rule 144A**” means Rule 144A under the Securities Act.

“**Rule 144A Certificate**” means a certificate substantially in the form of Exhibit F hereto.

“**Rule 144A Global Note**” means a Global Note that bears the Restricted Legend representing Notes issued, transferred or exchanged pursuant to Rule 144A.

“**S&P**” means S&P Global Ratings, a division of S&P Global, Inc., and its successors.

“**Second Commitment**” has the meaning ascribed to it in Section 4.10(c) hereof.

“**Second Lien Indebtedness**” means all Indebtedness of the Company, the Issuer or any Restricted Subsidiary secured by Liens on the Collateral that are junior in priority to the Liens on the Collateral securing the New Secured Notes pursuant to the terms of the Junior Lien Intercreditor Agreement.

“**Second Lien Obligations**” means the Second Lien Indebtedness and all Obligations in respect thereof.

“**Secured Debt Leverage Ratio**” means, as of any date of determination, the ratio of (x) Consolidated Total Debt that is secured by a Lien (which shall include Non-Recourse Indebtedness regardless of whether such Non-Recourse Indebtedness is secured by a Lien) to (y) Consolidated Cash Flow Available for Fixed Charges for the Four Quarter Period for which financial results have been reported immediately preceding the determination date, with such pro forma adjustments to Consolidated Total Debt and Consolidated Cash Flow Available for Fixed Charges as are appropriate and consistent with the pro forma adjustment provisions set forth in the definition of “Consolidated Fixed Charge Coverage Ratio.”

“**Secured Indebtedness**” means any Indebtedness of the Company or any of its Restricted Subsidiaries secured by a Lien on the Collateral and subject to the Intercreditor Agreements.

“**Secured Obligations**” means all Secured Indebtedness and all Obligations in respect thereof.

“**Securities Act**” means the Securities Act of 1933, as amended.

“**Security Agreement**” means the 1.25 Lien Security Agreement, dated as of the Issue Date, among the Issuer and the Guarantors, in favor of the Collateral Agent and the Joint First Lien Collateral Agent for the benefit of itself, the Trustee and the Holders, as amended, restated, supplemented or otherwise modified from time to time.

“**Security Documents**” means (i) the Security Agreement, (ii) the Pledge Agreement (iii) the First Lien Intercreditor Agreement, (iv) the Collateral Agency Agreement, (v) the Junior Lien Intercreditor Agreement, (vi) the First Lien Joinder and (v) the security documents or any other agreement, document or instrument granting or perfecting a security interest in any assets of any Person to secure the Indebtedness and related Obligations under the Notes and the Guarantees or under which rights or remedies with respect to any such liens are governed, as each may be amended, restated, supplemented or otherwise modified from time to time.

“**self-liquidating paper**” has the meaning ascribed to it in Section 7.3(b) hereof.

“**Senior Credit Facility**” means the \$125,000,000 Credit Agreement, dated as of October 31, 2019, as amended by the First Amendment to the Credit Agreement dated as of November 27, 2019, the Second Amendment to the Credit Agreement dated as of August 19, 2022 and the Third Amendment to the Credit Agreement dated as of the Issue Date, among the Issuer, the Company, the other guarantors party thereto, and the lenders party thereto, as further amended, restated, supplemented, replaced, refinanced or otherwise modified from time to time hereafter, including any such amendment, restatement, supplement, replacement, refinancing or other modification that increases the amount permitted to be borrowed thereunder or alters the maturity thereof (to the extent such increase in borrowings is permitted under Section 4.6 hereof) or adds the Company, the Issuer or Subsidiaries as additional borrowers or guarantors thereunder and whether by the same or any other agent, lender or group of lenders; *provided* that any amendment, restatement, supplement, replacement, refinancing or other modification of a Senior Credit Facility must comply with the last proviso in the definition of “Specified Credit Facility”.

“**Senior Priority Lien Obligations**” means all Indebtedness secured by Liens on the Collateral that are senior in priority to the Liens on the Collateral securing the Notes pursuant to the terms of the First Lien Intercreditor Agreement or other intercreditor agreement that is substantially similar to such intercreditor agreement (regardless of any priority level among such Senior Priority Lien Obligations), including the Senior Credit Facility and the 1.125 Lien Notes.

“**Significant Subsidiary**” means any Subsidiary of the Company which would constitute a “**significant subsidiary**” as defined in Rule 1-02(w)(1) or (2) of Regulation S-X under the Securities Act and the Exchange Act as in effect on the Issue Date.

“**Specified Credit Facility**” means the Senior Credit Facility and, with respect to the Company, the Issuer or any of its Subsidiary Guarantors, one or more debt facilities (including, without limitation, commercial paper facilities (including indentures)) providing for revolving credit loans, term loans, letters of credit or other long-term indebtedness, including any notes, guarantees, instruments and agreements executed in connection therewith, and any amendments, supplements, modifications, extensions, renewals, restatements or refundings thereof and any indentures, credit facilities or commercial paper facilities that exchange, replace, refund, refinance, extend, renew, restate, amend, supplement or modify any part of the loans, notes, other credit facilities or commitments thereunder, including any such exchanged, replacement, refunding, refinancing, extended, renewed, restated, amended, supplemented or modified facility or indenture that increases the amount permitted to be borrowed thereunder or alters the maturity thereof (provided that such increase in borrowings is permitted under Section 4.6 hereof) or adds the Company, the Issuer or Subsidiary Guarantors as additional borrowers or guarantors thereunder and whether by the same or any other agent, trustee, lender, holder, beneficial owner or group of lenders, holder or beneficial owners; *provided, further*, that the amount of any payment made pursuant to prepayment penalty, make-whole or applicable premium of any kind shall be taken into account in determining the aggregate principal amount outstanding under any such Specified Credit Facility.

“**Specified Letter Agreement**” means that certain side letter, dated October 5, 2023, by and among the Issuer, the Company, Angelo, Gordon & Co., L.P., on behalf of its investment funds, separate accounts and/or other entities owned (in whole or in part), controlled, managed and/or advised by it, and Apollo Capital Management, L.P., on behalf of its investment funds, separate accounts and/or other entities owned (in whole or in part), controlled, managed and/or advised by it.

“**Specified Persons**” means (i) one or more investment funds, separate accounts and/or other entities owned (in whole or in part), controlled, managed and/or advised by Angelo, Gordon & Co., L.P. and (ii) one or more investment funds, separate accounts and/or other entities owned (in whole or in part), controlled, managed and/or advised by Apollo Capital Management, L.P., in each case, that are identified to the Company and the Issuer from time to time in accordance with the Specified Letter Agreement.

“**Subordinated Indebtedness**” means Indebtedness subordinated in right of payment to the Notes pursuant to a written agreement.

“**Subsidiary**” of any Person means any corporation or other entity of which a majority of the Capital Stock having ordinary voting power to elect a majority of the board of directors or other persons performing similar functions is at the time directly or indirectly owned or controlled by such Person.

“**Subsidiary Guarantor**” means any Subsidiary that is a Guarantor.

“**Successor**” has the meaning ascribed to it in Section 4.14(a) hereof.

“**Suspended Covenants**” has the meaning ascribed to it in Section 4.19(a) hereof.

“**Suspension Date**” has the meaning ascribed to it in Section 4.19(a) hereof.

“**Suspension Period**” has the meaning ascribed to it in Section 4.19(a) hereof.

“**Treasury Rate**” has the meaning ascribed to it in Section 3.1(a) hereof.

“**Trust Indenture Act**” or “**TIA**” means the Trust Indenture Act of 1939, as amended.

“**Trustee**” means the party named as such in the preamble of this Indenture until such time, if any, a successor replaces such party in accordance with the applicable provisions of this Indenture and thereafter means the successor serving hereunder.

“**U.S. Government Obligations**” means non-callable, non-payable bonds, notes, bills or other similar obligations issued or guaranteed by the United States government or any agency thereof the full and timely payment of which are backed by the full faith and credit of the United States and denominated and payable in U.S. dollars only.

“**Unentitled Land**” means land owned by the Issuer or a Guarantor which has not been granted preliminary approvals ((i) in New Jersey, as defined in the Municipal Land Use Law (N.J.S.A. 40:55D-1 et seq.) and (ii) for states other than New Jersey, a point in time equivalent thereto) for residential development.

“**Unrestricted Subsidiary**” means any Subsidiary of the Company so designated by a resolution adopted by the Board of Directors of the Company or a duly authorized committee thereof as provided below and *provided* that any such Subsidiary (including any JV Holding Company and any Permitted Joint Venture) so designated as an Unrestricted Subsidiary is used solely in the ordinary course of business consistent with past practice, including, without limitation, the provision of mortgage financing or title insurance and joint venture operations, and has no assets, liabilities or operations other than those reasonably related to such business purpose; *provided further*, that the holders of Indebtedness thereof do not have direct or indirect recourse against the Company, the Issuer or any Restricted Subsidiary, and neither the Company, the Issuer nor any Restricted Subsidiary otherwise has liability for, any payment obligations in respect of such Indebtedness (including any undertaking, agreement or instrument evidencing such Indebtedness), except, in each case, to the extent that the amount thereof constitutes a Restricted Payment or Permitted Investment permitted by this Indenture, in the case of Non-Recourse Indebtedness, to the extent such recourse or liability is for the matters discussed in the last sentence of the definition of “Non-Recourse Indebtedness,” or to the extent such Indebtedness is a guarantee by such Subsidiary of Indebtedness of the Company, the Issuer or a Restricted Subsidiary. As of the Issue Date, the Unrestricted Subsidiaries are the Subsidiaries of the Company named in Schedule B hereto.

Subject to the foregoing, the Board of Directors of the Company or a duly authorized committee thereof may designate any Subsidiary in addition to those named in Schedule B hereto to be an Unrestricted Subsidiary; *provided, however*, that (a) the net amount (the “**Designation Amount**”) then outstanding of all previous Investments by the Company and the Restricted Subsidiaries in such Subsidiary will be deemed to be a Restricted Payment at the time of such designation and will reduce the amount available for Restricted Payments under Section 4.7 hereof to the extent provided therein, (b) the Company must be permitted under Section 4.7 hereof or pursuant to the definition of “Permitted Investment” to make the Restricted Payment deemed to have been made pursuant to clause (a) of this paragraph, and (c) after giving effect to such designation, no Default or Event of Default shall have occurred or be continuing. In accordance with the foregoing, and not in limitation thereof, Investments made by any Person in any Subsidiary of such Person prior to such Person’s merger with the Company or any Restricted Subsidiary (but not in contemplation or anticipation of such merger) shall not be counted as an Investment by the Company or such Restricted Subsidiary if such Subsidiary of such Person is designated as an Unrestricted Subsidiary.

The Board of Directors of the Company or a duly authorized committee thereof may also redesignate an Unrestricted Subsidiary to be a Restricted Subsidiary; *provided, however*, that (a) the Indebtedness of such Unrestricted Subsidiary as of the date of such redesignation could then be incurred under Section 4.6 hereof and (b) immediately after giving effect to such redesignation and the incurrence of any such additional Indebtedness, (A) the Company and the Restricted Subsidiaries could incur \$1.00 of additional Indebtedness under Section 4.6(a) hereof or (B) the Consolidated Fixed Charge Coverage Ratio would be equal to or greater than the Consolidated Fixed Charge Coverage Ratio immediately prior to such redesignation. Any such designation or redesignation by the Board of Directors of the Company or a committee thereof will be evidenced to the Trustee by the filing with the Trustee of a certified copy of the resolution of the Board of Directors of the Company or a committee thereof giving effect to such designation or redesignation and an Officer's Certificate certifying that such designation or redesignation complied with the foregoing conditions and setting forth the underlying calculations of such Officer's Certificate. The designation of any Person as an Unrestricted Subsidiary shall be deemed to include a designation of all Subsidiaries of such Person as Unrestricted Subsidiaries; *provided, however*, that the ownership of the general partnership interest (or a similar member's interest in a limited liability company) by an Unrestricted Subsidiary shall not cause a Subsidiary of the Company of which more than 95% of the equity interest is held by the Company or one or more Restricted Subsidiaries to be deemed an Unrestricted Subsidiary.

"Weighted Average Life to Maturity" means, when applied to any Indebtedness or portion thereof at any date, the number of years obtained by dividing (a) the sum of the products obtained by multiplying (i) the amount of each then remaining installment, sinking fund, serial maturity or other required payment of principal, including, without limitation, payment at final maturity, in respect thereof, by (ii) the number of years (calculated to the nearest one-twelfth) that will elapse between such date and the making of such payment by (b) the sum of all such payments described in clause (a)(i) of this definition.

"\$" means U.S. dollars.

Section 1.2. *Rules of Construction.* Unless the context otherwise requires or except as otherwise expressly provided:

- (a) an accounting term not otherwise defined has the meaning assigned to it in accordance with GAAP;
- (b) " herein," "hereof" and other words of similar import refer to this Indenture as a whole and not to any particular Section, Article or other subdivision;
- (c) all references to Sections or Articles or Exhibits refer to Sections or Articles or Exhibits of or to this Indenture unless otherwise indicated;
- (d) references to agreements or instruments, or to statutes or regulations, are to such agreements or instruments, or statutes or regulations, as amended from time to time (or to successor statutes and regulations); and
- (e) in the event that a transaction meets the criteria of more than one category of permitted transactions or listed exceptions, the Issuer may classify such transaction as it, in its sole discretion, determines.

ARTICLE II THE NOTES

Section 2.1. *Form, Dating and Denominations; Legends.* (a) The Notes shall be issued in one series, designated as the "**11.75% Senior Secured 1.25 Lien Notes due 2029**". The Notes and the Trustee's certificate of authentication shall be substantially in the form attached as Exhibit A. The terms and provisions contained in the form of such Notes annexed as Exhibit A constitute and are hereby expressly made a part of this Indenture. The Notes may have notations, legends or endorsements required by this Indenture, law, rules of or agreements with national securities exchanges to which the Issuer is subject, or usage. Each Note shall be dated the date of its authentication. The Notes shall be issuable in denominations of \$2,000 in principal amount and any multiple of \$1,000 in excess thereof.

(b) (i) Except as otherwise provided in clause (c) of this Section 2.1, Section 2.9(b)(iv), Section 2.10(b)(iii), Section 2.10(b)(v), or Section 2.10(c), each Initial Note or Additional Note shall bear the Restricted Legend.

(ii) Each Global Note, whether or not an Initial Note or Additional Note, shall bear the DTC Legend.

(iii) Initial Notes and Additional Notes offered and sold in reliance on any exception under the Securities Act other than Regulation S and Rule 144A shall be issued, and upon the request of the Issuer to the Trustee, Initial Notes and Additional Notes offered and sold in reliance on Rule 144A may be issued, in the form of Certificated Notes.

(iv) Each Regulation S Temporary Global Note shall bear the Regulation S Temporary Global Note Legend.

(v) Initial Notes and Additional Notes offered and sold in reliance on Regulation S shall be issued as provided in Section 2.11(a).

(vi) If any Note is issued with original issue discount for United States federal income tax purposes, such Note shall bear the Original Issue Discount Legend.

(c) If the Issuer determines (upon the advice of counsel and after consideration of other certifications and evidence as the Issuer may reasonably require) that a Note is eligible for resale pursuant to Rule 144 under the Securities Act (or a successor provision) without being subject to any conditions as provided in such Rule and that the Restricted Legend is no longer necessary or appropriate in order to ensure that subsequent transfers of the Note (or a beneficial interest therein) are effected in compliance with the Securities Act, then, the Issuer may instruct the Trustee to cancel the Note and issue to the Holder thereof (or to its transferee) a new Note of like tenor and amount, registered in the name of the Holder thereof (or its transferee), that does not bear the Restricted Legend, and the Trustee shall comply with such instruction.

(d) By its acceptance of any Note bearing the Restricted Legend (or any beneficial interest in such a Note), each Holder thereof and each owner of a beneficial interest therein acknowledges the restrictions on transfer of such Note (and any such beneficial interest) set forth in this Indenture and in the Restricted Legend and agrees that it will transfer such Note (and any such beneficial interest) only in accordance with this Indenture and such legend.

Section 2.2. *Execution and Authentication; Additional Notes.* (a) An Officer shall execute the Notes for the Issuer by facsimile or manual signature in the name and on behalf of the Issuer. If an Officer whose signature is on a Note no longer holds that office at the time the Note is authenticated, the Note will still be valid.

(b) A Note shall not be valid until the Trustee manually signs the certificate of authentication on the Note, with the signature conclusive evidence that the Note has been authenticated under this Indenture.

(c) At any time and from time to time after the execution and delivery of this Indenture, the Issuer may deliver Notes executed by the Issuer to the Trustee for authentication. The Trustee shall authenticate and deliver:

(i) Initial Notes for original issue in the aggregate principal amount not to exceed \$430,000,000, and

(ii) Additional Notes from time to time for original issue in the aggregate principal amounts specified by the Issuer after the following conditions have been met:

(A) Receipt by the Trustee of an Officer's Certificate specifying:

- (1) the amount of Notes to be authenticated and the date on which the Notes are to be authenticated,
- (2) whether the Notes are to be Initial Notes or Additional Notes,
- (3) in the case of Additional Notes, that the issuance of such Notes does not contravene any provision of Article IV,
- (4) whether the Notes are to be issued as one or more Global Notes or Certificated Notes, and
- (5) other information the Issuer may determine to include or the Trustee may reasonably request.

(B) Receipt by the Trustee of an Officer's Certificate and an Opinion of Counsel specifying:

- (1) that the issuance of the Notes is authorized and permitted by the terms of this Indenture,
- (2) that the Notes constitute a legal, valid and binding obligation of the Issuer, enforceable against the Issuer in accordance with their terms (subject to customary exceptions), and
- (3) all conditions precedent provided for in this Indenture to the issuance of the Notes have been complied with.

Section 2.3. Registrar, Paying Agent and Authenticating Agent; Paying Agent to Hold Money in Trust. (a) The Issuer may appoint one or more Registrars and one or more Paying Agents, and the Trustee may appoint an Authenticating Agent, in which case, each reference in this Indenture to the Trustee in respect of the obligations of the Trustee to be performed by that Agent shall be deemed to be references to the Agent. The Issuer may act as Registrar or (except for purposes of Article VIII) Paying Agent. In each case, the Issuer and the Trustee shall enter into an appropriate agreement with the Agent implementing the provisions of this Indenture relating to the obligations of the Trustee to be performed by the Agent and the related rights.

(b) The Issuer shall require each Paying Agent other than the Trustee to agree in writing that the Paying Agent shall hold in trust for the benefit of the Holders or the Trustee all money held by the Paying Agent for the payment of principal of, premium, if any, and interest, if any, on, the Notes and shall promptly notify the Trustee of any default by the Issuer in making any such payment. The Issuer at any time may require a Paying Agent to pay all money held by it to the Trustee and account for any funds disbursed, and the Trustee may at any time during the continuance of any payment default, upon written request to a Paying Agent, require the Paying Agent to pay all money held by it to the Trustee and to account for any funds disbursed. Upon doing so, the Paying Agent shall have no further liability for the money so paid over to the Trustee.

(c) The Issuer initially appoints the Trustee as Registrar and Paying Agent with respect to the Notes.

Section 2.4. Replacement Notes. If a mutilated Note is surrendered to the Trustee or if a Holder claims that its Note has been lost, destroyed or wrongfully taken, the Issuer shall issue and the Trustee shall authenticate a replacement Note of like tenor and principal amount and bearing a number not contemporaneously outstanding. Every replacement Note is an additional obligation of the Issuer and entitled to the benefits of this Indenture. If required by the Trustee or the Issuer, an indemnity or security must be furnished that is sufficient in the judgment of both the Trustee and the Issuer to protect the Issuer and the Trustee from any loss they may suffer if a Note is replaced. The Issuer and the Trustee may charge the Holder for the expenses of the Issuer and the Trustee in replacing a Note. In case the mutilated, lost, destroyed or wrongfully taken Note has become or is about to become due and payable, the Issuer in its discretion may pay the Note instead of issuing a replacement Note.

Section 2.5. Outstanding Notes. (a) Notes outstanding at any time are all Notes that have been authenticated by the Trustee except for:

(i) Notes cancelled by the Trustee or delivered to it for cancellation;

(ii) any Note which has been replaced pursuant to Section 2.4 unless and until the Trustee and the Issuer receive proof satisfactory to them that the replaced Note is held by a protected purchaser; and

(iii) on or after the maturity date or any redemption date or date for purchase of the Notes pursuant to an Offer to Purchase, those Notes payable or to be redeemed or purchased on that date for which the Trustee (or Paying Agent, other than the Issuer or an Affiliate of the Issuer) holds money sufficient to pay all amounts then due.

(b) A Note does not cease to be outstanding because the Issuer or one of its Affiliates holds the Note; *provided*, that in determining whether the Holders of the requisite principal amount of the outstanding Notes have given or taken any request, demand, authorization, direction, notice, consent, waiver or other action hereunder, Notes owned by the Issuer or any Affiliate of the Issuer shall be disregarded and deemed not to be outstanding (it being understood that in determining whether the Trustee is protected in relying upon any such request, demand, authorization, direction, notice, consent, waiver or other action, only Notes which a Responsible Officer of the Trustee has been notified in writing to be so owned shall be so disregarded). Notes so owned which have been pledged in good faith may be regarded as outstanding if the pledgee establishes to the satisfaction of the Trustee the pledgee's right so to act with respect to such Notes and that the pledgee is not the Issuer or any Affiliate of the Issuer.

Section 2.6. Temporary Notes. Until definitive Notes are ready for delivery, the Issuer may prepare and the Trustee shall authenticate temporary Notes. Temporary Notes shall be substantially in the form of definitive Notes but may have insertions, substitutions, omissions and other variations determined to be appropriate by the Officer of the Issuer executing the temporary Notes, as evidenced by the execution of the temporary Notes. If temporary Notes are issued, the Issuer shall cause definitive Notes to be prepared without unreasonable delay. After the preparation of definitive Notes, the temporary Notes shall be exchangeable for definitive Notes upon surrender of the temporary Notes at the office or agency of the Issuer designated for the purpose pursuant to Section 4.2 without charge to the Holder. Upon surrender for cancellation of any temporary Notes, the Issuer shall execute and the Trustee shall authenticate and deliver in exchange therefor a like principal amount of definitive Notes of authorized denominations. Until so exchanged, the temporary Notes shall be entitled to the same benefits under this Indenture as definitive Notes.

Section 2.7. Cancellation. The Issuer at any time may deliver to the Trustee for cancellation any Notes previously authenticated and delivered hereunder which the Issuer may have acquired in any manner whatsoever, and may deliver to the Trustee for cancellation any Notes previously authenticated hereunder which the Issuer has not issued and sold. Any Registrar or the Paying Agent shall forward to the Trustee any Notes surrendered to it for transfer, exchange or payment. The Trustee shall cancel all Notes surrendered for transfer, exchange, payment or cancellation and dispose of them in accordance with its normal procedures or the written instructions of the Issuer. The Issuer may not issue new Notes to replace Notes that it has paid in full or delivered to the Trustee for cancellation.

Section 2.8. CUSIP and ISIN Numbers. The Issuer in issuing the Notes may use “CUSIP” and “ISIN” numbers, and if the Issuer uses CUSIP and ISIN numbers, the Trustee shall use CUSIP numbers or ISIN numbers in notices of redemption or exchange or in Offers to Purchase as a convenience to Holders, the notice to state that no representation is made as to the correctness of such numbers either as printed on the Notes or as contained in any notice of redemption or exchange or Offer to Purchase. The Issuer shall promptly notify the Trustee in writing of any change in any CUSIP or ISIN numbers. Any Additional Notes that are not fungible with the Initial Notes for United States federal income tax purposes shall be issued with CUSIP and ISIN numbers different from the CUSIP and ISIN numbers assigned to the Initial Notes.

Section 2.9. Registration, Transfer and Exchange. (a) The Notes shall be issued in registered form only, without coupons, and the Issuer shall cause the Registrar to maintain a register (the “**Register**”) of the Notes, for registering the record ownership of the Notes by the Holders and transfers and exchanges of the Notes.

(b) (i) Each Global Note shall be registered in the name of the Depositary or its nominee and, so long as DTC is serving as the Depositary thereof, shall bear the DTC Legend.

(ii) Each Global Note shall be delivered to the Trustee as custodian for the Depositary. Transfers of a Global Note (but not a beneficial interest therein) shall be limited to transfers thereof in whole, but not in part, to the Depositary, its successors or their respective nominees, except (A) as set forth in Section 2.9(b)(iv) and (B) transfers of portions thereof in the form of Certificated Notes may be made upon request of an Agent Member (for itself or on behalf of a beneficial owner) by 20 days’ prior written notice given to the Trustee by or on behalf of the Depositary in accordance with customary procedures of the Depositary and in compliance with this Section and Section 2.10.

(iii) Agent Members shall have no rights under this Indenture with respect to any Global Note held on their behalf by the Depositary, and the Depositary may be treated by the Issuer, the Trustee and any agent of the Issuer or the Trustee as the absolute owner and Holder of such Global Note for all purposes whatsoever. Notwithstanding the foregoing, the Depositary or its nominee may grant proxies and otherwise authorize any Person (including any Agent Member and any Person that holds a beneficial interest in a Global Note through an Agent Member) to take any action which a Holder is entitled to take under this Indenture or the Notes, and nothing herein shall impair, as between the Depositary and its Agent Members, the operation of customary practices governing the exercise of the rights of a holder of any security. None of the Issuer, the Trustee, any Paying Agent or the Registrar will have any responsibility or liability for any aspect of the records relating to or payments made on account of beneficial ownership interests of a Note in global form or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests. The Trustee may rely and shall be fully protected in relying upon information furnished by the Depositary with respect to its members, participants and any beneficial owners.

(iv) If (x) the Depository (i) notifies the Issuer that it is unwilling or unable to continue as Depository for a Global Note and a successor depository is not appointed by the Issuer within 90 days of the notice or (ii) has ceased to be a clearing agency registered under the Exchange Act, (y) the Issuer, at its option, notifies the Trustee in writing that it elects to cause the issuance of Certificated Notes or (z) the Depository directs the Trustee in writing to do so following the occurrence and during the continuation of an Event of Default with respect to the Notes, the Trustee shall promptly exchange each beneficial interest in the Global Note for one or more Certificated Notes in authorized denominations having an equal aggregate principal amount registered in the name of the owner of such beneficial interest, as identified to the Trustee by the Depository, and thereupon the Global Note shall be deemed canceled. If such Note does not bear the Restricted Legend, then the Certificated Notes issued in exchange therefor shall not bear the Restricted Legend. If such Note bears the Restricted Legend, then the Certificated Notes issued in exchange therefor shall bear the Restricted Legend; *provided*, that any Holder of any such Certificated Note issued in exchange for a beneficial interest in a Regulation S Temporary Global Note will have the right upon presentation to the Trustee of a duly completed Certificate of Beneficial Ownership after the Restricted Period to exchange such Certificated Note for a Certificated Note of like tenor and amount that does not bear the Restricted Legend, registered in the name of such Holder.

(c) Each Certificated Note shall be registered in the name of the holder thereof or its nominee.

(d) A Holder may transfer a Note (or a beneficial interest therein) to another Person or exchange a Note (or a beneficial interest therein) for another Note or Notes of any authorized denomination by presenting to the Trustee a written request therefor stating the name of the proposed transferee or requesting such an exchange, accompanied by any certification, opinion or other document required by Section 2.10. The Trustee shall promptly register any transfer or exchange that meets the requirements of this Section and Section 2.10 noting the same in the register maintained by the Trustee for the purpose; *provided*, that

(i) no transfer or exchange shall be effective until it is registered in such register, and

(ii) the Trustee shall not be required (x) to issue or register the transfer of or exchange any Note for a period of 15 days before a selection of Notes to be redeemed or purchased pursuant to an Offer to Purchase, (y) to register the transfer of or exchange any Note so selected for redemption or purchase in whole or in part, except, in the case of a partial redemption or purchase, that portion of any Note not being redeemed or purchased, or (z) if a redemption or a purchase pursuant to an Offer to Purchase or a transfer is to occur after a Record Date but on or before the corresponding Interest Payment Date, to register the transfer of or exchange any Note on or after the Record Date and before the date of redemption or purchase. Prior to the registration of any transfer, the Issuer, the Trustee and their agents shall treat the Person in whose name the Note is registered as the owner and Holder thereof for all purposes (whether or not the Note is overdue), and shall not be affected by notice to the contrary.

From time to time the Issuer shall execute and the Trustee shall authenticate additional Notes as necessary in order to permit the registration of a transfer or exchange in accordance with this Section.

No service charge shall be imposed in connection with any transfer or exchange of any Note, but the Issuer or the Trustee may require payment of a sum sufficient to cover any transfer tax or similar governmental charge payable in connection therewith (other than a transfer tax or other similar governmental charge payable upon exchange pursuant to subsection (b)(iv)).

(e) (i) *Global Note to Global Note*. If a beneficial interest in a Global Note is transferred or exchanged for a beneficial interest in another Global Note, the Trustee shall (x) record a decrease in the principal amount of the Global Note being transferred or exchanged equal to the principal amount of such transfer or exchange and (y) record a like increase in the principal amount of the other Global Note. Any beneficial interest in one Global Note that is transferred to a Person who takes delivery in the form of an interest in another Global Note, or exchanged for an interest in another Global Note, shall, upon transfer or exchange, cease to be an interest in such Global Note and become an interest in the other Global Note and, accordingly, shall thereafter be subject to all transfer and exchange restrictions, if any, and other procedures applicable to beneficial interests in such other Global Note for as long as it remains such an interest.

(ii) *Global Note to Certificated Note*. If a beneficial interest in a Global Note is transferred or exchanged for a Certificated Note, the Trustee shall (x) record a decrease in the principal amount of such Global Note equal to the principal amount of such transfer or exchange and (y) deliver one or more new Certificated Notes in authorized denominations having an equal aggregate principal amount to the transferee (in the case of a transfer) or the owner of such beneficial interest (in the case of an exchange), registered in the name of such transferee or owner, as applicable.

(iii) *Certificated Note to Global Note.* If a Certificated Note is transferred or exchanged for a beneficial interest in a Global Note, the Trustee shall (x) cancel such Certificated Note, (y) record an increase in the principal amount of such Global Note equal to the principal amount of such transfer or exchange and (z) in the event that such transfer or exchange involves less than the entire principal amount of the canceled Certificated Note, deliver to the Holder thereof one or more new Certificated Notes in authorized denominations having an aggregate principal amount equal to the untransferred or unexchanged portion of the canceled Certificated Note, registered in the name of the Holder thereof.

(iv) *Certificated Note to Certificated Note.* If a Certificated Note is transferred or exchanged for another Certificated Note, the Trustee shall (x) cancel the Certificated Note being transferred or exchanged, (y) deliver one or more new Certificated Notes in authorized denominations having an aggregate principal amount equal to the principal amount of such transfer or exchange to the transferee (in the case of a transfer) or the Holder of the canceled Certificated Note (in the case of an exchange), registered in the name of such transferee or Holder, as applicable, and (z) if such transfer or exchange involves less than the entire principal amount of the canceled Certificated Note, deliver to the Holder thereof one or more Certificated Notes in authorized denominations having an aggregate principal amount equal to the untransferred or unexchanged portion of the canceled Certificated Note, registered in the name of the Holder thereof.

Section 2.10. *Restrictions on Transfer and Exchange.* (a) The transfer or exchange of any Note (or a beneficial interest therein) may only be made in accordance with this Section and Section 2.9 and, in the case of a Global Note (or a beneficial interest therein), the applicable rules and procedures of the Depository. The Trustee shall refuse to register any requested transfer or exchange that does not comply with the preceding sentence.

(b) Subject to paragraph (c) of this Section, the transfer or exchange of any Note (or a beneficial interest therein) of the type set forth in column A below for a Note (or a beneficial interest therein) of the type set forth opposite in column B below may only be made in compliance with the certification requirements (if any) described in the clause of this paragraph set forth opposite in column C below.

A	B	C
Rule 144A Global Note	Rule 144A Global Note	(i)
Rule 144A Global Note	Regulation S Global Note	(ii)
Rule 144A Global Note	Certificated Note	(iii)
Regulation S Global Note	Rule 144A Global Note	(iv)
Regulation S Global Note	Regulation S Global Note	(i)
Regulation S Global Note	Certificated Note	(v)
Certificated Note	Rule 144A Global Note	(iv)
Certificated Note	Regulation S Global Note	(ii)
Certificated Note	Certificated Note	(iii)

(i) No certification is required.

(ii) The Person requesting the transfer or exchange must deliver or cause to be delivered to the Trustee a duly completed Regulation S Certificate; *provided*, that if the requested transfer or exchange is made by the Holder of a Certificated Note that does not bear the Restricted Legend, then no certification is required.

(iii) The Person requesting the transfer or exchange must deliver or cause to be delivered to the Trustee (x) a duly completed Rule 144A Certificate, (y) a duly completed Regulation S Certificate or (z) a duly completed Institutional Accredited Investor Certificate, and/or an opinion of counsel and such other certifications and evidence as the Issuer or the Trustee may reasonably require in order to determine that the proposed transfer or exchange is being made in compliance with the Securities Act and any applicable securities laws of any state of the United States; *provided*, that if the requested transfer or exchange is made by the Holder of a Certificated Note that does not bear the Restricted Legend, then no certification is required. In the event that a Rule 144A Global Note or a Certificated Note that does not bear the Restricted Legend is surrendered for transfer or exchange, upon transfer or exchange the Trustee shall deliver a Certificated Note that does not bear the Restricted Legend.

(iv) The Person requesting the transfer or exchange must deliver or cause to be delivered to the Trustee a duly completed Rule 144A Certificate and must comply with all applicable securities laws of any state of the United States or any other jurisdiction.

(v) If the requested transfer involves a beneficial interest in a Regulation S Temporary Global Note, the Person requesting the registration of transfer must deliver or cause to be delivered to the Trustee (x) a duly completed Rule 144A Certificate or (y) a duly completed Institutional Accredited Investor Certificate and/or an opinion of counsel and such other certifications and evidence as the Issuer or the Trustee may reasonably require in order to determine that the proposed transfer is being made in compliance with the Securities Act and any applicable securities laws of any state of the United States. If the requested transfer or exchange involves a beneficial interest in a Permanent Regulation S Global Note, no certification is required and the Trustee will deliver a Certificated Note that does not bear the Restricted Legend. Notwithstanding anything to the contrary contained herein, no such exchange is permitted if the requested exchange involves a beneficial interest in a Regulation S Temporary Global Note.

(c) No certification is required in connection with any transfer or exchange of any Note (or a beneficial interest therein) after such Note is eligible for resale pursuant to Rule 144 under the Securities Act (or a successor provision) without being subject to any conditions as provided in such Rule; *provided*, that the Issuer has provided the Trustee with an Officer's Certificate to that effect, and the Issuer or the Trustee may require from any Person requesting a transfer or exchange in reliance upon this clause an opinion of counsel and any other reasonable certifications and evidence in order to support such certificate.

Any Certificated Note delivered in reliance upon this paragraph shall not bear the Restricted Legend.

(d) The Trustee shall retain copies of all certificates, opinions and other documents received in connection with the registration of transfer or exchange of a Note (or a beneficial interest therein), and the Issuer shall have the right to inspect and make copies thereof at any reasonable time upon written notice to the Trustee. Neither the Company nor the Trustee shall have an obligation or duty to monitor, determine or inquire as to compliance with any restrictions on transfer imposed under this Indenture or under applicable law with respect to any transfer of any interest in any Note (including any transfers between or among Depository participants, members or beneficial owners in any Global Note) other than to require delivery of such certificates and other documentation or evidence as are expressly required by the terms of this Indenture and to examine the same to determine compliance as to form with the express requirements hereof.

Section 2.11. Regulation S Temporary Global Notes. (a) Each Initial Note and Additional Note originally sold in reliance upon Regulation S will be evidenced by one or more Regulation S Global Notes that bear the Regulation S Temporary Global Note Legend.

(b) An owner of a beneficial interest in a Regulation S Temporary Global Note (or a Person acting on behalf of such an owner) may provide to the Trustee (and the Trustee will accept) a duly completed Certificate of Beneficial Ownership at any time after the Restricted Period (it being understood that the Trustee will not accept any such certificate during the Restricted Period). Promptly after acceptance of a Certificate of Beneficial Ownership with respect to such a beneficial interest, upon the Issuer's order, the Trustee will cause such beneficial interest to be exchanged for an equivalent beneficial interest in a Permanent Regulation S Global Note, and will (x) permanently reduce the principal amount of such Regulation S Temporary Global Note by the amount of such beneficial interest and (y) increase the principal amount of such Permanent Regulation S Global Note by the amount of such beneficial interest.

(c) Notwithstanding anything to the contrary contained herein, beneficial interests in a Regulation S Temporary Global Note may be held through the Depository only through Euroclear or Clearstream and their respective direct and indirect participants.

ARTICLE III
REDEMPTION; OFFER TO PURCHASE

Section 3.1. Optional Redemption. (a) The Issuer may, at its option, redeem the Notes, in whole, at any time, or in part, from time to time, prior to March 30, 2026, at a redemption price equal to the sum of:

(i) 100% of the principal amount thereof, plus accrued and unpaid interest thereon to, but excluding, the redemption date, if any (subject to the right of Holders of record on the relevant Record Date to receive interest on the relevant Interest Payment Date); *plus*

(ii) the Make-Whole Amount.

The term “**Make-Whole Amount**” shall mean, in connection with any optional redemption of any Note, the greater of:

(i) the excess, if any, of (x) the present value at such redemption date of (A) the redemption price of the Note at March 30, 2026 (such redemption price being set forth in the table appearing in Section 3.1(b) hereof) plus (B) all required interest payments due on the Note through March 30, 2026 (excluding accrued but unpaid interest), computed using a discount rate equal to the Treasury Rate as of such redemption date plus 50 basis points *over* (y) the principal amount of the Note being redeemed; and

(ii) 1.0% of the principal amount of the Note being redeemed.

In no case shall the Trustee be responsible for calculating, verifying or determining the Make-Whole Amount.

“**Treasury Rate**” means, in connection with the calculation of any Make-Whole Amount with respect to any Note, as calculated by the Company, the yield to maturity at the time of computation of United States Treasury securities with a constant maturity, as compiled by and published in the most recent Federal Reserve Statistical Release H.15 (519) that has become publicly available at least two Business Days prior to the redemption date (or, if such Statistical Release is no longer published, any publicly available source or similar market data), most nearly equal to the period from the redemption date to March 30, 2026; *provided, however*, that if the period from the redemption date to March 30, 2026 is not equal to the constant maturity of a United States Treasury security for which a weekly average yield is given, the Treasury Rate shall be obtained by linear interpolation (calculated to the nearest one-twelfth of a year) from the weekly average yields of United States Treasury securities for which such yields are given, except that if the period from the redemption date to March 30, 2026 is less than one year, the weekly average yield on actually traded United States Treasury securities adjusted to a constant maturity of one year will be used.

(b) At any time and from time to time on or after March 30, 2026, the Issuer may redeem the Notes, in whole or in part, at a redemption price equal to the percentage of the principal amount set forth below for the period during which the redemption date falls plus accrued and unpaid interest thereon, if any, to, but excluding, the applicable redemption date (subject to the right of Holders of record on the relevant Record Date to receive interest on the relevant Interest Payment Date).

Period Commencing	Percentage
March 30, 2026	105.8750%
September 30, 2027	102.9375%
September 30, 2028 and thereafter	100.0000%

(c) If Holders of not less than 90% in aggregate principal amount of the outstanding Notes validly tender and do not validly withdraw such Notes in an Offer to Purchase in connection with a Change of Control (a “**Change of Control Offer**”) and the Issuer, or any third party making a Change of Control Offer in lieu of the Issuer as permitted by Section 4.12 hereof, purchases of all of the Notes validly tendered and not validly withdrawn by such Holders, the Issuer or such third party shall have the right, upon not less than 10 nor more than 60 days’ prior notice to the Holders (with a copy to the Trustee), given not more than 30 days following such purchase pursuant to the Change of Control Offer described in Section 4.12 hereof, to redeem all Notes that remain outstanding following such purchase at a redemption price in cash equal to 101% of the principal amount thereof plus accrued and unpaid interest, if any, to, but not including, the date of redemption.

Section 3.2. *Redemption with Proceeds of Equity Offering.* At any time and from time to time prior to March 30, 2026, the Issuer may redeem the Notes with the net cash proceeds received by the Issuer from any Equity Offering at a redemption price equal to 111.750% of the principal amount plus accrued and unpaid interest, if any, to, but excluding, the applicable redemption date (subject to the right of Holders of record on the relevant Record Date to receive interest on the relevant Interest Payment Date), in an aggregate principal amount for all such redemptions not to exceed 35% of the original aggregate principal amount of the Notes (including Additional Notes), *provided that*:

- (i) in each case the redemption takes place not later than 60 days after the closing of the related Equity Offering, and
- (ii) not less than 65% of the original aggregate principal amount of the Notes (including Additional Notes) remains outstanding immediately thereafter.

Section 3.3. *Sinking Fund; Mandatory Redemption.* There is no sinking fund for, or mandatory redemption of, the Notes.

Section 3.4. *Method and Effect of Redemption.* (a) If the Issuer elects to redeem Notes, it must notify the Trustee of the redemption date and the principal amount of Notes to be redeemed by delivering an Officer’s Certificate at least five days before the redemption date (unless a shorter period is satisfactory to the Trustee). If fewer than all of the Notes are being redeemed, the Notes to be redeemed shall be selected by the Trustee by lot, pro rata or such other method as the Trustee deems fair and appropriate in consultation with the Issuer, subject to applicable procedures of DTC (in the case of Global Notes) and compliance with the rules of any securities exchange on which the Notes may be listed. Notes shall be redeemed in denominations of \$2,000 principal amount or any multiple of \$1,000 in excess thereof. The Trustee will notify the Issuer promptly of the Notes or portions of Notes to be called for redemption. Notice of redemption must be delivered electronically or mailed by first-class mail, postage prepaid, by the Issuer or, at the Issuer’s request, by the Trustee in the name and at the expense of the Issuer to Holders whose Notes are to be redeemed at least 10 days but not more than 60 days before the redemption date at such Holder’s registered address or otherwise in accordance with the applicable procedures of DTC (in the case of Global Notes), except that redemption notices may be mailed more than 60 days prior to a redemption date if the notice is issued in connection with a defeasance of such Notes or a satisfaction and discharge of the Indenture. Notices of any redemption may be given prior to the completion thereof, and may, at the Issuer’s discretion, be subject to one or more conditions precedent, including, but not limited to, completion of an Equity Offering, another offering or another transaction or event.

- (b) The notice of redemption shall identify the Notes to be redeemed and shall include or state the following:
 - (i) the redemption date;

(ii) the redemption price, including the portion thereof representing any accrued interest, if any;

(iii) the place or places where Notes are to be surrendered for redemption (Notes called for redemption must be so surrendered in order to collect the redemption price);

(iv) that on the redemption date, the redemption price shall become due and payable on Notes called for redemption, and interest on Notes called for redemption shall cease to accrue on and after the redemption date;

(v) that if any Note is redeemed in part, the portion of the principal amount thereof to be redeemed, and that on and after the redemption date, upon surrender of such Note, new Notes equal in principal amount to the unredeemed portion shall be issued;

(vi) if any Note contains a CUSIP or ISIN number, no representation is being made as to the correctness of the CUSIP or ISIN number either as printed on the Notes or as contained in the notice of redemption and that the Holder should rely only on the other identification numbers printed on the Notes; and

(vii) if such redemption is subject to satisfaction of one or more conditions precedent, such notice shall describe each such condition, and if applicable, shall state that, in the Issuer's discretion, the redemption date may be delayed until such time as any or all such conditions shall be satisfied, or such redemption may not occur and such notice may be rescinded in the event that any or all such conditions shall not have been satisfied by the redemption date, or by the redemption date as so delayed.

(c) Once notice of redemption is sent to the Holders, Notes called for redemption become due and payable at the redemption price on the redemption date (subject to any conditions specified in such notice), and upon surrender of the Notes called for redemption, the Issuer shall redeem such Notes at the redemption price. Commencing on the redemption date, Notes redeemed shall cease to accrue interest. Upon surrender of any Note redeemed in part, the Holder shall receive a new Note equal in principal amount to the unredeemed portion of the surrendered Note.

(d) The Company and its Affiliates may acquire Notes by means other than a redemption, whether by tender offer, open market purchases, negotiated transactions or otherwise, in accordance with applicable securities laws, so long as such acquisition does not otherwise violate the terms of this Indenture.

Section 3.5. *Offer to Purchase.* (a) An "**Offer to Purchase**" means an offer by the Issuer to purchase Notes as required by this Indenture. An Offer to Purchase must be made by written offer (the "**offer**") sent to the Holders. The Issuer shall notify the Trustee at least five days (or such shorter period as is acceptable to the Trustee) prior to sending the offer to Holders of its obligation to make an Offer to Purchase, and the offer shall be sent by the Issuer or, at the Issuer's request, by the Trustee in the name and at the expense of the Issuer.

(b) The offer must include or state the following as to the terms of the Offer to Purchase:

(i) the provision of this Indenture pursuant to which the Offer to Purchase is being made;

(ii) the aggregate principal amount of the outstanding Notes offered to be purchased by the Issuer pursuant to the Offer to Purchase (including, if less than 100%, the manner by which such amount has been determined pursuant to this Indenture) (the "**purchase amount**");

(iii) the purchase price, including the portion thereof representing accrued interest, if any;

(iv) an expiration date (the “**expiration date**”) not less than 30 days or more than 60 days after the date of the offer, and a settlement date for purchase (the “**purchase date**”) not more than five Business Days after the expiration date;

(v) information concerning the business of the Company, the Issuer and its Subsidiaries which the Issuer in good faith believes will enable the Holders to make an informed decision with respect to the Offer to Purchase;

(vi) a Holder may tender all or any portion of its Notes, subject to the requirement that any portion of a Note tendered must be in denominations of \$2,000 principal amount and any multiple of \$1,000 in excess thereof;

(vii) the place or places where Notes are to be surrendered for tender pursuant to the Offer to Purchase;

(viii) each Holder electing to tender a Note pursuant to the offer shall be required to surrender such Note at the place or places specified in the offer prior to the close of business on the expiration date (such Note being, if the Issuer or the Trustee so requires, duly endorsed or accompanied by a duly executed written instrument of transfer);

(ix) interest on any Note not tendered, or tendered but not purchased by the Issuer pursuant to the Offer to Purchase, shall continue to accrue;

(x) on the purchase date the purchase price shall become due and payable on each Note accepted for purchase, and interest on Notes purchased shall cease to accrue on and after the purchase date;

(xi) Holders are entitled to withdraw Notes tendered by giving notice, which must be received by the Issuer or the Trustee not later than the close of business on the expiration date, setting forth the name of the Holder, the principal amount of the tendered Notes, the certificate number of the tendered Notes and a statement that the Holder is withdrawing all or a portion of the tender;

(xii) (A) if Notes in an aggregate principal amount less than or equal to the purchase amount are duly tendered and not withdrawn pursuant to the Offer to Purchase, the Issuer shall purchase all such Notes, and (B) if the Offer to Purchase is for less than all of the outstanding Notes, and Notes in an aggregate principal amount in excess of the purchase amount are tendered and not withdrawn pursuant to the offer, the Issuer shall purchase Notes having an aggregate principal amount equal to the purchase amount on a *pro rata* basis, with adjustments so that only Notes in denominations of \$2,000 principal amount and any multiples of \$1,000 in excess thereof;

(xiii) if any Note is purchased in part, new Notes equal in principal amount to the unpurchased portion of the Note shall be issued; and

(xiv) if any Note contains a CUSIP or ISIN number, no representation is being made as to the correctness of the CUSIP or ISIN number either as printed on the Notes or as contained in the offer and that the Holder should rely only on the other identification numbers printed on the Notes.

(c) Prior to the purchase date, the Issuer shall accept tendered Notes for purchase as required by the Offer to Purchase and deliver to the Trustee all Notes so accepted together with an Officer’s Certificate specifying which Notes have been accepted for purchase. On the purchase date, the purchase price shall become due and payable on each Note accepted for purchase, and interest on Notes purchased shall cease to accrue on and after the purchase date. The Trustee shall promptly return to Holders any Notes not accepted for purchase and send to Holders new Notes equal in principal amount to any unpurchased portion of any Notes accepted for purchase in part.

(d) The Issuer shall comply with Rule 14e-1 under the Exchange Act and all other applicable laws in making any Offer to Purchase, and the above procedures shall be deemed modified as necessary to permit such compliance.

ARTICLE IV COVENANTS

Section 4.1. Payment of Notes. (a) The Issuer agrees to pay the principal of, premium, if any, and interest on the Notes on the dates and in the manner provided in the Notes and this Indenture. Not later than 9:00 A.M. (New York City time) on the due date of any principal of, premium, if any, or interest on, any Notes, or any redemption or purchase price of the Notes, the Issuer shall deposit with the Trustee (or Paying Agent) money in immediately available funds in U.S. dollars sufficient to pay such amounts; *provided*, that if the Issuer or any Affiliate of the Issuer is acting as Paying Agent, it shall, on or before each due date, segregate and hold in a separate trust fund for the benefit of the Holders a sum of money sufficient to pay such amounts until paid to such Holders or otherwise disposed of as provided in this Indenture. In each case, the Issuer shall promptly notify the Trustee of its compliance with this paragraph.

(b) An installment of principal, premium, if any, or interest shall be considered paid on the date due if the Trustee (or Paying Agent, other than the Issuer or any Affiliate of the Issuer) holds on that date money designated for and sufficient to pay the installment. If the Issuer or any Affiliate of the Issuer acts as Paying Agent, an installment of principal, premium, if any, or interest shall be considered paid on the due date only if paid to the Holders.

(c) The Issuer agrees to pay interest on overdue principal, and, to the extent lawful, overdue installments of interest, if any, at the rate per annum specified in the Notes.

(d) Payments in respect of the Notes represented by the Global Notes are to be made by wire transfer of immediately available funds to the accounts specified to the Trustee in writing (at least five Business Days prior to the applicable payment date) by the Holders of the Global Notes. With respect to Certificated Notes, the Issuer shall make all payments by wire transfer of immediately available funds to the accounts specified to the Trustee in writing (at least five Business Days prior to the applicable payment date) by the Holders thereof or, if no such account is specified, by mailing a check to each Holder's registered address.

Section 4.2. Maintenance of Office or Agency. The Company and the Issuer shall maintain an office or agency where Notes may be surrendered for registration of transfer or exchange or for presentation for payment and where notices and demands to or upon the Company and the Issuer in respect of the Notes and this Indenture may be served. The Issuer and the Company hereby initially designate the Corporate Trust Office of the Trustee as such office of the Issuer and the Company. The Issuer shall give prompt written notice to the Trustee of the location, and any change in the location, of such office or agency. If at any time the Issuer and the Company fail to maintain any such required office or agency or fail to furnish the Trustee with the address thereof, such presentations, surrenders, notices and demands may be made or served to the Trustee.

The Issuer may also from time to time designate one or more other offices or agencies where the Notes may be surrendered or presented for any of such purposes and may from time to time rescind such designations. The Issuer shall give prompt written notice to the Trustee of any such designation or rescission and of any change in the location of any such other office or agency.

Section 4.3. Existence. The Company and the Issuer shall each do or cause to be done all things necessary to preserve and keep in full force and effect their existence and the existence of each of the Restricted Subsidiaries in accordance with their respective organizational documents, and the material rights, licenses and franchises of the Company, the Issuer and each Restricted Subsidiary; *provided*, that the Company and the Issuer are not required to preserve any such right, license or franchise, or the existence of any Restricted Subsidiary, if the maintenance or preservation thereof is no longer desirable in the conduct of the business of the Company and its Restricted Subsidiaries taken as a whole; and *provided, further*, that this Section shall not prohibit any transaction otherwise permitted by Section 4.10 or Section 4.14.

Section 4.4. Payment of Taxes. The Company shall pay or discharge, and cause each of its Subsidiaries to pay or discharge, before the same become delinquent all material taxes, assessments and governmental charges levied or imposed upon the Company or any Subsidiary or its income or profits or property, other than any such tax, assessment or charge the amount, applicability or validity of which is being contested in good faith by appropriate proceedings.

Section 4.5. [Reserved].

Section 4.6. Limitations on Indebtedness. (a) The Company and the Issuer will not, and will not cause or permit any Restricted Subsidiary to, directly or indirectly, create, incur, assume, become liable for or guarantee the payment of (collectively, an “**incurrence**”) any Indebtedness (including Acquired Indebtedness); *provided* that the Company, the Issuer and any Guarantor may incur any Indebtedness (including Acquired Indebtedness) if, after giving effect thereto and the application of the proceeds therefrom, the Consolidated Fixed Charge Coverage Ratio on the date thereof would be at least 2.0 to 1.0.

(b) Notwithstanding the foregoing, the provisions of this Indenture will not prevent the incurrence of:

(i) Permitted Indebtedness,

(ii) Refinancing Indebtedness,

(iii) (A) Non-Recourse Indebtedness in an aggregate amount at any one time outstanding not to exceed the amount (the “**Non-Recourse Indebtedness Amount**”) that is 23% of the sum of (1) “total inventories” less (2) “consolidated inventory not owned” (as of the last day of the Most Recent Fiscal Quarter), excluding the impact of consolidated Permitted Joint Ventures, and (B) any Indebtedness which serves to refund, refinance or extend any such Non-Recourse Indebtedness (“**Refinancing Non-Recourse Indebtedness**”), *provided* that such Refinancing Non-Recourse Indebtedness is, except for clause (b) of the definition thereof, Non-Recourse Indebtedness,

(iv) any Guarantee of Indebtedness represented by the Notes, and

(v) any guarantee by the Issuer, the Company or any Guarantor of Indebtedness that is permitted to be incurred in compliance with this Indenture; *provided* that in the event such Indebtedness that is being guaranteed is subordinated in right of payment to the Notes or a Guarantee, as the case may be, then the related guarantee shall be subordinated in right of payment to the Notes or such Guarantee, as the case may be.

(c) For purposes of determining compliance with this covenant, in the event that an item of Indebtedness may be incurred through Section 4.6(a) or by meeting the criteria of one or more of the types of Indebtedness described in Section 4.6(b) (or the definitions of the terms used therein), the Company, in its sole discretion,

(i) may divide, classify or later reclassify the amount and type of such item of Indebtedness (or any portion thereof) under and comply with any of the clauses of Section 4.6(b) (or any of such definitions), as applicable,

(ii) may divide, classify or later reclassify the amount and type of such item of Indebtedness (or any portion thereof) into more than one of the clauses of Section 4.6(b) (or definitions), as applicable, and

(iii) may elect to comply with such paragraphs (or definitions), as applicable, in any order.

(d) The Company and the Issuer will not, and will not cause or permit any Guarantor to, directly or indirectly, in any event incur any Indebtedness that purports to be by its terms (or by the terms of any agreement governing such Indebtedness) subordinated to any other Indebtedness of the Company or of such Guarantor, as the case may be, unless such Indebtedness is also by its terms (or by the terms of any agreement governing such Indebtedness) made expressly subordinated to the Notes or the Guarantee of such Guarantor, as the case may be, to the same extent and in the same manner as such Indebtedness is subordinated to such other Indebtedness of the Company or such Guarantor, as the case may be.

(e) Accrual of interest or dividends, the accretion of accreted value, the accretion or amortization of original issue discount and the payment of interest or dividends in the form of additional Indebtedness will not be deemed to be an incurrence of Indebtedness for purposes of this Section 4.6.

(f) For purposes of determining compliance with any U.S. dollar-denominated restriction on the incurrence of Indebtedness, the U.S. dollar-equivalent principal amount of Indebtedness denominated in another currency shall be calculated based on the relevant currency exchange rate in effect on the date such Indebtedness was incurred, in the case of term debt, or first committed, in the case of revolving credit debt; provided that if such Indebtedness is incurred to refinance other Indebtedness denominated in another currency, and such refinancing would cause the applicable U.S. dollar-denominated restriction to be exceeded if calculated at the relevant currency exchange rate in effect on the date of such refinancing, such U.S. dollar-denominated restriction shall be deemed not to have been exceeded so long as the principal amount of such Refinancing Indebtedness does not exceed (i) the principal amount of such Indebtedness being refinanced plus all accrued interest thereon plus (ii) the aggregate amount of fees, underwriting discounts, premiums and other costs and expenses incurred in connection with such refinancing. Notwithstanding any other provision of this Section 4.6, the maximum amount of Indebtedness the Company, the Issuer or a Restricted Subsidiary may incur pursuant to this covenant shall not be deemed to be exceeded solely as a result of fluctuations in the exchange rate of currencies. For purposes of determining compliance with, and the outstanding principal amount of any particular Indebtedness incurred pursuant to and in compliance with, this Section 4.6, the principal amount of Indebtedness outstanding under any clause of Section 4.6(b) shall be determined after giving effect to the application of proceeds of any such Indebtedness to refinance any such other Indebtedness.

(g) The principal amount of any Indebtedness incurred to refinance other Indebtedness, if incurred in a different currency from the Indebtedness being refinanced, shall be calculated based on the currency exchange rate applicable to the currencies in which such respective Indebtedness is denominated that is in effect on the date of such refinancing.

(h) For purposes of this Section 4.6 and the other provisions of this Indenture, (i) unsecured Indebtedness shall not be treated as subordinated or junior to secured Indebtedness merely because it is unsecured, and (ii) senior Indebtedness shall not be treated as subordinated or junior to any other senior Indebtedness merely because it has a junior priority with respect to the same collateral.

(i) For purposes of determining compliance with this covenant, (i) all Indebtedness incurred under the Senior Credit Facility shall be deemed to be incurred under clause (a)(ii) of the definition of "Permitted Indebtedness", (ii) all Existing Unsecured Indebtedness shall be deemed to be incurred under clause (k) of the definition of "Permitted Indebtedness", (iii) all Obligations under the Notes and all Indebtedness that is secured by Liens ranking *pari passu* with the Liens securing the Obligations under the Notes shall be deemed to be incurred under clause (a)(i) of the definition of "Permitted Indebtedness", (iv) all 1.125 Lien Notes and all Indebtedness that is secured by Liens ranking *pari passu* with the Liens securing the Obligations under the 1.125 Lien Notes shall be deemed to be incurred under clause (b)(i) of the definition of "Permitted Indebtedness", (v) the 1.75 Lien Term Loan shall be deemed to be incurred under clause (n) of the definition of "Permitted Indebtedness", and (vi) all 1.75 Lien Notes shall be deemed to be incurred under clause (b)(ii) of the definition of "Permitted Indebtedness", and clauses (i), (iii) and (iv) of the foregoing may not be reclassified at any time; provided that, if the 1.75 Lien Notes are outstanding after November 20, 2023, the 1.75 Lien Notes shall be automatically reclassified as incurred under clause (n) of the definition of "Permitted Indebtedness" and may not be reclassified at any time thereafter.

(j) For purposes of determining compliance with Section 4.6(b)(iii)(A), the amount of Non-Recourse Indebtedness outstanding at any one time shall be calculated as the sum of (x) the aggregate principal amount of all Non-Recourse Indebtedness outstanding as of the last day of the Most Recent Fiscal Quarter plus (y) with respect to any Non-Recourse Indebtedness incurred after the provision of the financial statements used for purposes of clause (x) above but prior to the date on which financial statements for a more recent fiscal quarter have been provided (in each case, pursuant to Section 4.15 hereof), the total principal amount or committed principal amount thereof (whether or not borrowed at the time of calculation of the Non-Recourse Indebtedness Amount), and, if the Non-Recourse Indebtedness Amount is satisfied at such time, any subsequent borrowing or reborrowing of such Non-Recourse Indebtedness shall be permitted, whether or not the Non-Recourse Indebtedness Amount at the actual time of any subsequent borrowing or reborrowing is satisfied; *provided, however*, that, for the avoidance of doubt, if at any time thereafter, the Non-Recourse Indebtedness Amount is exceeded, no new Non-Recourse Indebtedness may be incurred until such time as the Non-Recourse Indebtedness Amount is again satisfied.

(k) For purposes of calculating the Consolidated Fixed Charge Coverage Ratio in connection with the incurrence of any Indebtedness pursuant to Section 4.6(a), the Issuer may elect, at its option, to treat all or any portion of the committed amount of any Indebtedness (and the issuance and creation of letters of credit and bankers' acceptances thereunder) which is to be incurred (or any commitment in respect thereof), as the case may be (any such committed amount elected until revoked as described below, the "**Reserved Indebtedness Amount**"), as being incurred as of such election date, and, if such Consolidated Fixed Charge Coverage Ratio is satisfied with respect thereto on such election date, any subsequent borrowing or reborrowing thereunder (and the issuance and creation of letters of credit and bankers' acceptances thereunder) shall be deemed to be permitted under Section 4.6(a), whether or not the Consolidated Fixed Charge Coverage Ratio, at the actual time of any subsequent borrowing or reborrowing (or issuance or creation of letters of credit or bankers' acceptances thereunder) is met; provided that for purposes of subsequent calculations of the Consolidated Fixed Charge Coverage Ratio, the Reserved Indebtedness Amount shall be deemed to be outstanding, whether or not such amount is actually outstanding, for so long as such commitments are outstanding or until the Issuer revokes an election of a Reserved Indebtedness Amount.

(l) Any Indebtedness incurred after the Issue Date pursuant to clause (a)(i) or (b) of the definition of "Permitted Indebtedness" shall not (i) mature earlier than 91 days after the maturity date of the Notes (or, in the case of Indebtedness incurred pursuant to clause (b)(i) of the definition of "Permitted Indebtedness", mature earlier than the maturity date of the Notes), (ii) if secured, be secured by any assets other than the Collateral and/or (iii) be incurred or guaranteed by any Person that is not the Issuer or a Guarantor hereunder.

Section 4.7. Limitations on Restricted Payments. (a) The Company and the Issuer will not, and will not cause or permit any Restricted Subsidiary to, directly or indirectly, make any Restricted Payment unless:

(i) no Default or Event of Default shall have occurred and be continuing at the time of or immediately after giving effect to such Restricted Payment;

(ii) immediately after giving effect to such Restricted Payment, (A) the Company could incur at least \$1.00 of Indebtedness pursuant to Section 4.6(a) hereof and (B) the Secured Debt Leverage Ratio is less than 4.0 to 1.0; and

(iii) immediately after giving effect to such Restricted Payment, the aggregate amount of all Restricted Payments (including the Fair Market Value of any non-cash Restricted Payment) declared or made on or after the Issue Date does not exceed the sum of:

(A) 50% of the Consolidated Net Income of the Company on a cumulative basis during the period (taken as one accounting period) from and including the first day of the fiscal quarter of the Company in which the Issue Date occurs and ending on the last day of the Company's fiscal quarter immediately preceding the date of such Restricted Payment (or in the event such Consolidated Net Income shall be a deficit, minus 100% of such deficit), *plus*

(B) 100% of the aggregate net cash proceeds of and the Fair Market Value of Property received by the Company from (1) any capital contribution to the Company after the Issue Date or any issue or sale after the Issue Date of Qualified Stock (other than to any Subsidiary of the Company) and (2) the conversion, exchange or exercise, as the case may be, on or after the Issue Date of any Indebtedness or other securities of the Company or the Issuer convertible into or exchangeable or exercisable for Qualified Stock of the Company, *plus*

(C) in the case of the disposition or repayment of any Investment constituting a Restricted Payment (or if the Investment was made prior to the Issue Date, that would have constituted a Restricted Payment if made after the Issue Date, if such disposition or repayment results in cash received by the Company, the Issuer or any Restricted Subsidiary), an amount (to the extent not included in the calculation of Consolidated Net Income referred to in (A)) equal to the return of capital with respect to such Investment, including by dividend, distribution or sale of Capital Stock (to the extent not included in the calculation of Consolidated Net Income referred to in (A)), *plus*

(D) with respect to any Unrestricted Subsidiary that is redesignated as a Restricted Subsidiary after the Issue Date, in accordance with the definition of "Unrestricted Subsidiary" (so long as the designation of such Subsidiary as an Unrestricted Subsidiary was treated under this Indenture as a Restricted Payment made after the Issue Date, and only to the extent not included in the calculation of Consolidated Net Income referred to in (A)), an amount equal to the lesser of (x) the proportionate interest of the Company or a Restricted Subsidiary in an amount equal to the excess of (I) the total assets of such Subsidiary, valued on an aggregate basis at the lesser of book value and Fair Market Value thereof, over (II) the total liabilities of such Subsidiary, determined in accordance with GAAP, and (y) the Designation Amount at the time of such Subsidiary's designation as an Unrestricted Subsidiary.

(b) Clause (a) of this Section 4.7 (*provided* that, in the case of clauses (v) and (x) below, no Default or Event of Default has occurred and is continuing at the time of such payment) will not prohibit:

(i) the payment of any dividend or distribution or the consummation of any irrevocable redemption within 60 days of its declaration or the giving of notice of such irrevocable redemption, as applicable, if such dividend or such payment could have been made on the date of its declaration or provision of notice, as applicable, without violation of the provisions of this Indenture;

(ii) the purchase, repayment, repurchase, redemption, defeasance or other acquisition, cancellation or retirement for value of shares of Capital Stock of the Company in exchange for, or out of the net proceeds of the substantially concurrent sale (other than to a Subsidiary of the Company) of shares of Qualified Stock;

(iii) [reserved];

(iv) the payment of dividends on Preferred Stock and Disqualified Stock up to an aggregate amount of \$11.0 million in any fiscal year; *provided* that immediately after giving effect to any declaration of such dividend, the Company could incur at least \$1.00 of Indebtedness pursuant to the proviso to Section 4.6(a);

(v) the purchase, redemption or other acquisition, cancellation or retirement for value of Capital Stock, or options, warrants, equity appreciation rights or other rights to purchase or acquire Capital Stock, of the Company or any Subsidiary held by any present, future or former officers, directors, managers, employees or consultants of the Company or any Subsidiary (or their estates or beneficiaries under their estates) not to exceed \$2.5 million in any calendar year (with unused amounts in any calendar year being carried over to succeeding calendar years subject to a maximum (without giving effect to the following proviso) of \$5.0 million in any calendar year); *provided* that such amount in any calendar year may be increased by an amount not to exceed:

(a) the cash proceeds from the sale of Qualified Stock of the Company to any future, present or former officers, directors, managers, employees or consultants of the Company, any of its Subsidiaries that occurs after the Issue Date, to the extent the cash proceeds from the sale of such Qualified Stock have not otherwise been applied to the payment of Restricted Payments by virtue of clause (iii)(B) of Section 4.7(a); plus

(b) the cash proceeds of key man life insurance policies received by the Company and the Restricted Subsidiaries after the Issue Date; less

(c) the amount of any Restricted Payments previously made pursuant to clauses (a) and (b) of this clause (v); *provided* that the Company may elect to apply all or any portion of the aggregate increase contemplated by clauses (a) and (b) of this clause (v) in any calendar year;

(vi) the making of cash payments in connection with any conversion or exchange of Permitted Convertible Indebtedness in an aggregate amount since the date of the indenture therefor not to exceed the sum of (a) the principal amount of such Permitted Convertible Indebtedness *plus* (b) any payments received by the Company, the Issuer or any Restricted Subsidiaries pursuant to the exercise, settlement or termination of any related Permitted Bond Hedge;

(vii) any payments in connection with (including, without limitation, the purchase of) a Permitted Bond Hedge and the settlement of any related Permitted Warrant (A) by delivery of shares of the Company's Capital Stock upon net share settlement of such Permitted Warrant or (B) by (x) set-off of such Permitted Warrant against the related Permitted Bond Hedge and (y) payment of an amount due upon termination of such Permitted Warrant in Capital Stock or using cash received upon the exercise, settlement or termination of a Permitted Bond Hedge upon any early termination thereof;

(viii) [reserved];

(ix) (A) any payment of cash by the Company, the Issuer or any of the Restricted Subsidiaries in respect of fractional shares of the Company's Capital Stock upon the exercise, conversion or exchange of any stock options, warrants or other rights to purchase Capital Stock or other convertible or exchangeable securities and (B) payments made or expected to be made by the Company, the Issuer or any of the Restricted Subsidiaries in respect of withholding or similar taxes payable in connection with the exercise, conversion, settlement, exchange or vesting of Capital Stock by any future, present or former officer, employee, director, manager or consultant and repurchases of Capital Stock deemed to occur upon exercise, conversion, settlement or exchange of stock options, warrants or other rights to purchase Capital Stock or other convertible or exchangeable securities if such Capital Stock represents all or a portion of the exercise price thereof;

(x) other Restricted Payments in an aggregate amount, when taken together with all other Restricted Payments made pursuant to this clause (x) not to exceed \$10.0 million (after giving effect to any return of capital with respect to any Restricted Investments made under this clause (x) in the form of cash);

(xi) payments or distributions to satisfy dissenters' rights, pursuant to or in connection with a consolidation, merger or transfer of assets that complies with Section 4.14; and

(xii) Investments in any Permitted Joint Venture (which Investment may be made via an Investment in the JV Holding Company, if any, owning such Permitted Joint Venture) in an aggregate amount not to exceed at any one time outstanding (measured at the time made) the sum of (a) \$282.3 million and (b) 100% of the amount of cash and Cash Equivalents received by any of the Issuer, the Company, any Subsidiary Guarantor or any JV Holding Company from any such Permitted Joint Venture following the Issue Date and ending on the last day of the fiscal quarter of the Company immediately preceding the date of such Investment for which financial statements have been provided pursuant to Section 4.15 hereof; *provided* that after giving effect to such Investment, the ratio of total Indebtedness to (x) "total inventories" less (y) "inventory not owned" (as of the last day of the Most Recent Fiscal Quarter) for all such Permitted Joint Ventures would not be greater than 55% (as of the last day of the Most Recent Fiscal Quarter);

provided, however, that each Restricted Payment described in clauses (i) and (v) of this Section 4.7(b) shall be taken into account for purposes of computing the aggregate amount of all Restricted Payments pursuant to clause (iii) of Section 4.7(a).

For purposes of the proviso in Section 4.7(b)(xii), the amount of "Indebtedness" outstanding at any one time shall be calculated as the sum of (x) the aggregate principal amount of all Indebtedness of Permitted Joint Ventures outstanding as of the last day of the Most Recent Fiscal Quarter plus (y) with respect to any Indebtedness of Permitted Joint Ventures incurred after the provision of the financial statements used for purposes of clause (x) above but prior to the date on which financial statements for a more recent fiscal quarter have been provided (in each case, pursuant to Section 4.15 hereof), the total principal amount or committed principal amount thereof (whether or not borrowed at the time of calculation of the amount of such Indebtedness).

(c) For purposes of determining the aggregate and permitted amounts of Restricted Payments made, the amount of any guarantee of any Investment in any Person that was initially treated as a Restricted Payment and which was subsequently terminated or expired, net of any amounts paid by the Company or any Restricted Subsidiary in respect of such guarantee, shall be deducted.

(d) In determining the "Fair Market Value of Property" for purposes of clause (iii) of Section 4.7(a), Property other than cash, Cash Equivalents and Marketable Securities shall be deemed to be equal in value to the "equity value" of the Capital Stock or other securities issued in exchange therefor. The equity value of such Capital Stock or other securities shall be equal to (i) the number of shares of Common Equity issued in the transaction (or issuable upon conversion or exercise of the Capital Stock or other securities issued in the transaction) multiplied by the closing sale price of the Common Equity on its principal market on the date of the transaction (less, in the case of Capital Stock or other securities which require the payment of consideration at the time of conversion or exercise, the aggregate consideration payable thereupon) or (ii) if the Common Equity is not then traded on the New York Stock Exchange, the NYSE MKT or Nasdaq Stock Market, or if the Capital Stock or other securities issued in the transaction do not consist of Common Equity (or Capital Stock or other securities convertible into or exercisable for Common Equity), the value (if more than \$10.0 million) of such Capital Stock or other securities as determined in good faith by the Board of Directors of the Company.

(e) For purposes of determining compliance with this Section 4.7, in the event that a proposed Restricted Payment or Investment (or a portion thereof) meets the criteria of clauses 4.7(b)(i) through (xii) above or is entitled to be made pursuant to Section 4.7(a) and/or one or more of the exceptions contained in the definition of "Permitted Investments", the Issuer will be entitled to divide, classify or later reclassify (based on circumstances existing on the date of such reclassification) such Restricted Payment or Investment (or portion thereof) among such clauses 4.7(b)(i) through (xii) and Section 4.7(a) and/or one or more of the exceptions contained in the definition of "Permitted Investments", in a manner that otherwise complies with this covenant.

Section 4.8. Limitations on Liens. (a) The Company and the Issuer will not, and will not cause or permit any Restricted Subsidiary to, create, incur, assume or suffer to exist any Liens, other than Permitted Liens, on any of its Property, or on any shares of Capital Stock or Indebtedness of any Restricted Subsidiary, or on any shares of Capital Stock of any JV Holding Company.

(b) The Company and the Issuer will not, and will not cause or permit any Restricted Subsidiary to, create, incur, assume or suffer to exist any Liens on the Capital Stock of any Permitted Joint Venture owned, directly or indirectly, by such Person, other than Liens securing Indebtedness or other obligations of such Permitted Joint Venture.

Section 4.9. Limitations on Restrictions Affecting Restricted Subsidiaries. The Company and the Issuer will not, and will not cause or permit any Restricted Subsidiary that is not a Guarantor to, create, assume or otherwise cause or suffer to exist or become effective any consensual encumbrance or restriction (other than encumbrances or restrictions imposed by law or by judicial or regulatory action or by provisions of agreements that restrict the assignability thereof) on the ability of such Restricted Subsidiary to:

(a) pay dividends or make any other distributions on its Capital Stock or any other interest or participation in, or measured by, its profits, owned by the Company or any other Restricted Subsidiary, or pay interest on or principal of any Indebtedness owed to the Company or any other Restricted Subsidiary,

(b) make loans or advances to the Company or any other Restricted Subsidiary, or

(c) transfer any of its property or assets to the Company or any other Restricted Subsidiary,

except for:

(i) encumbrances or restrictions existing under or by reason of applicable law,

(ii) contractual encumbrances or restrictions in effect at or entered into on the Issue Date (including, for the avoidance of doubt, those existing under or by reason of the New Secured Notes, the Senior Credit Facility, the 1.75 Lien Obligations and the Existing Unsecured Indebtedness, and the related agreements) and any amendments, modifications, restatements, renewals, supplements, refundings, replacements or refinancings thereof; *provided*, that such amendments, modifications, restatements, renewals, supplements, refundings, replacements or refinancings are not materially more restrictive, taken as a whole, with respect to such dividend and other payment restrictions than those contained in such contractual encumbrances or restrictions, as in effect at or entered into on the Issue Date,

(iii) encumbrances or restrictions under any agreement or other instrument of a Person acquired by or merged or consolidated with or into the Company or any Restricted Subsidiary, or of an Unrestricted Subsidiary that is designated a Restricted Subsidiary, or that is assumed in connection with the acquisition of assets from such Person, in each case that is in existence at the time of such transaction (but not created in contemplation thereof), which encumbrance or restriction is not applicable to any Person, or the properties or assets of any Person, other than the Person and its Subsidiaries, or the property or assets of the Person and its Subsidiaries, so acquired or designated,

(iv) any restrictions or encumbrances arising in connection with Refinancing Indebtedness; *provided, however*, that any restrictions and encumbrances of the type described in this clause (iv) that arise under such Refinancing Indebtedness shall not be materially more restrictive or apply to additional assets than those under the agreement creating or evidencing the Indebtedness being refunded, refinanced, replaced or extended,

(v) any Permitted Lien, or any other agreement restricting the sale or other disposition of property, securing Indebtedness permitted by this Indenture if such Permitted Lien or agreement does not expressly restrict the ability of a Subsidiary of the Company to pay dividends or make or repay loans or advances prior to default thereunder,

(vi) reasonable and customary borrowing base covenants set forth in agreements evidencing Indebtedness otherwise permitted by this Indenture,

(vii) customary non-assignment provisions in leases, licenses, encumbrances, contracts or similar assets entered into or acquired in the ordinary course of business,

(viii) any restriction with respect to a Restricted Subsidiary imposed pursuant to an agreement entered into for the sale or disposition of all or substantially all of the Capital Stock or assets of such Restricted Subsidiary pending the closing of such sale or disposition,

(ix) encumbrances or restrictions existing under or by reason of this Indenture, the Notes or the Guarantees,

(x) purchase money obligations that impose restrictions on the property so acquired of the nature described in clause (c) of this Section 4.9,

(xi) Liens permitted under this Indenture securing Indebtedness that limit the right of the debtor to dispose of the assets subject to such Lien,

(xii) provisions with respect to the disposition or distribution of assets or property in joint venture agreements, assets sale agreements, stock sale agreements and other similar agreements,

(xiii) customary provisions of any franchise, distribution or similar agreements,

(xiv) restrictions on cash or other deposits or net worth imposed by contracts entered into in the ordinary course of business,

(xv) any encumbrances or restrictions existing under (A) development agreements or other contracts entered into with municipal entities, agencies or sponsors in connection with the entitlement or development of real property or (B) agreements for funding of infrastructure, including in respect of the issuance of community facility district bonds, metro district bonds, mello-roos bonds and subdivision improvement bonds, and similar bonding requirements arising in the ordinary course of business of a homebuilder,

(xvi) any encumbrances or restrictions that require “lockbox” or similar obligations with respect to Non-Recourse Indebtedness,

(xvii) any encumbrances or restrictions of the type referred to in clauses (a), (b) or (c) of this Section 4.9 imposed by any amendments, modifications, restatements, renewals, supplements, refundings, replacements or refinancings of the contracts, instruments or obligations referred to in clauses (i) and (iii) through (xvi) of this Section 4.9; *provided*, that such amendments, modifications, restatements, renewals, supplements, refundings, replacements or refinancings are, in the good faith judgment of the Company’s Board of Directors or its chief executive officer or chief financial officer, not materially more restrictive with respect to such encumbrances or restrictions than those contained in the encumbrance or restrictions prior to such amendment, modification, restatement, renewal, supplement, refunding, replacement or refinancing, and

(xviii) any encumbrance or restriction under other Indebtedness of Restricted Subsidiaries permitted to be incurred subsequent to the Issue Date pursuant to Section 4.6; *provided*, that such encumbrances or restrictions will not materially affect the Issuer’s ability to make anticipated principal and interest payments on the Notes, as determined in the good faith judgment of the Company’s Board of Directors or its chief executive officer or chief financial officer.

(d) For purposes of determining compliance with this Section 4.9: (i) the priority of any preferred stock in receiving dividends or liquidating distributions prior to dividends or liquidating distributions being paid on common stock shall not be deemed a restriction on the ability to make distributions on Capital Stock and (ii) the subordination of loans or advances made to the Company or a Restricted Subsidiary to other Indebtedness incurred by the Company or any such Restricted Subsidiary shall not be deemed a restriction on the ability to make loans or advances.

Section 4.10. *Limitations on Dispositions of Assets.* (a) The Company and the Issuer will not, and will not cause or permit any Restricted Subsidiary to, make any Asset Disposition unless: (x) the Company (or the Issuer or such Restricted Subsidiary, as the case may be) receives consideration at the time of such Asset Disposition at least equal to the Fair Market Value thereof, and (y) not less than 75% of the consideration received by the Company (or the Issuer or such Restricted Subsidiary, as the case may be) from such Asset Disposition and all other Asset Dispositions since the Issue Date, on a cumulative basis, is in the form of cash, Cash Equivalents and Marketable Securities (which must be pledged as Collateral if the assets disposed of constituted Collateral).

(b) The amount of (i) any Indebtedness that constitutes Senior Priority Lien Obligations (as reflected on the Company's most recent consolidated balance sheet or in the footnotes thereto, or if incurred or accrued subsequent to the date of such balance sheet, such Indebtedness that would have been reflected on the Company's consolidated balance sheet or in the footnotes thereto if such incurrence or accrual had taken place on or prior to the date of such balance sheet, as determined in good faith by the Company) of the Company or the Issuer or any Subsidiary Guarantor (other than any Subordinated Indebtedness) that is actually assumed by the transferee in such Asset Disposition (or is otherwise extinguished in connection with the transactions relating to such Asset Disposition), (ii) the fair market value (as determined in good faith by the Board of Directors of the Company) of any property or assets (including Capital Stock of any Person that will be a Subsidiary Guarantor) received that are used or useful in a Real Estate Business (*provided* that (except as permitted by clause (c) under the definition of "Permitted Investment") to the extent that the assets disposed of in such Asset Disposition were Collateral, such property or assets are pledged as Collateral under the Security Documents substantially simultaneously with such sale, with the Lien on such Collateral securing the Notes being of the same priority with respect to the Notes as the Lien on the assets disposed of), and (iii) any securities, notes or other obligations or assets received by the Company, the Issuer or such Restricted Subsidiary from such transferee that are converted by the Company, the Issuer or such Restricted Subsidiary into cash or Cash Equivalents, or by their terms are required to be satisfied for cash or Cash Equivalents (to the extent of the cash or Cash Equivalents received), in each case, within 180 days following the closing of such Asset Disposition, shall in each case be deemed to be consideration required by clause (y) of Section 4.10(a) for purposes of determining the percentage of such consideration received by the Company or the Restricted Subsidiaries.

(c) Other than the Net Cash Proceeds in connection with Land Banking Transactions constituting Asset Dispositions which shall be applied in accordance with clause (f) of this Section 4.10, the Net Cash Proceeds of an Asset Disposition shall, within one year, at the Company's election: (1) be used by the Company, the Issuer or a Restricted Subsidiary to invest in assets (including Capital Stock of any Person that is or will be a Restricted Subsidiary following investment therein) used or useful in a Real Estate Business (*provided* that (except as permitted by clause (c) under the definition of "Permitted Investment") to the extent that the assets disposed of in such Asset Disposition were Collateral, such assets are pledged as Collateral under the Security Documents with the Lien on such Collateral securing the Notes being of the same priority with respect to the Notes as the Lien on the assets disposed of), (2) be used to permanently prepay or permanently repay any (i) Indebtedness which had been secured by the assets sold in the relevant Asset Disposition, to the extent the assets sold were not Collateral, or (ii) Indebtedness of a Restricted Subsidiary that is not a Guarantor (to the extent such Indebtedness is not owed to an Affiliate of the Issuer or any Guarantor), to the extent the assets sold were not Collateral or (iii) Indebtedness constituting Senior Priority Lien Obligations (or cash collateralize letters of credit that constitute Senior Priority Lien Obligations), or (3) be applied to make an Offer to Purchase the Notes and, if the Company, the Issuer or a Restricted Subsidiary is required to do so, to repay, purchase or redeem Pari Secured Debt Obligations (or cash collateralize letters of credit that constitute Obligations with equal Lien priority to the Notes and the Guarantees) and, if the Company, the Issuer or a Restricted Subsidiary elects or is required to do so and the assets disposed of were not Collateral, repay, purchase or redeem any unsubordinated Indebtedness (on a *pro rata* basis if the amount available for such repayment, purchase, redemption or cash collateralization is less than the aggregate amount of (x) the principal amount of the Notes tendered in such Offer to Purchase, (y) the lesser of the principal amount, or accreted value, of the Pari Secured Debt Obligations tendered or to be repaid, redeemed, repurchased or cash collateralized and (z) the lesser of the principal amount, or accreted value, of such unsubordinated Indebtedness tendered or to be repaid, repurchased or redeemed, plus, in each case, accrued interest to the date of repayment, purchase or redemption) at 100% of the principal amount or accreted value thereof, as the case may be, plus accrued and unpaid interest, if any, to the date of repurchase, repayment or redemption; *provided* that pending any such application under clauses (1), (2) or (3) of this Section 4.10(c), Net Cash Proceeds may be used to temporarily reduce Indebtedness or otherwise be invested in any manner not prohibited by this Indenture; *provided further* that in the case of clause (1), a binding commitment to invest in assets shall be treated as a permitted application of the Net Cash Proceeds from the date of such commitment so long as the Company, the Issuer or a Restricted Subsidiary enters into such commitment with the good faith expectation that such Net Cash Proceeds will be applied to satisfy such commitment within 180 days of such commitment (an "**Acceptable Commitment**") and such Net Cash Proceeds are actually applied in such manner within the later of one year from the consummation of the Asset Disposition and 180 days from the date of the Acceptable Commitment, and in the event any Acceptable Commitment is later cancelled or terminated for any reason before the Net Cash Proceeds is applied in connection therewith, the Company, the Issuer or such Restricted Subsidiary enters into another Acceptable Commitment (a "**Second Commitment**") within 180 days of such cancellation or termination and such Net Cash Proceeds are actually applied in such manner within 180 days from the date of the Second Commitment, it being understood that if a Second Commitment is later cancelled or terminated for any reason before such Net Cash Proceeds is applied, then such Net Cash Proceeds shall be applied in accordance with clauses (2) or (3) above. Upon completion of an Offer to Purchase, the amount of Net Cash Proceeds will be reset at zero.

(d) Notwithstanding the foregoing, (A) other than with respect to Net Cash Proceeds in connection with Land Banking Transactions constituting Asset Dispositions which shall be applied in accordance with clause (f) of this Section 4.10, the Company will not be required to apply such Net Cash Proceeds in accordance with clauses (2) or (3) of Section 4.10(c) except to the extent that such Net Cash Proceeds, together with the aggregate Net Cash Proceeds of prior Asset Dispositions (other than those so used) which have not been applied in accordance with this provision and as to which no prior prepayments or repayments shall have been made and no Offer to Purchase shall have been made, exceed \$25.0 million and (B) other than with respect to an Asset Disposition constituting a Land Banking Transaction, in connection with an Asset Disposition, the Company and the Restricted Subsidiaries will not be required to comply with the requirements of clause (y) of Section 4.10(a) to the extent that the non-cash consideration received in connection with such Asset Disposition, together with the sum of all non-cash consideration received in connection with all prior Asset Dispositions that has not yet been converted into cash, Cash Equivalents or Marketable Securities, does not exceed \$25.0 million; *provided, however*, that when any non-cash consideration is converted into cash, Cash Equivalents or Marketable Securities, such cash shall constitute Net Cash Proceeds and be subject to Section 4.10(c).

(e) To the extent that the aggregate amount of Indebtedness validly tendered and not properly withdrawn pursuant to an Offer to Purchase is less than the Net Cash Proceeds, the Company, the Issuer and the Restricted Subsidiaries may use any remaining Net Cash Proceeds for general corporate purposes (including, for the avoidance of doubt, the repayment or repurchase of Indebtedness), subject to the other covenants in this Indenture.

(f) The Net Cash Proceeds of Land Banking Transactions constituting Asset Dispositions shall within 90 days (1) be used to permanently prepay or permanently repay any Indebtedness constituting Senior Priority Lien Obligations, or (2) be applied to make an Offer to Purchase the Notes and, if the Company or a Restricted Subsidiary is required to do so, to repay, purchase or redeem any Pari Secured Debt Obligations (on a pro rata basis if the amount available for such repayment, purchase or redemption is less than the aggregate amount of (x) the principal amount of the Notes tendered in such Offer to Purchase and (y) the lesser of the principal amount, or accreted value, of such other Pari Secured Debt Obligations tendered or to be repaid, redeemed or repurchased) at 100% of the principal amount or accreted value thereof, as the case may be, plus accrued and unpaid interest, if any, to, but excluding, the date of repurchase, repayment or redemption; provided that to the extent that the aggregate amount of Indebtedness prepaid and validly tendered and not properly withdrawn pursuant to an Offer to Purchase pursuant to this Section 4.10(f) is less than such Net Cash Proceeds, the Company, the Issuer and the Restricted Subsidiaries may use any remaining Net Cash Proceeds for general corporate purposes (including, for the avoidance of doubt, the repayment or repurchase of Indebtedness), subject to the other covenants in this Indenture.

Section 4.11. Guarantees by Restricted Subsidiaries. Each existing Restricted Subsidiary (other than the Issuer (for so long as it remains the Issuer) and any Excluded Subsidiary) will be a Guarantor. The Company is permitted to cause any Unrestricted Subsidiary to be a Guarantor. If the Issuer, the Company or any of its Restricted Subsidiaries acquires or creates a Restricted Subsidiary (other than any Excluded Subsidiary) after the Issue Date, such Restricted Subsidiary shall execute a guarantee substantially in the form included in Exhibit A, execute a supplemental indenture in the form of Exhibit B, and deliver an Opinion of Counsel to the Trustee to the effect that the supplemental indenture has been duly authorized, executed and delivered by the new Restricted Subsidiary and constitutes a valid and binding obligation of the new Restricted Subsidiary, enforceable against the new Restricted Subsidiary in accordance with its terms (subject to customary exceptions).

Section 4.12. Repurchase of Notes upon a Change of Control. (a) In the event that there shall occur a Change of Control, each Holder of Notes shall have the right, at such Holder's option, to require the Issuer to purchase all or any part of such Holder's Notes on a date (the "**Repurchase Date**") that is no later than 90 days after notice of the Change of Control, at 101% of the principal amount thereof plus accrued and unpaid interest, if any, to, but not including, the Repurchase Date.

(b) On or before the thirtieth day after any Change of Control, the Issuer is obligated to mail, cause to be mailed, deliver electronically in accordance with applicable DTC procedures or cause to be delivered electronically in accordance with applicable DTC procedures to all Holders of record of Notes and the Trustee, a notice regarding the Change of Control and the repurchase right. The notice shall state the Repurchase Date, the date by which the repurchase right must be exercised, the price for the Notes and the procedure which the Holder must follow to exercise such right. To exercise such right, the Holder of such Note must deliver, at least ten days prior to the Repurchase Date, written notice to the Issuer (or an agent designated by the Issuer for such purpose) of the Holder's exercise of such right, together with the Note with respect to which the right is being exercised, duly endorsed for transfer; *provided, however*, that if mandated by applicable law, a Holder may be permitted to deliver such written notice nearer to the Repurchase Date than may be specified by the Issuer.

(c) Notices may be delivered prior to the occurrence of a Change of Control stating that the Change of Control Offer is conditional on the occurrence of such Change of Control, and, if applicable, shall state that, in the Issuer's discretion, the Repurchase Date may be delayed until such time as the Change of Control shall occur, or that such repurchase may not occur and such notice may be rescinded in the event that the Issuer shall determine that such condition will not be satisfied by the Repurchase Date, or by the Repurchase Date as so delayed.

(d) The Issuer will comply with applicable law, including Section 14(e) of the Exchange Act and Rule 14e-1 thereunder, if applicable, if the Issuer is required to give a notice of a right of repurchase as a result of a Change of Control.

(e) The Issuer will not be required to make a Change of Control Offer following a Change of Control if a third party makes the Change of Control Offer in the manner, at the times and otherwise in compliance with the requirements set forth in this Section 4.12 and purchases all such Notes validly tendered and not validly withdrawn under such Change of Control Offer.

Section 4.13. *Limitations on Transactions with Affiliates.* (a) The Company and the Issuer will not, and will not cause or permit any Restricted Subsidiary to, make any loan, advance, guarantee or capital contribution to, or for the benefit of, or sell, lease, transfer or otherwise dispose of any property or assets to or for the benefit of, or purchase or lease any property or assets from, or enter into or amend any contract, agreement or understanding with, or for the benefit of, any Affiliate of the Company or any Affiliate of any of the Company's Subsidiaries involving payments or consideration in a single transaction or series of related transactions (each, an "**Affiliate Transaction**"), unless:

(i) with respect to any such Affiliate Transaction involving or having a value of more than \$5.0 million, the Company shall have (x) obtained the approval of a majority of the Board of Directors of the Company and (y) either obtained the approval of a majority of the Company's disinterested directors or obtained an opinion of a qualified independent financial advisor to the effect that such Affiliate Transaction is fair to the Company, the Issuer or such Restricted Subsidiary, as the case may be, from a financial point of view, and

(ii) with respect to any such Affiliate Transaction involving or having a value of more than \$10.0 million, the Company shall have (x) obtained the approval of a majority of the Board of Directors of the Company and (y) delivered to the Trustee an opinion of a qualified independent financial advisor to the effect that such Affiliate Transaction is fair to the Company, the Issuer or such Restricted Subsidiary, as the case may be, from a financial point of view.

(b) Notwithstanding the foregoing, an Affiliate Transaction will not include:

(i) any contract, agreement or understanding with, or for the benefit of, or plan for the benefit of, employees of the Company or its Subsidiaries generally (in their capacities as such) that has been approved by the Board of Directors of the Company;

(ii) Capital Stock issuances to directors, officers and employees of the Company or its Subsidiaries pursuant to plans approved by the stockholders of the Company;

(iii) any Restricted Payment otherwise permitted under Section 4.7 hereof or any Permitted Investment (other than a Permitted Investment referred to in clause (b) of the definition thereof, except as permitted by clause (iv) below);

(iv) any transaction between or among the Company and/or one or more Restricted Subsidiaries or between or among Restricted Subsidiaries (*provided, however*, no such transaction shall involve any other Affiliate of the Company (other than an Unrestricted Subsidiary to the extent permitted by this Indenture)) and any Guarantees issued by the Company or a Restricted Subsidiary for the benefit of the Company or a Restricted Subsidiary, as the case may be, in accordance with Section 4.6;

(v) any transaction between the Company, the Issuer or one or more Restricted Subsidiaries and one or more Unrestricted Subsidiaries (1) where all of the payments to, or other benefits conferred upon, such Unrestricted Subsidiaries are substantially contemporaneously divided, or otherwise distributed or transferred without charge, to the Company, the Issuer or a Restricted Subsidiary or (2) in the ordinary course of business, including, without limitation, sales (directly or indirectly), sales subject to repurchase options, leases and sales and leasebacks of (A) homes, improved land and unimproved land and (B) real estate (including related amenities and improvements);

(vi) issuances, sales or other transfers or dispositions of mortgages and collateralized mortgage obligations in the ordinary course of business between Restricted Subsidiaries and Unrestricted Subsidiaries of the Company;

(vii) the payment of reasonable and customary fees to, and indemnity provided on behalf of, officers, directors, employees or consultants of the Company, the Issuer or any Restricted Subsidiary;

(viii) transactions in which the Company, the Issuer or any Restricted Subsidiary, as the case may be, delivers to the Trustee an opinion of a qualified independent financial advisor stating that such transaction is fair to the Company, the Issuer or such Restricted Subsidiary from a financial point of view or stating that the terms are not materially less favorable to the Company, the Issuer or the relevant Restricted Subsidiary than those that would have been obtained in a comparable transaction by the Company, the Issuer or such Restricted Subsidiary with an unrelated Person on an arm's length basis;

(ix) any agreement or arrangement as in effect as of the Issue Date, or any amendment thereto (so long as any such amendment is not disadvantageous in any material respect to the Holders when taken as a whole as compared to the applicable agreement or arrangement as in effect on the Issue Date);

(x) transactions with joint ventures entered into in the ordinary course of business, including, without limitation, sales (directly or indirectly), sales subject to repurchase options, leases and sales and leasebacks of (A) homes, improved land and unimproved land and (B) real estate (including related amenities and improvements);

(xi) any transaction with a Person (other than an Unrestricted Subsidiary) which would constitute an Affiliate Transaction solely because the Company, the Issuer or a Restricted Subsidiary owns Capital Stock in or otherwise controls such Person;

(xii) the issuance and transfer of Capital Stock of the Company and the granting and performance of customary registration rights;

(xiii) any lease entered into between the Company, the Issuer or any Restricted Subsidiary, as lessee, and any Affiliate of the Company, as lessor, in the ordinary course of business;

(xiv) intellectual property licenses in the ordinary course of business;

(xv) transactions between the Company, the Issuer or any of its Restricted Subsidiaries and any Person that would constitute an Affiliate Transaction solely because a director of which is also a director of the Company; provided, however, that such director abstains from voting as a director of the Company on any matter involving such other Person; and

(xvi) pledges of Capital Stock of Unrestricted Subsidiaries (other than a JV Holding Company or Permitted Joint Venture (except in compliance with Section 4.8 hereof)).

Section 4.14. *Limitations on Mergers, Consolidations and Sales of Assets.* Neither the Issuer nor any Guarantor will consolidate or merge with or into, or sell, lease, convey or otherwise dispose of all or substantially all of its assets (including, without limitation, by way of liquidation or dissolution), or assign any of its obligations under the Notes, the Guarantees or this Indenture (as an entirety or substantially as an entirety in one transaction or in a series of related transactions), to any Person (in each case, other than in a transaction in which the Company, the Issuer or a Restricted Subsidiary is the survivor of a consolidation or merger, or the transferee in a sale, lease, conveyance or other disposition) unless:

(a) the Person formed by or surviving such consolidation or merger (if other than the Company, the Issuer or the Guarantor, as the case may be), or to which such sale, lease, conveyance or other disposition or assignment will be made (collectively, the “**Successor**”), is a corporation or other legal entity organized and existing under the laws of the United States or any state thereof or the District of Columbia, and the Successor assumes by supplemental indenture in a form reasonably satisfactory to the Trustee all of the obligations of the Company, the Issuer or the Guarantor, as the case may be, under the Notes or a Guarantee, as the case may be, and this Indenture and the Security Documents,

(b) immediately after giving effect to such transaction, no Default or Event of Default has occurred and is continuing, and

(c) immediately after giving effect to such transaction,

(i) the Company (or its Successor) could incur at least \$1.00 of Indebtedness pursuant to Section 4.6(a) hereof; or

(ii) the Consolidated Fixed Charge Coverage Ratio would be equal to or greater than the Consolidated Fixed Charge Coverage Ratio immediately prior to such transaction.

The foregoing provisions shall not apply to: (i) a transaction involving the sale or disposition of Capital Stock of a Guarantor, or the consolidation or merger of a Guarantor, or the sale, lease, conveyance or other disposition of all or substantially all of the assets of a Guarantor, that in any such case results in such Guarantor being released from its Guarantee pursuant to Section 6.3, or (ii) a transaction the purpose of which is to change the state of incorporation or formation of the Company, the Issuer or any Guarantor.

Section 4.15. *Reports to Holders of Notes.*

(a) The Company shall file with the Commission the annual reports and the information, documents and other reports required to be filed pursuant to Section 13 or 15(d) of the Exchange Act. The Company shall deliver to each Holder of record of Notes such reports, information and documents within 15 days after it files them with the Commission. In the event that the Company is no longer subject to these periodic reporting requirements of the Exchange Act, it will nonetheless continue to file reports with the Commission and deliver such reports to each Holder of Notes as if it were subject to such reporting requirements. Regardless of whether the Company is required to furnish such reports to its stockholders pursuant to the Exchange Act, the Company will cause its consolidated financial statements and a “Management’s Discussion and Analysis of Results of Operations and Financial Condition” written report, similar to those that would have been required to appear in annual or quarterly reports, to be delivered to Holders of Notes.

(b) The posting of the reports, information and documents referred to above on the Company’s website or one maintained on its behalf for such purpose shall be deemed to satisfy the Company’s delivery obligations to the Holders. In addition, availability of the foregoing materials on the Commission’s EDGAR service shall be deemed to satisfy the Company’s delivery obligations to the Holders. The Trustee shall have no obligation to monitor whether the Company posts such reports, information and documents on its website or the Commission’s EDGAR service, or collect any such information from the Company’s website or the Commission’s EDGAR service.

(c) For so long as any of the Notes remain outstanding and constitute “restricted securities” under Rule 144, the Company will furnish to the Holders of Notes and prospective investors, upon their request, the information required to be delivered pursuant to Rule 144A(d)(4) under the Securities Act.

(d) The Trustee’s receipt of any reports, information and documents is for informational purposes only and will not constitute constructive notice of any information contained therein or determinable from information contained therein, including the Issuer’s and/or the Company’s compliance with any of its covenants in this Indenture (as to which the Trustee is entitled to rely exclusively on Officer’s Certificates).

Section 4.16. Limitation on Prepayment of Existing Junior Lien Indebtedness and Existing Unsecured Indebtedness.

(a) The Company, the Issuer and its Restricted Subsidiaries shall not purchase, repurchase, redeem, acquire or retire for value, including through any defeasance or discharge prior to stated maturity (collectively “**Prepay**”, and the terms “**Prepaid**” and “**Prepayment**” have meanings correlative to the foregoing), any Indebtedness secured by a Lien on the Collateral that is junior to the Liens on the Collateral securing the Notes pursuant to the terms of the First Lien Intercreditor Agreement, the Junior Lien Intercreditor Agreement or other intercreditor agreement that is substantially similar to such intercreditor agreements (such Indebtedness, “**Junior Lien Indebtedness**”), Existing Unsecured Indebtedness, Subordinated Indebtedness, or any Refinancing Indebtedness in respect thereof (or any subsequently incurred Refinancing Indebtedness in respect of any such Refinancing Indebtedness) (collectively, the “**Prepayment Indebtedness**”), except:

(i) with respect to any Junior Lien Indebtedness and Prepayment Indebtedness in respect thereof, a Prepayment in exchange for, or with the proceeds of or from (including in connection with a tender offer or exchange offer): (A) Refinancing Indebtedness or Indebtedness that is “Permitted Indebtedness” under any of clauses (k), (n) or (u) of such definition, which Refinancing Indebtedness or Permitted Indebtedness (as applicable), if secured, shall be secured by Liens pursuant to clauses (i)(d), (i)(g) or (qq), as applicable, of the definition of “Permitted Liens”; or (B) an issuance of Qualified Stock;

(ii) with respect to the Existing Unsecured Indebtedness and Prepayment Indebtedness in respect thereof, a Prepayment in exchange for, or with the proceeds of or from (including in connection with a tender offer or exchange offer): (A) Refinancing Indebtedness or Indebtedness that is “Permitted Indebtedness” under any of clauses (k), (n) or (u) of the definition thereof, which Refinancing Indebtedness or Permitted Indebtedness (as applicable), if secured, shall be secured by Liens pursuant to clauses (i)(d), (i)(g) or (qq), as applicable, of the definition of “Permitted Liens”; or (B) an issuance of Qualified Stock;

(iii) with respect to any Subordinated Indebtedness and Prepayment Indebtedness in respect thereof, a Prepayment in exchange for, or with the proceeds of or from (including in connection with a tender offer or exchange offer): (A) Refinancing Indebtedness or Indebtedness that is “Permitted Indebtedness” under clause (u) of the definition thereof; or (B) an issuance of Qualified Stock;

(iv) with respect to any Junior Lien Indebtedness, Existing Unsecured Indebtedness, Subordinated Indebtedness and Prepayment Indebtedness in respect thereof, or any other Indebtedness incurred in compliance with this Section 4.16, in each case beneficially owned by any Specified Person, Prepayments not to exceed an aggregate purchase price, excluding accrued and unpaid interest in accordance with clause (b)(iii) below, since the Issue Date, equal to the Additional 1.25 Lien Notes Amount; and

(v) with respect to any Junior Lien Indebtedness, Existing Unsecured Indebtedness (other than the 5.0% Senior Notes), Subordinated Indebtedness and Prepayment Indebtedness in respect thereof, or any other Indebtedness incurred in compliance with this Section 4.16, Prepayments (other than with proceeds of the Senior Credit Facility) not to exceed \$100.0 million in aggregate purchase price, excluding accrued and unpaid interest in accordance with clause (b)(iii) below, since the Issue Date; *provided* no Default or Event of Default shall have occurred and be continuing on the date of any such Prepayment.

(b) Clause (a) of this Section 4.16 will not prohibit:

(i) the purchase, repayment, repurchase, redemption, defeasance or other acquisition, cancellation or retirement for value of any Prepayment Indebtedness or other Indebtedness incurred in compliance with this Section 4.16 (A) at a purchase price not greater than 101% of the principal amount of such Indebtedness in the event of a Change of Control in accordance with provisions similar to Section 4.12 hereof or (B) at a purchase price not greater than 100% of the principal amount thereof in accordance with provisions similar to Section 4.10 hereof; *provided* that, prior to or simultaneously with such purchase, repayment, repurchase, redemption, defeasance or other acquisition, cancellation, or retirement, the Company, the Issuer or any Restricted Subsidiary has made the Change of Control Offer pursuant to Section 4.12 hereof or Offer to Purchase pursuant to Section 4.10 hereof, as applicable, with respect to the Notes and has completed such repurchase or redemption of all Notes validly tendered and not validly withdrawn for payment in connection with such Change of Control Offer or Offer to Purchase;

(ii) any purchase or redemption of Prepayment Indebtedness or other Indebtedness incurred in compliance with this Section 4.16 from Net Cash Proceeds of an Asset Disposition to the extent permitted under Section 4.10 hereof;

(iii) any (x) payments of accrued and unpaid interest to holders of Prepayment Indebtedness and other Indebtedness incurred in compliance with this Section 4.16 and (y) payments, not to exceed \$1.0 million for all such payments since the Issue Date, in respect of fractional Indebtedness in connection with the tender or exchange thereof, in each case, made in connection with a Prepayment made in compliance with this Section 4.16;

(iv) any Prepayments of any Prepayment Indebtedness or other Indebtedness incurred in compliance with this Section 4.16 made within one year prior to the stated maturity of such Prepayment Indebtedness or other Indebtedness; and

(v) the Prepayment of the 1.75 Lien Notes with the net cash proceeds from the New Secured Notes.

Section 4.17. Notice of Other Defaults.

In the event that any Indebtedness of the Issuer or any Guarantor is declared due and payable before its maturity because of the occurrence of any default under such Indebtedness, the Issuer or the relevant Guarantor, as the case may be, shall promptly deliver to the Trustee an Officer's Certificate stating such declaration; provided, that the term "Indebtedness" as used in this Section 4.17 shall not include Non-Recourse Indebtedness.

Section 4.18. Collateral Requirement; Further Assurances; Costs.

(a) On the Issue Date, the Issuer and each Guarantor shall grant Liens on all their property (other than Excluded Property) and take all appropriate steps to cause such Liens to be perfected liens (subject to Permitted Liens), including through recordation of Mortgages and/or amendments to, or modifications of, Mortgages existing as of the Issue Date, entry into control agreements, filing of UCC-1 financing statements or otherwise, pursuant to, and to the extent required by, this Indenture and the Security Documents to be entered into on the Issue Date. For the avoidance of doubt, the requirements of this Section 4.18(a) are subject to Section 4.18(d) below.

(b) If the Issuer or any of the Guarantors at any time grants, assumes, perfects or becomes subject to any Lien upon any of its property (other than Excluded Property of the type referred to in clause (a) of the definition thereof) then owned or thereafter acquired as security for any other Secured Obligation that in each case is subject to the Intercreditor Agreements, the Issuer shall, or shall cause such Guarantor to, as promptly as practical (subject to Section 4.18(d) below):

(i) grant a Lien with the same priority as the Liens on the Collateral then securing the Notes on such property to the Collateral Agent or the Joint First Lien Collateral Agent, as applicable, for the benefit of the Holders and, to the extent such grant would require the execution and delivery of a Security Document, the Issuer or such Guarantor shall execute and deliver a Security Document on substantially the same terms as the agreement or instrument executed and delivered to secure such other Secured Obligations (but subject to changes to make such new Security Document consistent with the Security Documents delivered on the Issue Date);

(ii) cause the Lien granted in such Security Document to be duly perfected in any manner permitted by law to the same extent as the Liens granted for the benefit of such other Secured Obligations are perfected; and

(iii) instruct the Collateral Agent and the Joint First Lien Collateral Agent in writing to take all action necessary in connection with the foregoing provisions of this Section 4.18(b), including as necessary under the Security Documents.

By their acceptance of the Notes, Holders shall be deemed to have instructed and authorized the Collateral Agent and the Joint First Lien Collateral Agent to take such actions as instructed by the Issuer or any Guarantor.

(c) If the Issuer or any Guarantor at any time after the Issue Date acquires any new property (other than Excluded Property) that is not automatically subject to a Lien under the Security Documents, or a non-Guarantor Restricted Subsidiary becomes a Guarantor, the Issuer shall, or shall cause such Guarantor, subject to the requirements of the Security Documents, to as soon as practical after such property's acquisition or it no longer being Excluded Property (subject to Section 4.18(d) below):

(i) grant a Lien with the same priority as the Liens on the Collateral then securing the Notes on such property (or, in the case of a new Guarantor, all of its assets except Excluded Property) to the Collateral Agent or the Joint First Lien Collateral Agent, as applicable, for the benefit of the Holders (and, to the extent such grant would require the execution and delivery of a Security Document, the Issuer or such Guarantor shall execute and deliver a Security Document on substantially the same terms as the Security Documents executed and delivered on the Issue Date);

(ii) cause the Lien granted in such Security Document to be duly perfected in any manner permitted by law to the same extent as the Liens granted on the Issue Date are perfected; and

(iii) instruct the Collateral Agent and the Joint First Lien Collateral Agent in writing to take all action necessary in connection with the foregoing provisions of this Section 4.18(c) including as necessary under the Security Documents.

By their acceptance of the Notes, Holders shall be deemed to have instructed and authorized the Collateral Agent and the Joint First Lien Collateral Agent to take such action as instructed by the Issuer or any Guarantor.

The Issuer or such Guarantor shall deliver an Opinion of Counsel to the Trustee in respect of any Lien grant referred to in this Section 4.18(c) by a new Guarantor or with respect to real property, addressing customary matters (and containing customary exceptions) consistent with the Opinion of Counsel (if any) delivered on the Issue Date in respect of such matters; *provided*, that, an Opinion of Counsel shall not be required with respect to any Mortgage located in a jurisdiction for which an Opinion of Counsel in respect of a similar Mortgage has been previously delivered to the Trustee pursuant to this Indenture (each such jurisdiction, an “**Existing Jurisdiction**”).

(d) Notwithstanding anything to the contrary set forth in this Section 4.18 or elsewhere in this Indenture or any Security Document:

(i) any Mortgages and/or amendments to or modifications of Mortgages (and any related Security Documents) required to be granted pursuant to this Indenture or the Security Documents with respect to real property owned by the Issuer or a Guarantor on the Issue Date shall be granted, together with Opinions of Counsel delivered to the Trustee in respect of the enforceability and validity of such Mortgages and/or amendments to, or modifications of, Mortgages, as applicable, addressing customary matters (and containing customary exceptions) (*provided*, that an Opinion of Counsel shall not be required with respect to (x) any Mortgage existing as of the Issue Date which, upon the advice of local counsel from the jurisdiction in which the real property Collateral subject to such Mortgage is located, remains valid and enforceable in the form existing as of the Issue Date without any amendments thereto or modifications thereof or (y) any Mortgage for real property located in an Existing Jurisdiction), using reasonable best efforts following the Issue Date, but in no event later than (A) 180 days following the Issue Date with respect to real property to be pledged as Collateral with an aggregate book value of at least 60% of the aggregate book value of such real property owned on the Issue Date, (B) 210 days following the Issue Date with respect to real property to be pledged as Collateral with an aggregate book value of at least 75% of the aggregate book value of such real property owned on the Issue Date, and (C) in any event, 270 days after the Issue Date with respect to all real property owned on the Issue Date to be pledged as Collateral;

(ii) any control, intercreditor or similar agreements or other Security Documents with respect to L/C Collateral (other than Excluded Property) and any deposit, checking and securities accounts required to be provided pursuant to this Indenture or the Security Documents on the Issue Date shall be provided promptly following the Issue Date, but in no event later than 90 days following the Issue Date;

(iii) to the extent the Notes are required to be registered pursuant to this Indenture or applicable law, rule or regulation or are registered with the consent of Holders of a majority in principal amount of the outstanding Notes, in the event that Rule 3-16 of Regulation S-X under the Securities Act requires or would require (or is replaced with another rule or regulation, or any other law, rule or regulation is adopted, which would require) the filing with the Commission of separate financial statements of the Issuer, a Guarantor or of any JV Holding Company that are not otherwise required to be filed, then the capital stock or other securities issued by such Person need not be pledged pursuant to this Section 4.18 and shall automatically be deemed released and to not be and to not have been part of the Collateral, but only to the extent necessary to not be subject to such requirement. In such event, the Security Documents may be amended or modified, without the consent of any Holder of Notes, to the extent necessary to evidence the release of Liens securing the Notes and the Guarantees on the shares of capital stock or other securities that are so deemed to no longer constitute part of the Collateral;

(iv) any control, intercreditor or similar agreements or other Security Documents required pursuant to this Indenture or the Security Documents with respect to L/C Collateral (other than Excluded Property) may provide that the Collateral Agent for the benefit of the Holders has a security interest in such Collateral that is junior to both the lien granted to the holders of the obligations secured by such L/C Collateral and the Senior Priority Lien Obligations;

(v) in the case of personal property, (A) the Issuer and the Guarantors will not be required to take any steps to perfect liens on personal property outside the United States and (B) except as set forth in Section 4.18(d)(vi)(C), with respect to perfection, the Issuer and the Guarantors shall only be required to provide for perfection in the name of the Joint First Lien Collateral Agent to the extent required under the Collateral Agency Agreement; and

(vi) in the case of real property Collateral, (A) the Issuer and the Guarantors will not be required to provide title insurance policies in respect thereof, (B) subject to clause (C), the Issuer and the Guarantors shall only be required to provide for and record a single Mortgage to the extent and in the manner contemplated by the Mortgages to be put in place in accordance with Section 4.18(d)(i) hereof, (C) except in the cases of subclauses (x) and (y) of Section 4.18(d)(i) hereof, if the Trustee does not receive an Opinion of Counsel from local counsel in which real property Collateral is located that opines that a Mortgage on such real property Collateral in favor of the Joint First Lien Collateral Agent on behalf of the First Lien Creditors (as defined in the First Lien Intercreditor Agreement) is enforceable (subject to customary exceptions) in such jurisdiction, the Issuer or the applicable Guarantor shall enter into a separate mortgage over the real property Collateral in such jurisdiction in favor of the Collateral Agent (other than the Joint First Lien Collateral Agent) in each case, within the time periods and subject to the other conditions set forth in Section 4.18(d)(i), and (D) notwithstanding anything to the contrary herein, the Issuer and the Guarantors shall cause local counsel for the states of Arizona, California and Texas to issue an Opinion of Counsel to the Collateral Agent in respect of the ongoing enforceability and validity of Mortgages covering real property Collateral existing as of the Issue Date, including any amendments thereof or modifications thereto, within the time periods and subject to the other conditions set forth in Section 4.18(d)(i).

(e) The Issuer will bear and pay all legal expenses, collateral audit and valuation costs, filing fees, insurance premiums and other costs associated with the performance of the obligations of the Issuer and the Guarantors set forth in this Section 4.18 and will also pay or reimburse the Trustee, the Collateral Agent and/or the Joint First Lien Collateral Agent for all reasonable out-of-pocket expenses, disbursements and advances incurred or made by the Trustee, the Collateral Agent and/or the Joint First Lien Collateral Agent in connection therewith, including the reasonable compensation and expenses of the Trustee, the Collateral Agent and/or the Joint First Lien Collateral Agent's agents and counsel.

(f) Neither the Issuer nor any of the Guarantors will be permitted to take any action, or knowingly or negligently omit to take any action, which action or omission might or would have the result of materially impairing the security interest with respect to the Collateral for the benefit of the Trustee and the Holders of the Notes.

Section 4.19. Limitation of Applicability of Certain Covenants if Notes Rated Investment Grade.

(a) The Issuer's, the Company's and its Restricted Subsidiaries' obligations to comply with the provisions of this Indenture described under this Article IV (except for Section 4.1, Section 4.2, Section 4.3, Section 4.8, Section 4.10 (to the extent the property disposed of constitutes Collateral), Section 4.12, Section 4.14 (other than clause (c) of the first paragraph thereof), Section 4.15 and Section 4.18) will be suspended (such suspended covenants, the "**Suspended Covenants**") and cease to have any further effect from and after the first date when the Notes are rated Investment Grade (the "**Suspension Date**"); provided, that if the Notes subsequently cease to be rated Investment Grade, then, from and after the time the Notes cease to be rated Investment Grade (the "**Reversion Date**"), the Issuer's, the Company's and its Restricted Subsidiaries' obligation to comply with the Suspended Covenants shall be reinstated. The period of time between the Suspension Date and the Reversion Date is referred to in this description as the "**Suspension Period**."

(b) Following the achievement of such Investment Grade ratings, no Restricted Subsidiary thereafter acquired or created will be required to be a Guarantor unless it thereafter guarantees any Applicable Debt or (other than with respect to an Excluded Subsidiary) the Notes cease to be rated Investment Grade.

(c) Notwithstanding clauses (a) and (b) of this Section 4.19, in the event of any reinstatement of the obligation to comply with the Suspended Covenants referred to in Section 4.19(a), no action taken or omitted to be taken by the Company or any of its Subsidiaries prior to such reinstatement, or action taken by the Company or any of its Subsidiaries at any time pursuant to a contractual obligation arising prior to such reinstatement (not entered into in contemplation of such reinstatement) shall give rise to a Default or Event of Default under this Indenture upon reinstatement.

(d) On the Reversion Date, all Indebtedness incurred during the Suspension Period will be classified to have been incurred or issued pursuant to clause (c) of the definition of "Permitted Indebtedness." Calculations made after the Reversion Date of the amount available to be made as Restricted Payments under Section 4.7 will be made as though Section 4.7 had been in effect prior to, but not during, the Suspension Period. Any Affiliate Transaction entered into after the Reversion Date pursuant to an agreement entered into during any Suspension Period shall be deemed to be permitted pursuant to clause (ix) of Section 4.13(b). Any encumbrance or restriction on the ability of any Restricted Subsidiary that is not a Guarantor to take any action described in clauses (a) through (c) of Section 4.9 that becomes effective during any Suspension Period shall be deemed to be permitted pursuant to clause (ii) of Section 4.9.

(e) The Issuer shall promptly notify the Trustee in writing of any suspension or reinstatement of the Suspended Covenants and in the absence of such notice, the Trustee shall be entitled to presume that no such suspension or reinstatement has occurred. The Trustee shall have no duty to: (i) monitor the ratings of the Notes, (ii) ascertain whether a covenant suspension or reversal shall have occurred, or (iii) notify the Holders of any of the foregoing.

ARTICLE V
REMEDIES

Section 5.1. Events of Default. “**Event of Default**” means any one or more of the following events:

(a) the failure by the Company, the Issuer and the Guarantors to pay interest on any Note when the same becomes due and payable and the continuance of any such failure for a period of 30 days;

(b) the failure by the Company, the Issuer and the Guarantors to pay the principal or premium of any Note when the same becomes due and payable at maturity, upon acceleration or otherwise;

(c) the failure by the Company, the Issuer or any Restricted Subsidiary to comply with any of its agreements or covenants in, or provisions of, the Notes, the Guarantees, the Security Documents or this Indenture and such failure continues for the period and after the notice specified below (except in the case of a default under Sections 4.12 and 4.14, which will constitute an Event of Default with notice but without passage of time);

(d) the acceleration of any Indebtedness (other than Non-Recourse Indebtedness) of the Company, the Issuer or any Restricted Subsidiary that has an outstanding principal amount of \$40.0 million or more, individually or in the aggregate, and such acceleration does not cease to exist, or such Indebtedness is not satisfied, in either case within 30 days after such acceleration;

(e) the failure by the Company, the Issuer or any Restricted Subsidiary to make any principal or interest payment in an amount of \$40.0 million or more, individually or in the aggregate, in respect of Indebtedness (other than Non-Recourse Indebtedness) of the Company or any Restricted Subsidiary within 30 days of such principal or interest becoming due and payable (after giving effect to any applicable grace period set forth in the documents governing such Indebtedness);

(f) a final judgment or judgments (not subject to appeal) that exceed \$40.0 million or more, individually or in the aggregate, for the payment of money having been entered by a court or courts of competent jurisdiction against the Company, the Issuer or any of its Restricted Subsidiaries and such judgment or judgments is not satisfied, stayed, annulled or rescinded within 60 days of being entered;

(g) the Company, the Issuer or any Restricted Subsidiary that is a Significant Subsidiary pursuant to or within the meaning of any Bankruptcy Law:

(i) commences a voluntary case,

(ii) consents to the entry of an order for relief against it in an involuntary case,

(iii) consents to the appointment of a Custodian of it or for all or substantially all of its property, or

(iv) makes a general assignment for the benefit of its creditors;

(h) a court of competent jurisdiction enters an order or decree under any Bankruptcy Law that:

(i) is for relief against the Company, the Issuer or any Restricted Subsidiary that is a Significant Subsidiary as debtor in an involuntary case,

(ii) appoints a Custodian of the Company, the Issuer or any Restricted Subsidiary that is a Significant Subsidiary or a Custodian for all or substantially all of the property of the Company or any Restricted Subsidiary that is a Significant Subsidiary, or

(iii) orders the liquidation of the Company, the Issuer or any Restricted Subsidiary that is a Significant Subsidiary,

and the order or decree remains unstayed and in effect for 60 days;

(i) any Guarantee of a Guarantor that is a Significant Subsidiary ceases to be in full force and effect (other than in accordance with the terms of such Guarantee and this Indenture) or is declared null and void and unenforceable or found to be invalid or any Guarantor denies its liability under its Guarantee (other than by reason of release of a Guarantor from its Guarantee in accordance with the terms of this Indenture and the Guarantee); or

(j) the Liens created by the Security Documents shall at any time not constitute valid and perfected Liens on any material portion of the Collateral intended to be covered thereby (to the extent perfection by filing, registration, recordation or possession is required by this Indenture or the Security Documents) other than in accordance with the terms of the relevant Security Document and this Indenture and other than the satisfaction in full of all Obligations under this Indenture or the release or amendment of any such Lien in accordance with the terms of this Indenture or the Security Documents, or, except for expiration in accordance with its terms or amendment, modification, waiver, termination or release in accordance with the terms of this Indenture and the relevant Security Document, any of the Security Documents shall for whatever reason be terminated or cease to be in full force and effect, if in either case, such default continues for 30 days after notice, or the enforceability thereof shall be contested by the Issuer or any Guarantor.

A Default as described in clause (c) of this Section 5.1 will not be deemed an Event of Default until the Trustee notifies the Company, or the Holders of at least 25 percent in principal amount of the then outstanding Notes notify the Company and the Trustee, of the Default and (except in the case of a Default with respect to Sections 4.12 and 4.14 hereof) the Company does not cure the Default within 60 days after receipt of the notice. The notice must specify the Default, demand that it be remedied and state that the notice is a "notice of default." If such a Default is cured within such time period, it ceases to be a Default.

If an Event of Default (other than an Event of Default with respect to the Company or the Issuer resulting from clauses (g) or (h) of this Section 5.1), shall have occurred and be continuing under this Indenture, the Trustee by notice to the Company, or the Holders of at least 25 percent in principal amount of the Notes then outstanding by notice to the Company and the Trustee, may declare all Notes to be due and payable immediately. Upon such declaration of acceleration, the amounts due and payable on the Notes will be due and payable immediately. If an Event of Default specified in clauses (d) or (e) of this Section 5.1 occurs, the declaration of acceleration of the Notes shall be automatically annulled if the default triggering such Event of Default pursuant to clauses (d) or (e) of this Section 5.1 shall be remedied or cured by the Company or a Restricted Subsidiary or waived by the holders of the relevant Indebtedness within 20 days after the declaration of acceleration with respect thereto and if (1) the annulment of the acceleration of the Notes would not conflict with any judgment or decree of a court of competent jurisdiction and (2) all existing Events of Default, except nonpayment of principal, premium, if any, or interest on the Notes that became due solely because of the acceleration of the Notes, have been cured or waived. The Issuer shall provide the Trustee with notice of any such annulment of a declaration of acceleration of the Notes. If an Event of Default with respect to the Company or the Issuer specified in subclauses (g) or (h) of this Section 5.1 occurs, all outstanding Notes will become and be immediately due and payable without any declaration, notice or other act on the part of the Trustee and the Company or any Holder, and Holders of the Notes will be entitled to the payment of all amounts that would have been due upon redemption of the Notes if the Issuer redeemed the Notes at its option at the time of such acceleration pursuant to Section 3.1(a) (including the Make-Whole Amount) (in the case such Event of Default occurs prior to March 30, 2026) or pursuant to Section 3.1(b) (in the case such Event of Default occurs on or after March 30, 2026). This provision, however, is subject to the condition that, if at any time after the unpaid principal amount (or such specified amount) of the Notes shall have been so declared due and payable and before any judgment or decree for the payment of the moneys due shall have been obtained or entered as hereinafter provided, the Issuer shall pay or shall deposit with the Trustee a sum sufficient to pay all matured installments of interest, if any, upon all of the Notes and the principal of all the Notes which shall have become due otherwise than by acceleration (with interest on overdue installments of interest, if any, to the extent that payment of such interest is enforceable under applicable law and on such principal at the rate borne by the Notes to the date of such payment or deposit) and the reasonable compensation, disbursements, expenses and advances of the Trustee and all other amounts due to the Trustee under Section 7.7, and any and all defaults under this Indenture, other than the nonpayment of such portion of the principal amount of and accrued interest, if any, on Notes which shall have become due by acceleration, shall have been cured or shall have been waived in accordance with Section 5.3, then and in every such case the Holders of a majority in aggregate principal amount of the Notes then outstanding, by written notice to the Issuer and to the Trustee, may rescind and annul such declaration and its consequences; but no such rescission and annulment shall extend to or shall affect any subsequent default, or shall impair any right consequent thereon. Notwithstanding the previous sentence, no waiver shall be effective against any Holder for any Event of Default or event which with notice or lapse of time or both would be an Event of Default with respect to any covenant or provision which cannot be modified or amended without the consent of the Holder of each outstanding Note affected thereby, unless all such affected Holders agree, in writing, to waive such Event of Default or other event.

In the case of any acceleration (including, but not limited to, upon the occurrence of an Event of Default arising under clauses (g) or (h) of this Section 5.1), Holders will be entitled to the payment of all amounts that would have been due upon redemption of the Notes if the Issuer redeemed the Notes at its option at the time of such acceleration pursuant to Section 3.1(a) (including the Make-Whole Amount) (in the case such acceleration occurs prior to March 30, 2026) or pursuant to Section 3.1(b) (in the case such acceleration occurs on or after March 30, 2026).

Without limiting the generality of the foregoing, in the event the Notes are accelerated or otherwise become due prior to their maturity date, in each case, in respect of any Event of Default (including, but not limited to, upon the occurrence of an Event of Default arising under clauses (g) or (h) of this Section 5.1), (including the acceleration of claims by operation of law), the premium applicable on the date of such acceleration or otherwise becoming due with respect to an optional redemption of such Notes will also be due and payable as though such Notes were optionally redeemed and shall constitute part of the Obligations on the Notes, in view of the impracticability and extreme difficulty of ascertaining actual damages and by mutual agreement of the parties as to a reasonable calculation of each Holder's losses as a result thereof. Any premium payable above shall be presumed to be the liquidated damages sustained by each Holder as the result of the early redemption and the Issuer and each Guarantor agrees that it is reasonable under the circumstances currently existing. The premium with respect to the Notes shall also be payable in the event such Notes (and/or this Indenture) are satisfied or released by foreclosure (whether by power of judicial proceeding, deed in lieu of foreclosure or by any other means). THE ISSUER AND EACH GUARANTOR EXPRESSLY WAIVES (TO THE FULLEST EXTENT IT MAY LAWFULLY DO SO) THE PROVISIONS OF ANY PRESENT OR FUTURE STATUTE OR LAW THAT PROHIBITS OR MAY PROHIBIT THE COLLECTION OF THE FOREGOING PREMIUM IN CONNECTION WITH ANY SUCH ACCELERATION. The Issuer and each Guarantor expressly agrees (to the fullest extent it may lawfully do so) that: (A) the premium is reasonable and is the product of an arm's length transaction between sophisticated business people, ably represented by counsel; (B) the premium shall be payable notwithstanding the then prevailing market rates at the time payment is made; (C) there has been a course of conduct between Holders and the Issuer and the Guarantors giving specific consideration in this transaction for such agreement to pay the premium; and (D) the Issuer and each Guarantor shall be estopped hereafter from claiming differently than as agreed to in this paragraph. The Issuer and each Guarantor expressly acknowledges that its agreement to pay the premium to Holders as herein described is a material inducement to Holders to purchase the Notes.

If the Trustee shall have proceeded to enforce any right under this Indenture and such proceedings shall have been discontinued or abandoned because of such rescission or annulment or for any reason or shall have been determined to be adverse to the Trustee, then and in every such case the Issuer, the Trustee and the Holders of Notes shall be restored respectively to their several positions and rights hereunder, and all rights, remedies and powers of the Issuer, the Trustee and the Holders of Notes shall continue as though no such proceeding had been taken.

Except with respect to an Event of Default pursuant to clauses (a) or (b) of this Section 5.1 where the Trustee serves as the Paying Agent for the Notes, the Trustee shall not be charged with knowledge of any Event of Default unless written notice thereof shall have been given to a Responsible Officer of the Trustee by the Issuer, a Paying Agent or any Holder and such notice references the Notes and this Indenture.

Section 5.2. Other Remedies. If an Event of Default occurs and is continuing, the Trustee may pursue, in its own name or as trustee of an express trust, any available remedy by proceeding at law or in equity to collect the payment of principal of, premium, if any, and interest, if any, on the Notes or to enforce the performance of any provision of the Notes, this Indenture or the Security Documents. The Trustee may maintain a proceeding even if it does not possess any of the Notes or does not produce any of them in the proceeding.

Section 5.3. Waiver of Defaults by Majority of Holders. By written notice to the Trustee and the Company, the Holders of a majority in aggregate principal amount of the Notes then outstanding may on behalf of the Holders of all of the Notes waive any past Default or Event of Default hereunder and its consequences, except a Default in the payment of interest, if any, on, or the principal of, the Notes. Upon any such waiver, the Issuer, the Trustee and the Holders of Notes shall be restored to their former positions and rights hereunder, respectively; but no such waiver shall extend to any subsequent or other Default or Event of Default or impair any right consequent thereon. Whenever any Default or Event of Default hereunder shall have been waived as permitted by this Section 5.3, said Default or Event of Default shall for all purposes of the Notes and this Indenture be deemed to have been cured and to be not continuing.

Section 5.4. Direction of Proceedings.

(a) The Holders of a majority in aggregate principal amount of the Notes then outstanding shall have the right to direct the time, method, and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred on the Trustee with respect to the Notes; *provided, however*, that (x) any such direction for conducting any such proceeding or exercising any such trust or power available to or conferred on the Collateral Agent and the Joint First Lien Collateral Agent under the Security Documents shall be determined pursuant to clause (b) below and (y) (subject to the provisions of Section 7.1) the Trustee shall have the right to decline to follow any such direction if the Trustee shall determine upon advice of counsel that the action or proceeding so directed may not lawfully be taken or if the Trustee in good faith determines that the action or proceeding so directed would involve the Trustee in personal liability.

(b) Subject to the Collateral Agency Agreement and the Intercreditor Agreements, the Holders of a majority in aggregate principal amount of the Notes then outstanding shall have the right to direct the time, method, and place of conducting any proceeding for any remedy available to the Collateral Agent or the Joint First Lien Collateral Agent, or exercising any trust or power conferred on the Collateral Agent and the Joint First Lien Collateral Agent with respect to the Notes; *provided, however*, that the Collateral Agent and the Joint First Lien Collateral Agent shall have the right to decline to follow any such direction if the Collateral Agent or the Joint First Lien Collateral Agent shall determine upon advice of counsel that the action or proceeding so directed may not lawfully be taken or if the Collateral Agent or the Joint First Lien Collateral Agent in good faith determines that the action or proceeding so directed would involve the Collateral Agent or the Joint First Lien Collateral Agent in personal liability.

Section 5.5. Application of Moneys Collected by Trustee.

Any moneys collected by the Trustee pursuant to this Article (including any proceeds from Collateral received from the Joint First Lien Collateral Agent pursuant to the terms of the Security Documents) with respect to outstanding Notes shall be applied in the order following, at the date or dates fixed by the Trustee for the distribution of such moneys, upon presentation of the Notes and stamping thereon the payment, if only partially paid, and upon surrender thereof, if fully paid:

FIRST: To the payment of costs and expenses of collection and reasonable compensation to the Trustee (including in its role as Collateral Agent and Joint First Lien Collateral Agent under the Security Documents), its agents, attorneys and counsel, and all other expenses and liabilities incurred, and all advances made, by the Trustee pursuant to Section 7.7;

SECOND: If the principal of the Notes shall not have become due and be unpaid, to the payment of interest, if any, on the Notes, in the order of the maturity of the installments of such interest, if any, with interest (to the extent that such interest has been collected by the Trustee) upon the overdue installments of interest, if any, at the rate borne by the Notes, such payment to be made ratably to the Persons entitled thereto;

THIRD: If the principal of the Notes shall have become due, by declaration or otherwise, to the payment of the whole amount then owing and unpaid upon the Notes for principal or interest, if any, with interest on the overdue principal and (to the extent that such interest has been collected by the Trustee) upon overdue installments of interest, if any, at the rate borne by the Notes, and in case such moneys shall be insufficient to pay in full the whole amounts so due and unpaid upon the Notes, then to the payment of such principal and interest, if any, without preference or priority of principal over interest, if any, or of interest, if any, over principal, or of any installment of interest, if any, over any other installment of interest, if any, ratably to the aggregate of such principal and accrued and unpaid interest, if any; and

FOURTH: To the payment of any surplus then remaining to the Issuer, its successors or assigns, or to whomsoever may be lawfully entitled to receive the same.

No claim for interest which in any manner at or after maturity shall have been transferred or pledged separate or apart from the Notes to which it relates, or which in any manner shall have been kept alive after maturity by an extension (otherwise than pursuant to an extension made pursuant to a plan proposed by the Issuer to the Holders of all Notes), purchase, funding or otherwise by or on behalf or with the consent or approval of the Issuer shall be entitled, in case of a default hereunder, to any benefit of this Indenture, except after prior payment in full of the principal of all Notes and of all claims for interest not so transferred, pledged, kept alive, extended, purchased or funded.

Section 5.6. Proceedings by Holders. No holder of any Notes shall have any right by virtue of or by availing itself of any provision of this Indenture to institute any suit, action or proceeding in equity or at law upon or under or with respect to this Indenture for the appointment of a receiver or trustee or similar official, or for any other remedy hereunder, unless such Holder previously shall have given to the Trustee written notice of default and of the continuance thereof, as hereinbefore provided, and unless the Holders of not less than 25% in aggregate principal amount of the Notes then outstanding shall have made written request to the Trustee to institute such action, suit or proceeding in its own name as Trustee hereunder and shall have offered to the Trustee such reasonable indemnity or security as the Trustee may require against the costs, expenses and liabilities to be incurred therein or thereby, and the Trustee for 60 days after its receipt of such notice, request and offer of reasonable indemnity or security shall have neglected or refused to institute any such action, suit or proceeding, it being understood and intended, and being expressly covenanted by the Holder of every Note with every other Holder of Notes and the Trustee, that no one or more Holders of Notes shall have any right in any manner whatever by virtue of or by availing of any provision of this Indenture or of such Notes to affect, disturb or prejudice the rights of any other Holder of Notes, or to obtain or seek to obtain priority over or preference as to any other such Holder, or to enforce any right under this Indenture or such Notes, except in the manner herein provided and for the equal, ratable and common benefit of all Holders of Notes. Nothing in this Section 5.6 shall give any Holder of any Notes the right to exercise any remedy under the Security Documents which shall only be exercised by the Collateral Agent and the Joint First Lien Collateral Agent as directed pursuant to Section 5.4(b).

Notwithstanding any other provisions in this Indenture, however, the contractual right of any Holder of any Note to bring suit for the payment of principal, premium, if any, and interest on its Note, on or after the respective due dates expressed or provided for in such Note, shall not be amended without the consent of such Holder.

Section 5.7. *Proceedings by Trustee.* In case of an Event of Default hereunder, the Trustee may in its discretion proceed to protect and enforce the rights vested in it by this Indenture by such appropriate judicial proceedings as the Trustee shall deem most effectual to protect and enforce any of such rights, either by suit in equity or by action at law or by proceedings in bankruptcy or otherwise, whether for the specific enforcement of any covenant or agreement contained in this Indenture or in aid of the exercise of any power granted in this Indenture, or to enforce any other legal or equitable right vested in the Trustee by this Indenture or by law.

Section 5.8. *Remedies Cumulative and Continuing.* All powers and remedies given by this Article V to the Trustee or to the Holders shall, to the extent permitted by law, be deemed cumulative and not exclusive of any thereof or of any other powers and remedies available to the Trustee or the Holders, by judicial proceedings or otherwise, to enforce the performance or observance of the covenants and agreements contained in this Indenture, and no delay or omission of the Trustee or of any Holder to exercise any right or power accruing upon any default occurring and continuing as aforesaid shall impair any such right or power, or shall be construed to be a waiver of any such default or an acquiescence therein; and, subject to the provisions of Section 5.6, every power and remedy given by this Article V or by law to the Trustee or to the Holders may be exercised from time to time, and as often as shall be deemed expedient, by the Trustee or by the Holders.

Section 5.9. *Undertaking to Pay Costs.* All parties to this Indenture agree, and each Holder of any Note by their acceptance thereof shall be deemed to have agreed, that any court may in its discretion require, or in any suit for the enforcement of any right or remedy under this Indenture, or in any suit against the Trustee for any action taken or omitted by it as Trustee, the filing by any party litigant in such suit of an undertaking to pay the cost of such suit, and that such court may in its discretion assess reasonable costs, including reasonable attorneys' fees and expenses, against any party litigant in such suit, having due regard to the merits and good faith of the claims or defenses made by such party litigant; but the provisions of this Section 5.9 shall not apply to any suit instituted by the Trustee, to any suit instituted by any Holder, or group of Holders, holding in the aggregate more than 10% in principal amount of the then outstanding Notes, or to any suit instituted by any Holders for the enforcement of the payment of the principal of, premium, if any, or interest, if any, on any Note against the Issuer on or after the due date of such Note.

Section 5.10. *Notice of Defaults.* (a) The Company is required to deliver to the Trustee an annual statement regarding compliance with this Indenture, and include in such statement, if any officer of the Company is aware of any Default or Event of Default, a statement specifying such Default or Event of Default and what action the Company is taking or proposes to take with respect thereto. In addition, the Company is required to deliver to the Trustee prompt written notice of the occurrence of any Default or Event of Default.

(b) The Trustee shall, within 90 days after the occurrence of a Default actually known to a Responsible Officer of the Trustee, with respect to the Notes, deliver to all Holders of Notes, as the names and the addresses of such Holders appear upon the Register, subject to the applicable procedures of DTC (in the case of Global Notes), notice of all Defaults, unless such Defaults shall have been cured before the giving of such notice; *provided, however*, that, except in the case of default in the payment of the principal of, premium, if any, or interest, if any, on any of the Notes, or in the payment or satisfaction of a purchase obligation, the Trustee shall be protected in withholding such notice if and so long as the board of directors, the executive committee, a trust committee of directors or a Responsible Officer of the Trustee in good faith determines that the withholding of such notice is in the best interests of the Holders.

Section 5.11. Waiver of Stay, Extension or Usury Laws. The Company, the Issuer and each Guarantor covenants, to the extent permitted by applicable law, that it will not at any time insist upon, or plead, or in any manner whatsoever claim or take the benefit or advantage of, any stay or extension law or any usury law or other law that would prohibit or forgive the Company, the Issuer or the Guarantor from paying all or any portion of the principal of, premium, if any, or interest, if any, on the Notes as contemplated herein, wherever enacted, now or at any time hereafter in force, or that may affect the covenants or the performance of this Indenture. The Company, the Issuer and each Guarantor hereby expressly waives, to the extent that it may lawfully do so, all benefit or advantage of any such law and covenants that it will not hinder, delay or impede the execution of any power herein granted to the Trustee, but will suffer and permit the execution of every such power as though no such law had been enacted.

Section 5.12. Trustee May File Proof of Claim. The Trustee may file proofs of claim and other papers or documents as may be necessary or advisable in order to have the claims of the Trustee (including any claim for the compensation, expenses, disbursements and advances of the Trustee, its agents and counsel, and any other amounts due to the Trustee hereunder) and the Holders allowed in any judicial proceedings relating to the Company, the Issuer or any Guarantor or their respective creditors or property, and is entitled and empowered to collect, receive and distribute any money, securities or other property payable or deliverable upon conversion or exchange of the Notes or upon any such claims. Any custodian, receiver, assignee, trustee, liquidator, sequestrator or other similar official in any such judicial proceeding is hereby authorized by each Holder to make such payments to the Trustee and, if the Trustee consents to the making of such payments directly to the Holders, to pay to the Trustee any amount due to it for the reasonable compensation, expenses, disbursements and advances of the Trustee, its agent and counsel, and any other amounts due to the Trustee hereunder. Nothing in this Indenture will be deemed to empower the Trustee to authorize or consent to, or accept or adopt on behalf of any Holder, any plan of reorganization, arrangement, adjustment or composition affecting the Notes or the rights of any Holder thereof, or to authorize the Trustee to vote in respect of the claim of any Holder in any such proceeding.

Section 5.13. Payment of Notes on Default; Suit Therefor. The Issuer covenants that (a) if default shall be made in the payment of any installment of interest upon the Notes as and when the same shall become due and payable, and such default shall have continued for a period of 30 days, or (b) if default shall be made in the payment of the principal of, and premium, if any, on the Notes as and when the same shall have become due and payable, whether at maturity of the Notes or upon redemption or by declaration or otherwise, then, upon demand of the Trustee, the Issuer will pay to the Trustee, for the benefit of the Holders of the Notes, the whole amount that then shall have become due and payable on all such Notes for principal, and premium, if any, or interest, if any, or both, as the case may be, with interest upon the overdue principal and (to the extent that payment of such interest is enforceable under applicable law) upon the overdue installments of interest, if any, at the rate borne by the Notes; and, in addition thereto, such further amount as shall be sufficient to cover the costs and expenses of collection, including reasonable compensation to the Trustee, its agents, attorneys and counsel, and any expenses or liabilities incurred by the Trustee hereunder other than through its negligence or willful misconduct.

If the Issuer shall fail forthwith to pay such amounts upon such demand, the Trustee, in its own name and as trustee of an express trust, shall be entitled and empowered to institute any actions or proceedings at law or in equity for the collection of the sums so due and unpaid, and may prosecute any such action or proceeding to judgment or final decree, and may enforce any such judgment or final decree against the Issuer or any other obligor on the Notes and collect in the manner provided by law out of the property of the Issuer or any other obligor on the Notes, wherever situated, the moneys adjudged or decreed to be payable.

If there shall be pending proceedings for the bankruptcy or for the reorganization of the Issuer or any other obligor on the Notes under any bankruptcy, insolvency or other similar law now or hereafter in effect, or if a receiver or trustee or similar official shall have been appointed for the property of the Issuer or such other obligor, or in the case of any other similar judicial proceedings relative to the Issuer or other obligor on the Notes, or to the creditors or property of the Issuer or such other obligor, the Trustee, irrespective of whether the principal of the Notes shall then be due and payable as therein expressed or by declaration or otherwise and irrespective of whether the Trustee shall have made any demand pursuant to the provisions of this Section 5.13, shall be entitled and empowered by intervention in such proceedings or otherwise to file and prove a claim or claims for the whole amount of principal, premium, if any, and interest, if any, owing and unpaid in respect of the Notes, and, in case of any judicial proceedings, to file such proofs of claim and other papers or documents as may be necessary or advisable in order to have the claims of the Trustee and of the Holders allowed in such judicial proceedings relative to the Issuer or any other obligor on the Notes, its or their creditors, or its or their property, and to collect and receive any moneys or other property payable or deliverable on any such claims, and to distribute the same after the deduction of its charges and expenses, and any receiver, assignee or trustee or similar official in bankruptcy or reorganization is hereby authorized by each of the Holders to make such payments to the Trustee, and, if the Trustee shall consent to the making of such payments directly to the Holders, to pay to the Trustee any amount due it for compensation and expenses or otherwise pursuant to Section 7.7, including counsel fees and expenses incurred by it up to the date of such distribution. To the extent that such payment of reasonable compensation, expenses and counsel fees and expenses out of the estate in any such proceedings shall be denied for any reason, payment of the same shall be secured by a lien on, and shall be paid out of, any and all distributions, dividends, moneys, securities and other property which the Holders of Notes may be entitled to receive in such proceedings, whether in liquidation or under any plan of reorganization or arrangement or otherwise.

All rights of action and of asserting claims under this Indenture, or under any of the Notes, may be enforced by the Trustee without the possession of any of the Notes, or the production thereof at any trial or other proceeding relative thereto, and any such suit or proceeding instituted by the Trustee shall be brought in its own name as trustee of an express trust, and any recovery of judgment shall be for the ratable benefit of the Holders of Notes in respect of which such judgment has been recovered.

ARTICLE VI GUARANTEES; RELEASE OF GUARANTOR

Section 6.1. Guarantee. Each of the Guarantors hereby unconditionally guarantees, jointly and severally with each other Guarantor, to each Holder and to the Trustee and its successors and assigns, irrespective of the validity and enforceability of this Indenture, the Notes or the obligations of the Issuer hereunder or thereunder, that: (i) the due and punctual payment of the principal of, premium, if any, and interest on the Notes, whether at maturity or on an Interest Payment Date, by acceleration, pursuant to an Offer to Purchase or otherwise, to the extent lawful, and all other obligations of the Issuer to the Holders or the Trustee hereunder or thereunder shall be promptly paid in full when due, all in accordance with the terms hereof and thereof, including all amounts payable to the Trustee under Section 7.7 hereof, and (ii) in case of any extension of time of payment or renewal of any Notes or any of such other obligations, the same shall be promptly paid in full when due or performed in accordance with the terms of the extension or renewal, whether at stated maturity, by acceleration or otherwise.

If the Issuer fails to make any payment when due of any amount so guaranteed for whatever reason, each Guarantor shall be obligated, jointly and severally with each other Guarantor, to pay the same immediately. Each Guarantor hereby agrees that its obligations hereunder shall be continuing, absolute and unconditional, irrespective of, and shall be unaffected by, the validity, regularity or enforceability of the Notes, this Indenture, the Security Documents, the absence of any action to enforce the same, any waiver or consent by any Holder or the Trustee with respect to any provisions hereof or thereof, the recovery of any judgment against the Issuer, any action to enforce the same or any other circumstance which might otherwise constitute a legal or equitable discharge or defense of such Guarantor. If any Holder or the Trustee is required by any court or otherwise to return to the Issuer or any Guarantor, or any custodian, trustee, liquidator or other similar official acting in relation to the Issuer or such Guarantor, any amount paid by the Issuer or any Guarantor to the Trustee or such Holder, this Article VI, to the extent theretofore discharged with respect to any Guarantee, shall be reinstated in full force and effect. Each Guarantor agrees that it shall not be entitled to any right of subrogation in relation to the Holders in respect of any obligations guaranteed hereby by such Guarantor until payment in full of all such obligations. Each Guarantor further agrees that, as between such Guarantor, on the one hand, and the Holders of Notes and the Trustee on the other hand, (i) the maturity of the obligations guaranteed hereby may be accelerated as provided in Article V hereof for the purposes of such Guarantee, notwithstanding any stay, injunction or other prohibition preventing such acceleration in respect of the obligations guaranteed hereby and (ii) in the event of any acceleration of such obligations as provided in Article V hereof such obligations (whether or not due and payable) shall forthwith become due and payable by such Guarantor, jointly and severally with each other Guarantor, for the purpose of this Article VI. In addition, without limiting the foregoing, upon the effectiveness of an acceleration under Article V, the Trustee may make a demand for payment on the Notes under any Guarantee provided hereunder and not discharged.

The Guarantee set forth in this Section 6.1 and as annexed to any Note shall not be valid or become obligatory for any purpose with respect to a Note until the certificate of authentication on such Note shall have been signed by the Trustee or any duly appointed authentication agent.

Section 6.2. *Obligations of each Guarantor Unconditional.* Nothing contained in this Article VI or elsewhere in this Indenture or in any Note is intended to or shall impair, as between each Guarantor and the Holders, the obligations of such Guarantor which are absolute and unconditional, to pay to the Holders the principal of, premium, if any, and interest on the Notes as and when the same shall become due and payable in accordance with the provisions of their Guarantee or is intended to or shall affect the relative rights of the Holders and creditors of such Guarantor, nor shall anything herein or therein prevent the Trustee or any Holder from exercising all remedies otherwise permitted by applicable law upon any Default under this Indenture in respect of cash, property or securities of such Guarantor received upon the exercise of any such remedy.

Upon any distribution of assets of a Guarantor referred to in this Article VI, the Trustee, subject to the provisions of Article VII, and the Holders shall be entitled to rely upon any order or decree made by any court of competent jurisdiction in which such dissolution, winding up, liquidation or reorganization proceedings are pending, or a certificate of the liquidating trustee or agent or other person making any distribution to the Trustee or to such Holders for the purpose of ascertaining the persons entitled to participate in such distribution, the holders of other indebtedness of such Guarantor, the amount thereof or payable thereon, the amount or amounts paid or distributed thereon and all other facts pertinent thereto or to this Article VI.

Section 6.3. *Release of a Guarantor.* (a) If (i) all or substantially all of the assets of any Guarantor other than the Company or all of the Capital Stock of any Guarantor other than the Company is sold (including by consolidation, merger, issuance or otherwise) or disposed of (including by liquidation, dissolution or otherwise) by the Company or any of its Subsidiaries, (ii) unless the Company elects otherwise, any Guarantor other than the Company is designated an Unrestricted Subsidiary in accordance with the terms of this Indenture or becomes an Excluded Subsidiary (other than pursuant to clause (i) of the definition of "Excluded Subsidiary" except in the circumstances set forth in clause (i) above), (iii) the Indenture is discharged or defeased in accordance with Article VIII, or (iv) the Holders of Notes approve a release in accordance with Article IX, then in each case such Guarantor or the Person acquiring such assets (in the event of a sale or other disposition of all or substantially all of the assets of a Guarantor), as the case may be, shall be deemed automatically and unconditionally released and discharged from any of its obligations under this Indenture without any further action on the part of the Trustee or any Holder of the Notes.

(b) An Unrestricted Subsidiary or an Excluded Subsidiary that the Company has, at its option, caused to become a Guarantor shall be deemed automatically and unconditionally released and discharged from all obligations under its Guarantee upon written notice from the Company to the Trustee to such effect, without any further action required on the part of the Trustee or any Holder.

Section 6.4. Execution and Delivery of Guarantee. The execution by each Guarantor of this Indenture (or a supplemental indenture in the form of Exhibit B) evidences the Guarantee of such Guarantor, whether or not the person signing as an officer of the Guarantor still holds that office at the time of authentication of any Note. The delivery of any Note by the Trustee after authentication constitutes due delivery of the Guarantee on behalf of each Guarantor.

Section 6.5. Limitation on Guarantor Liability. Notwithstanding anything to the contrary in this Article VI, each Guarantor, and by its acceptance of a Note, each Holder, hereby confirms that it is the intention of all such parties that the Guarantee of such Guarantor not constitute a fraudulent conveyance under applicable fraudulent conveyance provisions of the United States Bankruptcy Code or any comparable provision of state law. To effectuate that intention, the Trustee, the Holders and the Guarantors hereby irrevocably agree that the obligations of each Guarantor under its Guarantee are limited to the maximum amount that would not render the Guarantor's obligations subject to avoidance under applicable fraudulent conveyance provisions of the United States Bankruptcy Code or any comparable provision of state law.

Section 6.6. Article VI not to Prevent Events of Default. The failure to make a payment on account of principal, premium, if any, or interest, if any, on the Notes by reason of any provision in this Article VI shall not be construed as preventing the occurrence of any Event of Default under Section 5.1.

Section 6.7. Waiver by the Guarantors. To the extent permitted by applicable law, each Guarantor hereby irrevocably waives diligence, presentment, demand of payment, demand of performance, filing of claims with a court in the event of insolvency or bankruptcy of the Issuer, any right to require a proceeding first against the Issuer, the benefit of discussion, protest, notice and all demand whatsoever and covenants that this Guarantee shall not be discharged except by complete performance of the obligations contained in the Notes, in this Indenture and in this Article VI.

Section 6.8. Subrogation and Contribution. Upon making any payment with respect to any obligation of the Issuer under this Article, the Guarantor making such payment shall be subrogated to the rights of the payee against the Issuer with respect to such obligation; *provided*, that the Guarantor may not enforce either any right of subrogation, or any right to receive payment in the nature of contribution, or otherwise, from any other Guarantor, with respect to such payment so long as any amount payable by the Issuer hereunder or under the Notes remains unpaid.

Each Guarantor that makes a payment under its Guarantee shall be entitled, upon payment in full of all guaranteed obligations under this Indenture, to seek and receive contribution from and against each other Guarantor in an amount equal to such other Guarantor's *pro rata* portion of such payment based on the respective net assets of all the Guarantors at the time of such payment determined in accordance with GAAP.

Section 6.9. Stay of Acceleration. If acceleration of the time for payment of any amount payable by the Issuer under this Indenture or the Notes is stayed upon the insolvency, bankruptcy or reorganization of the Issuer, all such amounts otherwise subject to acceleration under the terms of this Indenture are nonetheless payable by the Guarantors hereunder forthwith on demand by the Trustee or the Holders.

ARTICLE VII
THE TRUSTEE

Section 7.1. *General.* (a) The duties, rights and responsibilities of the Trustee are solely as set forth herein. Whether or not expressly so provided, every provision of this Indenture relating to the conduct or affecting the liability of, or affording protection to, the Trustee is subject to this Article.

(b) Except during the continuance of an Event of Default, the Trustee need perform only those duties that are specifically set forth in this Indenture and no others, and no implied covenants or obligations shall be read into this Indenture against the Trustee and the permissive rights of the Trustee set forth herein shall not be construed as duties. In case an Event of Default has occurred and is continuing of which a Responsible Officer of the Trustee has knowledge thereof pursuant to Section 5.1, the Trustee shall exercise those rights and powers vested in it by this Indenture, and use the same degree of care and skill in their exercise as a prudent person would exercise or use under the circumstances in the conduct of their own affairs.

Section 7.2. *Certain Rights of the Trustee.*

(a) The Trustee may conclusively rely, and shall be protected in acting or refraining from acting, upon any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, debenture, note, other evidence of indebtedness or other paper or document believed by it to be genuine and to have been signed or presented by the proper Person. The Trustee need not investigate any fact or matter stated in the document, but the Trustee, in its discretion, may make further inquiry or investigation into such facts or matters as it sees fit.

(b) Subject to Section 7.1(b), the Trustee may conclusively rely, as to the truth of the statements and the correctness of the statements and opinions expressed therein, upon certificates or opinions furnished to the Trustee and conforming to the requirements of this Indenture, and the Trustee shall not be responsible for the accuracy or content of any such statements or opinions; however, the Trustee shall examine the certificates and opinions to determine whether or not they conform on their face to the requirements of this Indenture (it being understood that the Trustee need not confirm, recalculate and/or investigate the accuracy of mathematical or numerical statements or other facts stated therein).

(c) Before the Trustee acts or refrains from acting, it may require an Officer's Certificate or an Opinion of Counsel conforming to Section 13.5 and the Trustee shall not be liable for any action it takes or omits to take in good faith in reliance on such a certificate or opinion. Unless otherwise specifically provided in this Indenture, any demand, request, direction or notice from the Issuer or the Company, as applicable, shall be sufficient if signed by an Officer of the Issuer or the Company, as applicable.

(d) The Trustee may act through its attorneys and agents and shall not be responsible for the misconduct or negligence of any agent appointed with due care.

(e) The Trustee shall be under no obligation to exercise any of the rights or powers vested in it by this Indenture at the request or direction of any of the Holders (including a direction given under Section 5.4), unless such Holders have offered to the Trustee reasonable security or indemnity satisfactory to it against the costs, expenses and liabilities that might be incurred by it in compliance with such request or direction.

(f) The Trustee shall not be liable for any action it takes or omits to take in good faith that it believes to be authorized or within its rights or powers or for any action it takes or omits to take in accordance with the direction of the Holders in accordance with Section 5.4 relating to the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee, under this Indenture.

(g) The Trustee shall not be liable for any error of judgment made in good faith by any of its officers or employees unless it is proved that the Trustee was negligent in ascertaining the pertinent facts.

(h) The Trustee may consult with counsel, accountants and other experts of its selection and the advice of such counsel, accountants or experts or any Opinion of Counsel shall be full and complete authorization and protection in respect of any action taken, suffered or omitted by it hereunder in good faith and in reliance thereon.

(i) No provision of this Indenture shall require the Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of its duties hereunder, or in the exercise of its rights or powers, unless it receives reasonable indemnity or security satisfactory to it against any loss, liability or expense.

(j) The Trustee may request that the Company (on behalf of itself and the Issuer) deliver an Officer's Certificate setting forth the name of the individuals and/or titles of Officers authorized at such time to take specific actions pursuant to this Indenture, which Officer's Certificate may be signed by any person authorized to sign an Officer's Certificate, including any person specified as so authorized in any such Officer's Certificate previously delivered and not superseded.

(k) In no event shall the Trustee be liable, directly or indirectly, for any special, punitive, indirect or consequential damages, even if the Trustee has been advised of the possibility of such damages and regardless of the form of action.

(l) The rights, privileges, protections, immunities and benefits given to the Trustee, including, without limitation, its right to be indemnified, are extended to, and shall be enforceable by, the Trustee in each of its capacities hereunder, and to each agent, custodian and other Person employed to act hereunder.

(m) In no event shall the Trustee be responsible or liable for any failure or delay in the performance of its obligations hereunder arising out of or caused by, directly or indirectly, forces beyond its control, including, without limitation, strikes, work stoppages, accidents, acts of war or terrorism, civil or military disturbances, nuclear or natural catastrophes or acts of God, epidemics, pandemics, governmental actions, and, except in the case of failures or delays due to the Trustee's negligence or bad faith, interruptions, loss or malfunctions of utilities, communications or computer (software and hardware) services, it being understood that the Trustee shall use reasonable best efforts which are consistent with accepted practices in the banking industry to resume performance as soon as practicable under the circumstances.

(n) The Trustee shall have no duty to ensure any recording, filing or depositing of this Indenture or any agreement referred to herein or any mortgage, financing statement or continuation statement evidencing a security interest, or to ensure the maintenance of any such recording or filing or depositing or to any re-recording, re-filing or re-depositing of any thereof.

(o) Knowledge of the Trustee shall not be attributed or imputed to Wilmington Trust, National Association's other roles as trustee or collateral agent for the Issuer, and knowledge of Wilmington Trust, National Association in any other similar role for the Issuer shall not be attributed or imputed to each other or to the Trustee.

(p) The Trustee shall not be liable for losses resulting from the performance in good faith of its duties hereunder or under any of the Security Documents except to the extent caused by its negligence or willful misconduct.

Section 7.3. *Individual Rights of the Trustee.* The Trustee, in its individual or any other capacity, may become the owner or pledgee of Notes and may otherwise deal with the Company or its Affiliates with the same rights it would have if it were not the Trustee. Any Agent may do the same with like rights. However, the Trustee is subject to Trust Indenture Act Sections 310(b) and 311. For purposes of Trust Indenture Act Section 311(b)(4) and (6):

(a) "**cash transaction**" means any transaction in which full payment for goods or securities sold is made within seven days after delivery of the goods or securities in currency or in checks or other orders drawn upon banks or bankers and payable upon demand; and

(b) “**self-liquidating paper**” means any draft, bill of exchange, acceptance or obligation which is made, drawn, negotiated or incurred for the purpose of financing the purchase, processing, manufacturing, shipment, storage or sale of goods, wares or merchandise and which is secured by documents evidencing title to, possession of, or a lien upon, the goods, wares or merchandise or the receivables or proceeds arising from the sale of the goods, wares or merchandise previously constituting the security, provided the security is received by the Trustee simultaneously with the creation of the creditor relationship arising from the making, drawing, negotiating or incurring of the draft, bill of exchange, acceptance or obligation.

Section 7.4. *Trustee’s Disclaimer.* The Trustee (a) makes no representation as to the validity or adequacy of this Indenture, the Notes, the Guarantees or the Collateral, (b) is not accountable for the Company’s use or application of the proceeds from the Notes and (c) is not responsible for any statement in the Notes other than its certificate of authentication.

Section 7.5. *[Reserved].*

Section 7.6. *[Reserved].*

Section 7.7. *Compensation and Indemnity.* (a) The Company shall pay the Trustee compensation as agreed upon in writing for its services. The compensation of the Trustee is not limited by any law on compensation of a trustee of an express trust. The Company shall reimburse the Trustee promptly upon request for all reasonable out-of-pocket expenses, disbursements and advances incurred or made by the Trustee, including the reasonable compensation, disbursements and expenses of the Trustee’s agents and counsel, except such expenses, disbursements and advances arising as a result of its negligence or willful misconduct.

(b) In addition to any other indemnity provided to the Trustee hereunder, the Company shall indemnify the Trustee for, and hold it harmless against, any loss or liability or expense incurred by it without negligence or willful misconduct on its part arising out of or in connection with the acceptance or administration of this Indenture and the Security Documents and its duties under this Indenture, the Security Documents and the Notes, including the reasonable costs and expenses of counsel (and including the costs and expenses of enforcing the Company’s indemnification obligations hereunder and defending itself against any claim or liability and of complying with any process served upon it or any of its officers) in connection with the exercise or performance of any of its powers or duties under this Indenture, the Security Documents and the Notes (regardless of whether brought or initiated by a third party or a party hereto).

(c) To secure the Company’s payment obligations in this Section or as otherwise provided in this Indenture, the Trustee shall have a lien prior to the Notes on all money or property held or collected by the Trustee, in its capacity as Trustee, except money or property held in trust to pay principal of, premium, if any, and interest, if any, on particular Notes.

(d) When the Trustee incurs expenses or renders services after an Event of Default specified in Section 5.1(g) or Section 5.1(h) hereof occurs, the expenses and the compensation for the services (including the fees, disbursements and expenses of its agents and counsel) are intended, to the extent permitted by law, to constitute expenses of administration under any Bankruptcy Law.

(e) The Company’s obligations and the Trustee’s rights under this Section 7.7 shall survive the resignation or removal of the Trustee, the repayment of the Notes in full and the termination of this Indenture.

Section 7.8. *Replacement of Trustee.* (a) (i) The Trustee may resign at any time by written notice to the Issuer.

(ii) The Holders of a majority in principal amount of the outstanding Notes may remove the Trustee by written notice to the Trustee.

(iii) If the Trustee is no longer eligible under Section 7.10 or in the circumstances described in the Trust Indenture Act Section 310(b), any Holder that satisfies the requirements of Trust Indenture Act Section 310(b) may petition any court of competent jurisdiction for the removal of the Trustee and the appointment of a successor Trustee.

(iv) The Issuer may remove the Trustee if: (A) the Trustee is no longer eligible under Section 7.10; (B) the Trustee is adjudged bankrupt or an insolvent; (C) a receiver or other public officer takes charge of the Trustee or its property; or (D) the Trustee becomes incapable of acting.

A resignation or removal of the Trustee and appointment of a successor Trustee shall become effective only upon the successor Trustee's acceptance of appointment as provided in this Section.

(b) If the Trustee has been removed by the Holders, Holders of a majority in principal amount of the Notes may appoint a successor Trustee with the consent of the Issuer. Otherwise, if the Trustee resigns or is removed, or if a vacancy exists in the office of Trustee for any reason, the Issuer shall promptly appoint a successor Trustee. If the successor Trustee does not deliver its written acceptance within 30 days after the retiring Trustee resigns or is removed, the retiring Trustee, the Issuer or the Holders of a majority in principal amount of the outstanding Notes may petition, at the expense of the Issuer, any court of competent jurisdiction for the appointment of a successor Trustee.

(c) Upon delivery by the successor Trustee of a written acceptance of its appointment to the retiring Trustee and to the Issuer, (i) the retiring Trustee shall transfer all property held by it as Trustee to the successor Trustee, subject to the lien provided for in Section 7.7, (ii) the resignation or removal of the retiring Trustee shall become effective, and (iii) the successor Trustee shall have all the rights, powers and duties of the Trustee under this Indenture. Upon request of any successor Trustee, the Issuer shall execute any and all instruments for fully vesting in and confirming to the successor Trustee all such rights, powers and trusts. The Issuer shall give notice of any resignation and any removal of the Trustee and each appointment of a successor Trustee to all Holders, and include in the notice the name of the successor Trustee and the address of its Corporate Trust Office.

(d) Notwithstanding replacement of the Trustee pursuant to this Section, Issuer's obligations under Section 7.7 shall continue for the benefit of the retiring Trustee.

(e) The Trustee agrees to give the notices provided for in, and otherwise comply with, Trust Indenture Act Section 310(b).

Section 7.9. Successor Trustee by Merger. If the Trustee consolidates with, merges or converts into, or transfers all or substantially all of its corporate trust business to, another corporation or national banking association, the resulting, surviving or transferee corporation or national banking association without any further act shall be the successor Trustee with the same effect as if the successor Trustee had been named as the Trustee in this Indenture.

Section 7.10. Eligibility. This Indenture must always have a Trustee that satisfies the requirements of Trust Indenture Act Section 310(a) and has a combined capital and surplus of at least \$25,000,000 as set forth in its most recent published annual report of condition.

Section 7.11. Money Held in Trust. The Trustee shall not be liable for interest or investment income on any money received by it except as it may agree with the Issuer. Money held in trust by the Trustee need not be segregated from other funds except to the extent required by law and except for money held in trust under Article VIII.

ARTICLE VIII
DEFEASANCE AND DISCHARGE

Section 8.1. Legal Defeasance and Discharge. The Issuer, the Company and the Guarantors shall, subject to the satisfaction of the conditions set forth in Section 8.3 hereof, be deemed to have been discharged from their respective obligations under this Indenture with respect to the Notes, the Guarantees thereof and the related Security Documents and cause the release of all Liens on the Collateral granted under the Security Documents in respect of the Notes (other than the right of Holders to receive interest on, premium, if any, and principal of the Notes when due solely out of the trust referred to below and certain other obligations, which by their terms survive under this Indenture as specified in the next succeeding sentence, and subject to Section 7.7), on the date the conditions set forth below are satisfied (hereinafter, “**Legal Defeasance**”). For this purpose, Legal Defeasance means that the Issuer shall be deemed to have paid and discharged the entire Indebtedness represented by the Notes, which shall thereafter be deemed to be outstanding only for the purposes of Section 8.4 hereof and the other Sections of this Indenture referred to in clauses (a) through (f) of this Section 8.1, and the Issuer, the Company and the Guarantors shall be deemed to have satisfied all of their respective obligations under the Notes, the Guarantees, this Indenture and the Security Documents in respect of the Notes (and the Trustee, on demand of and at the expense of the Issuer, shall execute proper instruments delivered to it by the Issuer acknowledging the same), except for the following provisions which shall survive until otherwise terminated or discharged hereunder: (a) the rights of Holders of Notes to receive payments in respect of the principal, premium, if any, and interest, if any, on the Notes when such payments are due from the trust referred to below; (b) the Issuer’s obligations with respect to the Notes concerning mutilated, destroyed, lost or stolen Notes and the maintenance of an office or agency for payment and money for security payments held in trust; (c) the rights, powers, trusts, duties and immunities of the Trustee, and the Issuer’s and the Guarantors’ obligations in connection therewith; (d) the Legal Defeasance provisions of Article VIII of this Indenture; (e) the rights of registration of transfer and exchange of the Notes; and (f) the rights of Holders of Notes that are beneficiaries with respect to property so deposited with the Trustee payable to all or any of them.

Section 8.2. Covenant Defeasance. The Issuer, the Company and the Guarantors shall, subject to the satisfaction of the conditions set forth in Section 8.3 hereof, be released from their obligations with respect to the Notes and the Guarantees under the covenants contained in Sections 4.6, 4.7, 4.8, 4.9, 4.10, 4.11, 4.12 and 4.13, clause (c) of Section 4.14, Section 4.15, Section 4.16, Section 4.18 and Article VI (except for Section 6.3) and each Guarantor’s obligation under its Guarantee, on and after the date that the conditions set forth in Section 8.3 are satisfied, the Liens on the Collateral granted under the Security Documents in respect of the Notes shall be released (hereinafter, “**Covenant Defeasance**”), and the Notes shall thereafter be deemed not outstanding for the purposes of any direction, waiver, consent or declaration or act of Holders of the Notes (and the consequences of any thereof) in connection with such covenants, but shall continue to be deemed outstanding for all other purposes hereunder (it being understood that the Notes shall not be deemed outstanding for accounting purposes). For this purpose, Covenant Defeasance means that, with respect to the Notes and the Guarantees, the Issuer, the Company and the Guarantors may omit to comply with and shall have no liability in respect of any term, condition or limitation set forth in any such covenant, whether directly or indirectly, by reason of any reference elsewhere herein to any such covenant or by reason of any reference in any such covenant to any other provision herein or in any other document and such omission to comply shall not constitute a Default or an Event of Default under Section 5.1 hereof, but, except as specified above, the remainder of this Indenture and the Notes shall be unaffected thereby. Subject to the satisfaction of the conditions set forth in Section 8.3 hereof, Sections 5.1(c) (with respect to the covenants so defeased), 5.1(d), 5.1(e), 5.1(f), 5.1(i) and 5.1(j) shall not constitute Events of Default or Defaults hereunder.

Section 8.3. Conditions to Legal or Covenant Defeasance. The following shall be the conditions to the application of either Section 8.1 or Section 8.2 hereof to the Notes:

In order to exercise either Legal Defeasance or Covenant Defeasance:

(a) the Issuer must irrevocably deposit, or cause to be deposited, with the Trustee, in trust under an irrevocable trust agreement, for the benefit of the Holders of Notes, cash in U.S. dollars, U.S. Government Obligations, or a combination thereof, in such amounts as will be sufficient, in the opinion of a nationally recognized firm of independent public accountants, to pay, without reinvestment, the principal of, premium, if any, and interest, if any, on the Notes on the stated maturity thereof or on the applicable redemption date, as the case may be, and the Issuer must specify whether the Notes are being defeased to maturity or to a particular redemption date;

(b) in the case of Legal Defeasance, the Issuer must deliver to the Trustee an Opinion of Counsel reasonably acceptable to the Trustee confirming that the Issuer has received from, or there has been published by, the Internal Revenue Service a ruling, or there has been a change in the applicable United States federal income tax law after the date of this Indenture, in either case to the effect that, and based thereon such Opinion of Counsel shall confirm that, the beneficial owners of the Notes will not recognize income, gain or loss for United States federal income tax purposes as a result of such Legal Defeasance, and will be subject to United States federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such Legal Defeasance had not occurred;

(c) in the case of Covenant Defeasance, the Issuer must deliver to the Trustee an Opinion of Counsel reasonably acceptable to the Trustee confirming that the beneficial owners of the Notes will not recognize income, gain or loss for United States federal income tax purposes as a result of such Covenant Defeasance, and will be subject to United States federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such Covenant Defeasance had not occurred;

(d) no Default or Event of Default shall have occurred and be continuing on the date of such deposit (other than a Default or Event of Default resulting from the borrowing of funds to be applied to such deposit) or insofar as Events of Default from bankruptcy or insolvency events are concerned, at any time in the period ending on the 91st day after the date of deposit;

(e) such Legal Defeasance or Covenant Defeasance will not result in a breach or violation of, or constitute a default under, any material agreement or instrument (other than this Indenture) to which the Issuer or any of its Restricted Subsidiaries is a party or by which the Issuer or any of its Restricted Subsidiaries is bound;

(f) the Issuer must deliver to the Trustee an Officer's Certificate stating that the deposit was not made by the Issuer with the intent of preferring the Holders of Notes over other creditors of the Issuer, or with the intent of defeating, hindering, delaying or defrauding creditors of the Issuer or others; and

(g) the Issuer must deliver to the Trustee an Officer's Certificate and an Opinion of Counsel in the United States reasonably acceptable to the Trustee, each stating that the conditions precedent provided for or relating to Legal Defeasance or Covenant Defeasance, as applicable, in the case of the Officer's Certificate, in clauses (a) through (f) and, in the case of the Opinion of Counsel, in clauses (b) and (c) of this Section 8.3, have been complied with.

Section 8.4. *Deposited Money and Government Securities to be Held in Trust; Other Miscellaneous Provisions.* Subject to Section 8.5 hereof, all money and U.S. Government Obligations (including the proceeds thereof) deposited with the Trustee (or other qualifying trustee, collectively, and solely for purposes of this Section 8.4, the "Trustee") pursuant to Section 8.3 or Section 8.8 hereof in respect of the Notes shall be held in trust and applied by the Trustee, in accordance with the provisions of the Notes and this Indenture, to the payment, either directly or indirectly or through any paying agent (including the Issuer acting as paying agent) as the Trustee may determine, to the Holders of such Notes of all sums due and to become due thereon in respect of principal, premium, if any, and interest, but such money need not be segregated from other funds except to the extent required by law.

The Company shall pay and indemnify the Trustee against any tax, fee or other charge imposed on or assessed against the cash or non-callable U.S. Government Obligations deposited pursuant to Section 8.3 or Section 8.8 hereof or the principal, premium, if any, and interest, if any, received in respect thereof other than any such tax, fee or other charge which by law is for the account of the beneficial owners of the Notes.

Subject to the preceding paragraph and Section 7.7 herein, anything in this Article VIII to the contrary notwithstanding, the Trustee shall deliver or pay, solely to the extent available in such trust, to the Issuer from time to time upon the request of the Issuer any money or non-callable U.S. Government Obligations held by it as provided in Section 8.3 or Section 8.8 hereof which, in the opinion of a nationally recognized firm of independent public accountants expressed in a written certification thereof delivered to the Trustee (which may be the opinion delivered under Section 8.3(a) hereof), are in excess of the amount thereof that would then be required to be deposited to effect an equivalent Legal Defeasance or Covenant Defeasance.

Section 8.5. Repayment to Issuer. Any money deposited with the Trustee or any paying agent, or then held by the Issuer, in trust for the payment of the principal, premium, if any, and interest on the Notes and remaining unclaimed for two years after such principal, premium, if any, and interest has become due and payable shall be paid to the Issuer on its request or (if then held by the Issuer) shall, subject to any relevant unclaimed property laws, upon written request therefor, be discharged from such trust and returned to the Issuer; and the Holder of a Note shall thereafter, as an unsecured creditor, look only to the Issuer for payment thereof, and all liability of the Trustee or such paying agent with respect to such trust money, and all liability of the Issuer as trustee thereof, shall thereupon cease.

Section 8.6. Reinstatement. If the Trustee or paying agent is unable to apply any money or non-callable U.S. Government Obligations in accordance with Section 8.1, Section 8.2 or Section 8.8 hereof, as the case may be, by reason of any order or judgment of any court or governmental authority enjoining, restraining or otherwise prohibiting such application, then the Issuer's obligations under this Indenture and the Notes shall be revived and reinstated as though no deposit had occurred pursuant to Section 8.1, Section 8.2 or Section 8.8 hereof until such time as the Trustee or paying agent is permitted to apply all such money in accordance with Section 8.1, Section 8.2 or Section 8.8 hereof, as the case may be; *provided, however*, that, if the Issuer makes any payment of principal of, premium, if any, or interest, if any, on any Note following the reinstatement of its obligations, the Issuer shall be subrogated to the rights of the Holders of such Notes to receive such payment from the money held by the Trustee or paying agent.

Section 8.7. Survival. The Trustee's rights under Article VII (including, but not limited to, its right to indemnification) and this Article VIII shall survive termination of this Indenture, the payment of the Notes in full and the resignation or removal of the Trustee.

Section 8.8. Satisfaction and Discharge of Indenture. If at any time (a)(i) the Issuer shall have paid or caused to be paid the principal of, premium, if any, and interest on all the outstanding Notes (other than Notes which have been destroyed, lost or stolen and which have been replaced or paid as provided in Section 2.4) as and when the same shall have become due and payable, or (ii) the Issuer shall have delivered to the Trustee for cancellation all Notes theretofore authenticated (other than Notes which have been destroyed, lost or stolen and which have been replaced or paid as provided in Section 2.4), or (b)(i) the Notes mature within one year, or all of them are to be called for redemption within one year under arrangements satisfactory to the Trustee for giving the notice of redemption, (ii) the Issuer irrevocably deposits in trust with the Trustee, as trust funds solely for the benefit of the Holders, money in U.S. dollars or U.S. Government Obligations or a combination thereof sufficient, in the opinion of a nationally recognized firm of independent public accountants expressed in a written certificate delivered to the Trustee, without consideration of any reinvestment, to pay principal of and premium, if any, and interest on the Notes to maturity or redemption, as the case may be, and to pay all other sums payable by it hereunder, (iii) no Default has occurred and is continuing on the date of the deposit, (iv) the deposit will not result in a breach or violation of, or constitute a default under, this Indenture or any other agreement or instrument to which the Issuer is a party or by which it is bound, and (v) the Issuer delivers to the Trustee an Officer's Certificate and an Opinion of Counsel, in each case stating that all conditions precedent provided for herein relating to the satisfaction and discharge of this Indenture have been complied with; and if, in any such case, the Issuer shall also pay or cause to be paid all other sums payable hereunder by the Issuer (including all amounts, payable to the Trustee pursuant to Section 7.7), then, (x) after satisfying the conditions in clause (a), only the Company's obligations under Sections 7.7 and 8.4 will survive or (y) after satisfying the conditions in clause (b), only the Issuer's or the Company's, as applicable, obligations in Article II and Sections 4.1, 4.2, 7.7, 7.8, 8.4, 8.5 and 8.6 will survive, and, in either case, the Trustee, on demand of the Issuer accompanied by an Officer's Certificate and an Opinion of Counsel, each stating that all conditions precedent relating to the satisfaction and discharge contemplated by this provision have been complied with, and at the cost and expense of the Issuer, shall execute proper instruments acknowledging such satisfaction and discharging of this Indenture and the Security Documents and cause the release of all Liens on the Collateral granted under the Security Documents. The Issuer agrees to reimburse the Trustee for any costs or expenses thereafter reasonably incurred, and to compensate the Trustee for any services thereafter reasonably rendered, by the Trustee in connection with this Indenture or the Notes.

ARTICLE IX
AMENDMENTS, SUPPLEMENTS AND WAIVERS

Section 9.1. *Amendments Without Consent of Holders.* The Company, the Issuer, the Guarantors, the Trustee, the Collateral Agent and the Joint First Lien Collateral Agent, as applicable, may amend, supplement or waive this Indenture, the Notes, the Guarantees or the Security Documents with respect to the Notes without notice to or the consent of any Holder:

(a) to evidence the succession of another Person to the Issuer or the Company or successive successions, and the assumption by the successor Person of the covenants, agreements and obligations of the Issuer or the Company herein and in the Notes or the Guarantees;

(b) to add to the covenants of the Issuer or the Company such further covenants, restrictions, conditions or provisions for the protection of the Holders of Notes, or to surrender any right or power herein conferred upon the Issuer or the Company, and to make the occurrence, or the occurrence and continuance, of a default in any such additional covenants, restrictions, conditions or provisions an Event of Default permitting the enforcement of all or any of the several remedies provided in this Indenture as herein set forth; *provided, however*, that in respect of any such additional covenants, restrictions, conditions or provisions such amendment, supplemented indenture or waiver may provide for a particular period of grace after default (which period may be shorter or longer than that allowed in the case of other defaults) or may provide for an immediate enforcement upon such an Event of Default or may limit the remedies available to the Trustee upon such an Event of Default or may limit the right of the Holders of a majority in aggregate principal amount of the Notes to waive such an Event of Default;

(c) to cure any ambiguity, defect or inconsistency in this Indenture, the Notes, the Guarantees or the Security Documents;

(d) to evidence and provide for the acceptance of appointment hereunder by a successor or replacement Trustee or under the Security Documents of a successor or replacement Collateral Agent or Joint First Lien Collateral Agent;

(e) to provide for uncertificated Notes in addition to, or in place of, Certificated Notes;

(f) to provide for any Guarantee of the Notes;

(g) to add security to or for the benefit of the Notes and, in the case of the Security Documents, to or for the benefit of the other secured parties named therein, or to confirm and evidence the release, termination or discharge of any Guarantee of the Notes or Lien securing the Notes or any Guarantee when such release, termination or discharge is permitted by this Indenture and the Security Documents;

(h) to provide for, or confirm the issuance of, Additional Notes;

(i) to evidence compliance with Section 4.14;

(j) to make any other change that does not adversely affect the legal rights of any Holder; or

(k) to comply with any requirements of the Commission in connection any qualification of this Indenture under the Trust Indenture Act.

By receiving Notes, Holders of the Notes are hereby deemed to have consented for purposes of this Indenture and the Security Documents, and the Trustee, the Collateral Agent and the Joint First Lien Collateral Agent are hereby authorized and directed by the Holders of the Notes, upon receipt of an Officer's Certificate more fully described below, to amend, supplement or otherwise modify the Security Documents or enter into new intercreditor agreements or other security documents to add or provide for additional secured parties to the extent Liens securing Indebtedness and other Obligations held by such parties are permitted under this Indenture (and to reflect any differing level of Lien priorities among the holders of Secured Obligations); *provided* that after so securing any such additional secured parties, the amount of Secured Obligations does not exceed the amount permitted by the definition of "Permitted Liens."

In executing any such amendment, supplement, consent or waiver or other modification of a Security Document (or in entering into a new intercreditor agreement or other Security Document) pursuant to the immediately preceding paragraph, the Trustee, the Collateral Agent and the Joint First Lien Collateral Agent shall be entitled to receive and shall be fully protected in relying upon an Officer's Certificate stating that the execution of such amendment, supplement, consent or waiver or new agreement is authorized or permitted by the applicable Security Document and complies with the provisions thereof and of this Indenture. Notwithstanding anything in this Indenture to the contrary, no Opinion of Counsel shall be required in connection with the execution by the Trustee, the Collateral Agent or the Joint First Lien Collateral Agent of any such amendment, supplement, consent or waiver or other modification of the Security Documents (or the entry into a new intercreditor agreement or other Security Document) as contemplated in the immediately preceding paragraph.

Section 9.2. Amendments with Consent of Holders. (a) Except as otherwise provided in Sections 5.1, 5.3 and 5.6 or (b) and (c) of this Section, the Company, the Issuer, the Guarantors, the Trustee, the Collateral Agent and the Joint First Lien Collateral Agent, as applicable, may amend or supplement this Indenture, the Notes, the Guarantees and the Security Documents with respect to the Notes with the consent of the Holders of a majority in principal amount of the outstanding Notes (which may include written consents obtained in connection with a tender offer or exchange offer for Notes), and the Holders of a majority in principal amount of the outstanding Notes by written notice to the Trustee may waive future compliance by the Company, the Issuer and the Guarantors with any provision of this Indenture, the Notes, the Guarantees or the Security Documents with respect to the Notes (which may include waivers obtained in connection with a tender offer or exchange offer for Notes).

(b) Notwithstanding the provisions of paragraph (a) of this Section 9.2, without the consent of each Holder of Notes affected, an amendment or waiver may not:

(i) reduce the amount of Notes whose Holders must consent to an amendment, supplement or waiver,

(ii) reduce the rate of, or extend the time for payment of, any interest, including default interest, on any Note,

(iii) reduce principal of, or change the fixed maturity of, any Note or alter the provisions (including related definitions, except amendments to the definitions of "Asset Disposition," "Change of Control" and "Permitted Hovnanian Holders") with respect to redemptions described under Article III or with respect to mandatory offers to repurchase Notes described under Section 4.10 and Section 4.12,

(iv) make any Note payable in money other than that stated in the Note,

(v) modify the ranking or priority of the Notes or any Guarantee thereof,

(vi) make any change in Section 5.3 or Section 5.6,

(vii) release any Guarantor from any of its obligations under its Guarantee or this Indenture otherwise than in accordance with this Indenture, or

(viii) waive a continuing Default or Event of Default in the payment of principal of, premium, if any, or interest, if any, on the Notes (except a rescission of acceleration of the Notes by the Holders of at least a majority in aggregate principal amount of the then outstanding Notes with respect to a nonpayment default and a waiver of the payment default that resulted from such acceleration).

(c) Without the consent of the Holders of at least 66 $\frac{2}{3}$ % in principal amount of the Notes, the Company, the Issuer, the Guarantors, the Trustee, the Collateral Agent and the Joint First Lien Collateral Agent may not effect a release of all or substantially all of the Collateral with respect to the Notes other than pursuant to the terms of the Security Documents or as otherwise permitted under this Indenture.

(d) It is not necessary for Holders to approve the particular form of any proposed amendment, supplement or waiver, but is sufficient if their consent approves the substance thereof.

(e) An amendment, supplement or waiver under this Section 9.2 shall become effective on receipt by the Trustee of written consents from the Holders of the requisite percentage in principal amount of the outstanding Notes. After an amendment, supplement or waiver under this Section 9.2 becomes effective, the Issuer (or the Trustee at the request and expense of the Issuer) will send to the Holders affected thereby a notice briefly describing the amendment, supplement or waiver. The Issuer will send supplemental indentures to Holders upon request. Any failure of the Issuer to send such notice, or any defect therein, will not, however, in any way impair or affect the validity of any such supplemental indenture, amendment or waiver.

Section 9.3. *Effect of Consent.* (a) After an amendment, supplement or waiver becomes effective, it will bind every Holder of the Notes unless it is of the type requiring the consent of each Holder affected. If the amendment, supplement or waiver is of the type requiring the consent of each Holder affected, the amendment, supplement or waiver will bind each Holder of the Notes that has consented to it and every subsequent Holder of a Note that evidences the same debt as the Note of the consenting Holder.

(b) If an amendment, supplement or waiver changes the terms of a Note, the Trustee may require the Holder to deliver it to the Trustee so that the Trustee may place an appropriate notation of the changed terms on the Note and return it to the Holder, or exchange it for a new Note that reflects the changed terms. The Trustee may also place an appropriate notation on any Note thereafter authenticated. However, the effectiveness of the amendment, supplement or waiver shall not be affected or impaired by any failure to annotate or exchange Notes in this fashion.

Section 9.4. *Trustee's Rights and Obligations.* The Trustee is entitled to receive, in addition to the documents required by Section 13.4, and will be fully protected in relying upon, an Opinion of Counsel stating (i) that the execution of any amendment, supplement or waiver authorized pursuant to this Article is authorized or permitted by this Indenture or the applicable Security Document and (ii) in the case of an amendment, supplement or waiver in connection with Section 9.1(j) that such amendment, supplement or waiver does not adversely affect the legal rights of any Holder of Notes affected by such change. If the Trustee has received such Opinion of Counsel, it shall sign the amendment, supplement or waiver so long as the same does not adversely affect the rights of the Trustee. The Trustee may, but is not obligated to, execute any amendment, supplement or waiver that affects the Trustee's own rights, duties or immunities under this Indenture.

ARTICLE X
[RESERVED]

ARTICLE XI
COLLATERAL AND SECURITY

Section 11.1. Security Documents. The payment of the principal of and interest and premium, if any, on the Notes when due, whether on an Interest Payment Date, at maturity, by acceleration, repurchase, redemption or otherwise and whether by the Issuer pursuant to the Notes or by any Guarantor pursuant to its Guarantee and the performance of all other obligations of the Issuer and the Guarantors under this Indenture, the Notes, the Guarantees and the Security Documents are secured by Liens on the Collateral, subject to Permitted Liens, as provided in the Security Documents which the Issuer and the Guarantors have entered into simultaneously with the execution of this Indenture, or in certain circumstances, prior to or subsequent to the Issue Date, and shall be secured as provided in the Security Documents hereafter delivered as required or permitted by this Indenture.

Section 11.2. Collateral Agent.

(a) The Issuer hereby appoints Wilmington Trust, National Association (including in its capacity as Joint First Lien Collateral Agent) to act as Collateral Agent, and the Collateral Agent and Joint First Lien Collateral Agent shall have the duties, rights, indemnities, privileges, powers and immunities of the Collateral Agent and Joint First Lien Collateral Agent as set forth herein and in the Security Documents. The Issuer and the Guarantors hereby agree that the Collateral Agent and the Joint First Lien Collateral Agent shall hold the Collateral for the benefit of all of the Holders and the Trustee, in each case, pursuant to the terms of the Security Documents, and each of the Collateral Agent and the Joint First Lien Collateral Agent is hereby authorized to execute and deliver the applicable Security Document to which it is a party. Subject to the Intercreditor Agreements and the Collateral Agency Agreement, each of the Collateral Agent and the Joint First Lien Collateral Agent is authorized and empowered to appoint one or more collateral agents to act on its behalf, co-Collateral Agents or co-Joint First Lien Collateral Agents as it deems necessary or appropriate.

(b) None of the Trustee, the Collateral Agent, the Joint First Lien Collateral Agent or any of their respective officers, directors, employees, attorneys or agents shall be responsible or liable for the legality, enforceability, effectiveness or sufficiency of the Security Documents, for the creation, perfection, priority, sufficiency, maintenance, renewal or protection of any Lien with respect to the Notes, or for any defect or deficiency as to any such matters, or for any failure to demand, collect, foreclose or realize upon or otherwise enforce any of the Liens with respect to the Notes or Security Documents or any delay in doing so; *provided, however*, that nothing in this Section 11.2(b) shall alter the Collateral Agent's or the Joint First Lien Collateral Agent's obligations under Section 7.02 of the Security Agreement.

(c) The Collateral Agent and the Joint First Lien Collateral Agent shall be subject to such directions as may be given it by the Trustee from time to time (as required or permitted by this Indenture). Subject in all cases to the Collateral Agent's and Joint First Lien Collateral Agent's rights under the Indenture and Security Documents, except as directed by the Trustee as required or permitted by this Indenture or as required or permitted by the Security Documents, the Collateral Agent and the Joint First Lien Collateral Agent shall not be obligated:

- (1) to act upon directions purported to be delivered to it by any other Person;
- (2) to foreclose upon or otherwise enforce any Lien with respect to the Notes and the Guarantees;
- (3) to take any other action whatsoever with regard to any or all of the Liens with respect to the Notes and the Guarantees, Security Documents or Collateral; or

(4) to take any other action other than as directed pursuant to Section 5.4(b).

(d) The Collateral Agent and the Joint First Lien Collateral Agent shall be accountable only for amounts that it actually receives as a result of the enforcement of the Liens with respect to the Notes and the Guarantees or the Security Documents.

(e) In acting as Collateral Agent, co-Collateral Agent or co-Joint First Lien Collateral Agent, the Collateral Agent, the Joint First Lien Collateral Agent and each co-Collateral Agent or co-Joint First Lien Collateral Agent may rely upon and enforce for its own benefit each and all of the rights, powers, immunities, indemnities and benefits of the Trustee under Article VII hereof, each of which shall also be deemed to be for the benefit of the Collateral Agent and the Joint First Lien Collateral Agent.

(f) At all times when the Trustee is not itself the Collateral Agent or the Joint First Lien Collateral Agent, the Issuer shall deliver to the Trustee copies of all Security Documents delivered to the Collateral Agent and the Joint First Lien Collateral Agent and copies of all documents delivered to the Collateral Agent and the Joint First Lien Collateral Agent pursuant to the Security Documents.

(g) None of the Trustee, the Collateral Agent or the Joint First Lien Collateral Agent, in their respective capacities as such hereunder, shall be deemed to owe any fiduciary duty to the holders of any Secured Obligations other than (with respect to the Trustee, acting as a prudent person following an Event of Default) the Notes.

Section 11.3. Authorization of Actions to be Taken.

(a) Each Holder of Notes, by its acceptance thereof, consents and agrees to the terms of each Security Document, as originally in effect on the Issue Date and as amended, supplemented or replaced from time to time (including in connection with the issuance of the Notes) in accordance with its terms or the terms of this Indenture, authorizes and directs the Trustee, the Collateral Agent and the Joint First Lien Collateral Agent to execute and deliver the Security Documents to which it is a party and authorizes and empowers the Trustee, the Collateral Agent and the Joint First Lien Collateral Agent to bind the Holders of Notes and other holders of Secured Obligations as set forth in the Security Documents to which it is a party and to perform its obligations and exercise its rights and powers thereunder.

(b) The Trustee, the Collateral Agent and the Joint First Lien Collateral Agent are authorized and empowered to receive for the benefit of the Holders of Notes any funds collected or distributed under the Security Documents to which the Trustee, the Collateral Agent or the Joint First Lien Collateral Agent is a party and to make further distributions of such funds to the Holders of Notes according to the provisions of this Indenture.

(c) Subject to the provisions of Section 7.1 and Section 7.2, the Trustee may (but shall not be obligated), in its sole discretion and without the consent of the Holders of Notes, direct, on behalf of the Holders of Notes, the Collateral Agent or the Joint First Lien Collateral Agent to take all actions it deems necessary or appropriate in order to:

- (1) foreclose upon or otherwise enforce any or all of the Liens;
- (2) enforce any of the terms of the Security Documents to which the Trustee, the Collateral Agent or the Joint First Lien Collateral Agent is a party; or
- (3) collect and receive payment of any and all Obligations with respect to the Notes and the Guarantees.

Subject to the Intercreditor Agreements, the Collateral Agency Agreement and Section 5.4, Section 7.1 and Section 7.2 of this Indenture, the Trustee is authorized and empowered (but shall not be obligated) to institute and maintain, or direct the Collateral Agent or the Joint First Lien Collateral Agent to institute and maintain, such suits and proceedings as it may deem expedient to protect or enforce the Liens with respect to the Notes and the Guarantees or the Security Documents to which the Trustee, the Collateral Agent or the Joint First Lien Collateral Agent is a party or to prevent any impairment of Collateral by any acts that may be unlawful or in violation of the Security Documents to which the Trustee, the Collateral Agent or the Joint First Lien Collateral Agent is a party or this Indenture, and such suits and proceedings as the Trustee, the Collateral Agent or the Joint First Lien Collateral Agent may deem expedient to preserve or protect its interests and the interests of the Holders of Notes in the Collateral, including power to institute and maintain suits or proceedings to restrain the enforcement of or compliance with any legislative or other governmental enactment, rule or order that may be unconstitutional or otherwise invalid if the enforcement of, or compliance with, such enactment, rule or order would impair the security interest hereunder or be prejudicial to the interests of Holders of Notes, the Trustee, the Collateral Agent or the Joint First Lien Collateral Agent.

Section 11.4. Release of Liens.

(a) The Liens with respect to the Notes and the Guarantees shall be released:

(1) in whole, upon payment in full of the principal of, accrued and unpaid interest and premium, if any, on the Notes and payment in full of all other Obligations in respect thereof that are due and payable at or prior to the time such principal, accrued and unpaid interest and premium, if any, on the Notes are paid;

(2) in whole, upon satisfaction and discharge of this Indenture pursuant to Section 8.8;

(3) in whole, upon a legal defeasance or covenant defeasance of the Notes pursuant to Article VIII;

(4) in part, as to any property constituting Collateral that (a) is sold, transferred or otherwise disposed of by the Company, the Issuer or one of the Restricted Subsidiaries to any Person other than the Company, the Issuer or any of its Restricted Subsidiaries (but excluding any transaction subject to Section 4.14 where the recipient is required to become the obligor on the Notes or a Guarantor) in a transaction permitted by this Indenture and the Security Documents, at the time of such sale or disposition, to the extent of the interest sold or disposed of, (b) is owned or at any time acquired by a Restricted Subsidiary that has been released from its Guarantee under this Indenture, concurrently with the release of such Guarantee, (c) consists of securities of the Issuer or a Guarantor or of any JV Holding Company to be released as contemplated by Section 4.18(d) (iii) or (d) is or becomes Excluded Property; or

(5) in accordance with and subject to the provisions of Article IX, with the consent of Holders of the Notes (including consents obtained in connection with a tender offer or exchange offer).

(b) If an instrument confirming the release of the Liens with respect to the Notes and the Guarantees pursuant to Section 11.4(a) is requested by the Issuer or a Guarantor, then upon delivery to the Trustee of an Officer's Certificate requesting execution of such an instrument, accompanied by:

(1) an Opinion of Counsel confirming that such release is permitted by Section 11.4(a);

(2) all instruments requested by the Issuer to effectuate or confirm such release; and

(3) such other certificates and documents as the Trustee, the Collateral Agent or the Joint First Lien Collateral Agent may reasonably request to confirm the matters set forth in Section 11.4(a) that are required by this Indenture or the Security Documents,

the Trustee shall, if such instruments and documents are reasonably satisfactory to the Trustee and, as applicable, the Collateral Agent or the Joint First Lien Collateral Agent, instruct the Collateral Agent or the Joint First Lien Collateral Agent, as applicable, to execute and deliver, and the Collateral Agent or the Joint First Lien Collateral Agent, as applicable, shall promptly execute and deliver, such instruments.

(a) If an instrument evidencing the subordination of the Collateral Agent's or the Joint First Lien Collateral Agent's, as applicable, security interest in the Collateral to a Permitted Lien is requested by the Issuer or a Guarantor, then upon delivery to the Collateral Agent or the Joint First Lien Collateral Agent, as applicable, of an Officer's Certificate requesting execution of such an instrument, accompanied by:

- (1) an Opinion of Counsel confirming that such subordination is permitted by this Indenture;
- (2) all instruments requested by the Issuer to effectuate or confirm such subordination; and
- (3) such other certificates and documents as the Collateral Agent or the Joint First Lien Collateral Agent may reasonably request to confirm the matters that are required by this Indenture or the Security Documents,

the Collateral Agent or the Joint First Lien Collateral Agent, as applicable, shall, if such instruments and documents are reasonably satisfactory to the Collateral Agent or the Joint First Lien Collateral Agent, as applicable, promptly execute and deliver such instruments.

(b) All instruments effectuating or confirming any release or subordination of any Liens with respect to the Notes and the Guarantees will have the effect solely of releasing or subordinating such Liens as to the Collateral described therein, on customary terms and without any recourse, representation, warranty or liability whatsoever.

(c) The Issuer shall bear and pay all costs and expenses associated with any release or subordination of Liens pursuant to this Section 11.4, including all reasonable fees and disbursements of any attorneys or representatives acting for the Trustee, the Collateral Agent or the Joint First Lien Collateral Agent.

Section 11.5. *Filing, Recording, Certificates and Opinions.* (a) Any release of Collateral permitted by Section 11.4 hereof or the Security Documents will be deemed not to impair the Liens under this Indenture and the Security Documents in contravention thereof and any person that is required to deliver a certificate or opinion under this Indenture or the Security Documents, shall be entitled to rely upon the foregoing as a basis for delivery of such certificate or opinion. The Trustee may, to the extent permitted by Section 7.1 and Section 7.2 hereof, accept as conclusive evidence of compliance with the foregoing provisions the appropriate statements contained in such documents and opinion.

(b) If any Collateral is released in accordance with this Indenture or any Security Document at a time when the Trustee is not itself also the Collateral Agent or the Joint First Lien Collateral Agent and if the Issuer has delivered the certificates and documents required by the Security Documents and permitted to be delivered by Section 11.4 (if any), the Trustee will determine whether it has received all documentation required in connection with such release and, based on such determination and the Opinion of Counsel delivered pursuant to Section 11.4, if any, will, upon request, deliver a certificate to the Collateral Agent and/or the Joint First Lien Collateral Agent, as applicable, setting forth such determination.

ARTICLE XII
RELEASE OF ISSUER AND GUARANTORS

Section 12.1. Release of Issuer. (a) The Issuer shall be released from its obligations under this Indenture and the Notes, without the consent of the Holders of the Notes, if: (1) the Company or any successor to the Company has assumed the obligations of the Issuer under this Indenture and the Notes, by supplemental indenture executed and delivered to the Trustee and satisfactory in form to the Trustee; (2) the Company delivers an Opinion of Counsel to the Trustee to the effect that beneficial owners of the Notes will not recognize income, gain or loss for United States federal income tax purposes as a result of the release and will be subject to United States federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such release had not occurred; and (3) the Issuer shall (w) become a Guarantor at such time subject to the provisions of Article VI and Section 4.11 hereof, (x) execute a supplemental indenture evidencing its Guarantee and (y) deliver an Opinion of Counsel to the Trustee to the effect that the (i) the supplemental indenture is permitted by the terms of this Indenture, (ii) the supplemental indenture has been duly authorized, executed and delivered by the Issuer and constitutes a valid and binding obligation of the Issuer, enforceable against the Issuer in accordance with its terms (subject to customary exceptions), until such time, if any, as such Guarantee may be released as described above under Section 4.19 and Article VI and (iii) all conditions precedent to the execution of such supplemental indenture provided for in this Indenture have been complied with.

(b) A Guarantor may be released from its obligations under this Indenture, the Notes and its Guarantee in accordance with the provisions contained in Section 6.3 herein.

ARTICLE XIII
MISCELLANEOUS

Section 13.1. Trust Indenture Act. This Indenture, the Notes, the Guarantees and the Security Documents are not subject to the Trust Indenture Act except as expressly and to the extent provided for in this Indenture, the Security Documents, the Notes and the Guarantees.

Section 13.2. Holder Communications; Holder Actions.

(a) Any request, demand, authorization, direction, notice, consent to amendment, supplement or waiver or other action provided by this Indenture to be given or taken by a Holder (an “act”) may be evidenced by an instrument signed by the Holder delivered to the Trustee. The fact and date of the execution of the instrument, or the authority of the person executing it, may be proved in any manner that the Trustee deems sufficient.

(b) Any act by the Holder of any Note binds that Holder and every subsequent Holder of a Note that evidences the same debt as the Note of the acting Holder, even if no notation thereof appears on the Note. Subject to paragraph (c), a Holder may revoke an act as to its Notes, but only if the Trustee receives the notice of revocation before the date the amendment or waiver or other consequence of the act becomes effective.

(c) The Issuer may, but is not obligated to, fix a record date (which need not be within the time limits otherwise prescribed by Trust Indenture Act § 316(c)) for the purpose of determining the Holders entitled to act with respect to any amendment or waiver or in any other regard, except that during the continuance of an Event of Default, only the Trustee may set a record date as to notices of Default, any declaration or acceleration or any other remedies or other consequences of the Event of Default. If a record date is fixed, those Persons that were Holders at such record date and only those Persons shall be entitled to act, or to revoke any previous act, whether or not those Persons continue to be Holders after the record date. No act shall be valid or effective for more than 90 days after the record date.

Section 13.3. Notices. (a) Any notice or communication to the Issuer or the Company shall be deemed given if in writing (i) when delivered in person or (ii) five days after mailing when mailed by first class mail or (iii) when sent by facsimile or electronic transmission, with transmission confirmed. Notices or communications to a Guarantor shall be deemed given if given to the Company. Any notice to the Trustee shall be deemed given if in writing and (i) delivered in person, (ii) mailed by first class mail or (iii) sent by facsimile or electronic transmission, and shall be effective only upon receipt. In each case the notice or communication should be addressed as follows:

if to the Issuer or the Company:

K. Hovnanian Enterprises, Inc.
c/o Hovnanian Enterprises, Inc.
90 Matawan Road, Fifth Floor
Matawan, New Jersey 07747
Facsimile: (732) 383-2945
Attention: Corporate Counsel

if to the Trustee:

Wilmington Trust, National Association
246 Goose Lane, Suite 105
Guilford, CT 06437
Facsimile: 203-453-1183
Attention: Global Capital Markets – K. Hovnanian Relationship Manager

The Issuer or the Trustee by notice to the other may designate additional or different addresses for subsequent notices or communications.

(b) Except as otherwise expressly provided with respect to published notices, any notice or communication to a Holder shall be deemed given when mailed to the Holder at its address as it appears on the Register by first class mail or, as to any Global Note registered in the name of DTC or its nominee, delivered in accordance with the applicable procedures of DTC. Copies of any notice or communication to a Holder, if given by the Issuer or the Company, shall be mailed to the Trustee at the same time. Defect in mailing a notice or communication to any particular Holder shall not affect its sufficiency with respect to other Holders.

(c) Where this Indenture provides for notice, the notice may be waived in writing by the Person entitled to receive such notice, either before or after the event, and the waiver will be the equivalent of the notice. Waivers of notice by Holders must be filed with the Trustee, but such filing is not a condition precedent to the validity of any action taken in reliance upon such waivers.

(d) The Trustee and the Collateral Agent agree to accept and act upon instructions or directions pursuant to this Indenture sent by unsecured e-mail, facsimile transmission or other similar unsecured electronic methods. Neither the Trustee nor the Collateral Agent shall be liable for any losses, costs or expenses arising directly or indirectly from the Trustee's or the Collateral Agent's reliance upon and compliance with such instructions notwithstanding such instructions conflict or are inconsistent with a subsequent written instruction. The party providing electronic instructions agrees to assume all risks arising out of the use of such electronic methods to submit instructions and directions to the Trustee or the Collateral Agent, including without limitation the risk of the Trustee acting on unauthorized instructions, and the risk of interception and misuse by third parties.

Section 13.4. *Certificate and Opinion as to Conditions Precedent.* Upon any request or application by the Issuer or the Company to the Trustee to take any action under this Indenture, the Issuer or the Company shall furnish to the Trustee:

(a) an Officer's Certificate stating that, in the opinion of the signers, all conditions precedent, if any, provided for in this Indenture relating to the proposed action have been complied with; and

(b) an Opinion of Counsel stating that all such conditions precedent relating to the proposed action have been complied with.

Section 13.5. Statements Required in Certificate or Opinion. Each certificate or opinion with respect to compliance with a condition or covenant provided for in this Indenture must include:

- (a) a statement that each person signing the certificate or opinion has read the covenant or condition and the related definitions;
- (b) a brief statement as to the nature and scope of the examination or investigation upon which the statement or opinion contained in the certificate or opinion is based;
- (c) a statement that, in the opinion of each such person, that person has made such examination or investigation as is necessary to enable the person to express an informed opinion as to whether or not such covenant or condition has been complied with; and
- (d) a statement as to whether or not, in the opinion of each such person, such condition or covenant has been complied with, *provided*, that an Opinion of Counsel may rely on an Officer's Certificate or certificates of public officials with respect to matters of fact.

Any certificate, statement or opinion of an Officer of the Issuer or the Company, as applicable, may be based, insofar as it relates to legal matters, upon a certificate or opinion of or representations by counsel, unless such Officer knows that the certificate or opinion or representations with respect to the matters upon which such certificate, statement or opinion may be based as aforesaid are erroneous, or in the exercise of reasonable care should know that the same are erroneous. Any certificate, statement or Opinion of Counsel may be based, insofar as it relates to factual matters on information with respect to which is in the possession of the Issuer, or the Company, as applicable, upon the certificate, statement or opinion of or representations by an officer or officers of the Issuer, or the Company, as applicable, unless such counsel knows that the certificate, statement or opinion or representations with respect to the matters upon which such certificate, statement or opinion may be based as aforesaid are erroneous, or in the exercise of reasonable care should know that the same are erroneous.

Any certificate, statement or opinion of an Officer of the Issuer or the Company, as applicable, or of counsel may be based, insofar as it relates to accounting matters, upon a certificate or opinion of or representations by an accountant or firm of accountants in the employ of the Issuer or the Company, as applicable, unless such Officer or counsel, as the case may be, knows that the certificate or opinion or representations with respect to the accounting matters upon which such certificate, statement or opinion may be based as aforesaid are erroneous, or in the exercise of reasonable care should know that the same are erroneous.

Any certificate or opinion of any independent firm of public accountants filed with and directed to the Trustee shall contain a statement that such firm is independent.

Section 13.6. Payment Date Other Than a Business Day. If any payment with respect to a payment of any principal of, premium, if any, or interest on any Note (including any payment to be made on any date fixed for redemption or purchase of any Note) is due on a day which is not a Business Day, then the payment need not be made on such date, but may be made on the next Business Day with the same force and effect as if made on such date, and no interest shall accrue for the intervening period.

Section 13.7. Governing Law; Submission to Jurisdiction; Waiver of Jury Trial. This Indenture, the Guarantees and the Notes shall be governed by, and construed in accordance with, the laws of the State of New York. Each of the parties hereto hereby irrevocably submits to the jurisdiction of any New York State court sitting in the Borough of Manhattan in the City of New York or any federal court sitting in the Borough of Manhattan in the City of New York in respect of any suit, action or proceeding arising out of or relating to this Indenture, the Notes and the Guarantees, and irrevocably accepts for itself and in respect of its property, generally and unconditionally, jurisdiction of the aforesaid courts.

EACH OF THE ISSUER, THE COMPANY, THE GUARANTORS, THE TRUSTEE AND THE COLLATERAL AGENT, AND EACH HOLDER OF A NOTE BY ITS ACCEPTANCE THEREOF, HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THIS INDENTURE, THE NOTES OR THE TRANSACTIONS CONTEMPLATED HEREBY AND THEREBY.

Section 13.8. No Adverse Interpretation of Other Agreements. The Indenture may not be used to interpret another indenture or loan or debt agreement of the Issuer, the Company or any Subsidiary of the Company, and no such indenture or loan or debt agreement may be used to interpret this Indenture.

Section 13.9. Successors. All agreements of the Issuer, the Company or any Guarantor in this Indenture and the Notes shall bind its successors. All agreements of the Trustee and the Collateral Agent in this Indenture shall bind its successor.

Section 13.10. Duplicate Originals; Electronic Signatures. The parties may sign any number of copies of this Indenture. Each signed copy shall be an original, but all of them together represent the same agreement. The parties agree that this Indenture may be executed and delivered by electronic signatures and that the signatures appearing on this Indenture are the same as handwritten signatures for the purposes of validity, enforceability and admissibility. The words “execution”, “signed,” “signature,” “delivery,” and words of like import in or relating to this Indenture or any document to be signed in connection with this Indenture shall be deemed to include electronic signatures, deliveries or the keeping of records in electronic form. Any document accepted, executed or agreed to in conformity with such laws will be binding on all parties hereto to the same extent as if it were physically executed and each party hereby consents to the use of any third party electronic signature capture service providers as may be reasonably chosen by a signatory hereto.

Section 13.11. Separability. To the extent permitted by applicable law, in case any provision in this Indenture or in the Notes is invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

Section 13.12. Table of Contents and Headings. The Table of Contents, Cross-Reference Table and headings of the Articles and Sections of this Indenture have been inserted for convenience of reference only, are not to be considered a part of this Indenture and in no way modify or restrict any of the terms and provisions of this Indenture.

Section 13.13. No Liability of Directors, Officers, Employees, Partners, Incorporators and Stockholders. No recourse under or upon any obligation, covenant or agreement contained in this Indenture, or in the Notes, or because of any indebtedness evidenced thereby, shall be had against any incorporator, as such or against any past, present or future stockholder, officer, director or employee, as such, of the Issuer, the Company or the Guarantors or any partner of the Issuer, the Company or the Guarantors or of any successor, either directly or through the Issuer, the Company or the Guarantors or any successor, under any rule of law, statute or constitutional provision or by the enforcement of any assessment or by any legal or equitable proceeding or otherwise, all such liability being expressly waived and released by the acceptance of the Notes by the Holders thereof and as part of the consideration for the issue of the Notes.

Section 13.14. Provisions of Indenture for the Sole Benefit of Parties and Holders of Notes. Nothing in this Indenture or in the Notes, expressed or implied, shall give or be construed to give to any Person, other than the parties hereto and their successors and the Holders of Notes, any legal or equitable right, remedy or claim under this Indenture or under any covenant or provision herein contained, all such covenants and provisions being for the sole benefit of the parties hereto and their successors and of the Holders of Notes.

[Signature page follows]

SIGNATURES

IN WITNESS WHEREOF, the parties hereto have caused the Indenture to be duly executed as of the date first written above.

K. HOVNIANIAN ENTERPRISES, INC., as
Issuer

By: _____
Name:
Title:

HOVNIANIAN ENTERPRISES, INC.,
as the Company and a Guarantor

By:
Name:
Title:

K. HOV IP, II, INC., as a Guarantor

By: _____
Name:
Title:

On behalf of each entity named in Schedule A
hereto, as a Guarantor

By: _____
Name:
Title:

Signature page to 11.75% Senior Secured 1.25 Lien Notes Indenture

WILMINGTON TRUST, NATIONAL
ASSOCIATION, as Trustee and
Collateral Agent

By: _____
Name:
Title:

Signature page to 11.75% Senior Secured 1.25 Lien Notes Indenture

GUARANTORS

- EASTERN NATIONAL TITLE AGENCY ARIZONA, LLC
- GTIS-HOV AT SILVERSTONE LLC
- GTIS-HOV POINTE 16 LLC
- K. HOVNANIAN ARIZONA NEW GC, LLC
- K. HOVNANIAN ARIZONA OPERATIONS, LLC
- K. HOVNANIAN AT 17 NORTH, LLC
- K. HOVNANIAN AT 23 NORTH, LLC
- K. HOVNANIAN AT 240 MISSOURI, LLC
- K. HOVNANIAN AT ACACIA PLACE, LLC
- K. HOVNANIAN AT AIRE ON MCDOWELL, LLC
- K. HOVNANIAN AT ALAMEDA POINT, LLC
- K. HOVNANIAN AT ALTO, LLC
- K. HOVNANIAN AT AMBRA, LLC
- K. HOVNANIAN AT ASTER RIDGE, LLC
- K. HOVNANIAN AT CATANIA, LLC
- K. HOVNANIAN AT EAGLE HEIGHTS, LLC
- K. HOVNANIAN AT GALLERY, LLC
- K. HOVNANIAN AT GALLOWAY RIDGE, LLC
- K. HOVNANIAN AT HONEYSUCKLE TRAIL, LLC
- K. HOVNANIAN AT LAVEEN SPRINGS, LLC
- K. HOVNANIAN AT LUKE LANDING, LLC
- K. HOVNANIAN AT MARYLAND RIDGE, LLC
- K. HOVNANIAN AT MCCARTNEY RANCH, LLC
- K. HOVNANIAN AT MONROE RANCH, LLC
- K. HOVNANIAN AT MONTANA VISTA DOBBINS, LLC
- K. HOVNANIAN AT MONTANA VISTA, LLC
- K. HOVNANIAN AT ORANGEWOOD RANCH, LLC
- K. HOVNANIAN AT PALERMO, LLC
- K. HOVNANIAN AT PALM VALLEY, L.L.C.
- K. HOVNANIAN AT PARK PASEO, LLC
- K. HOVNANIAN AT PINNACLE PEAK PATIO, LLC
- K. HOVNANIAN AT POINTE 16, LLC
- K. HOVNANIAN AT QUAIL CREEK, L.L.C.
- K. HOVNANIAN AT RANCHO CABRILLO, LLC
- K. HOVNANIAN AT RANCHO EL DORADO, LLC
- K. HOVNANIAN AT RANCHO MIRAGE PARCEL 17, LLC
- K. HOVNANIAN AT RANCHO MIRAGE PARCEL 23, LLC
- K. HOVNANIAN AT SANTA ROSA SPRINGS, LLC
- K. HOVNANIAN AT SANTANILLA, LLC
- K. HOVNANIAN AT SCOTTSDALE HEIGHTS, LLC
- K. HOVNANIAN AT SIENNA HILLS, LLC

K. HOVNIANIAN AT SILVERSTONE G, LLC
K. HOVNIANIAN AT SILVERSTONE, LLC
K. HOVNIANIAN AT SKYE ON MCDOWELL, LLC
K. HOVNIANIAN AT STERLING VISTAS, LLC
K. HOVNIANIAN AT SUN CITY WEST, LLC
K. HOVNIANIAN AT SUNRISE TRAIL II, LLC
K. HOVNIANIAN AT SUNRISE TRAIL III, LLC
K. HOVNIANIAN AT THE MEADOWS 9, LLC
K. HOVNIANIAN AT THE MEADOWS, LLC
K. HOVNIANIAN AT TORTOSA SOUTH, LLC
K. HOVNIANIAN AT UNION PARK, LLC
K. HOVNIANIAN AT VENTANA LAKES, LLC
K. HOVNIANIAN AT VERRADO CASCINA, LLC
K. HOVNIANIAN AT VERRADO MARKETSIDE, LLC
K. HOVNIANIAN AT VICTORY AT VERRADO, LLC
K. HOVNIANIAN AT VILLAGO, LLC
K. HOVNIANIAN COMPANIES OF ARIZONA, LLC
K. HOVNIANIAN GREAT WESTERN HOMES, LLC
K. HOVNIANIAN LEGACY AT VIA BELLA, LLC
K. HOVNIANIAN PHOENIX DIVISION, INC.
K. HOVNIANIAN WEST GROUP, LLC
K. HOVNIANIAN'S FOUR SEASONS AT THE MANOR II, LLC
K. HOVNIANIAN'S FOUR SEASONS AT THE MANOR, LLC
VISTAS AT SILVERSTONE LLC
2700 EMPIRE, LLC
GTIS-HOV RANCHO 79 LLC
K. HOV IP, II, INC.
K. HOVNIANIAN ASPIRE AT BELLEVUE RANCH M2, LLC
K. HOVNIANIAN ASPIRE AT BELLEVUE RANCH, LLC
K. HOVNIANIAN ASPIRE AT RIVER TERRACE, LLC
K. HOVNIANIAN ASPIRE AT SOLAIRE, LLC
K. HOVNIANIAN ASPIRE AT STONES THROW, LLC
K. HOVNIANIAN AT ANDALUSIA, LLC
K. HOVNIANIAN AT ASPIRE AT APRICOT GROVE PH2, LLC
K. HOVNIANIAN AT BAKERSFIELD 463, L.L.C.
K. HOVNIANIAN AT BEACON PARK AREA 129 II, LLC
K. HOVNIANIAN AT BEACON PARK AREA 129, LLC
K. HOVNIANIAN AT BEACON PARK AREA 137, LLC
K. HOVNIANIAN AT BENNETT RANCH, LLC
K. HOVNIANIAN AT BLACKSTONE, LLC
K. HOVNIANIAN AT CADENCE PARK, LLC
K. HOVNIANIAN AT CAPISTRANO, L.L.C.
K. HOVNIANIAN AT CARLSBAD, LLC
K. HOVNIANIAN AT CEDAR LANE, LLC

K. HOVNIANIAN AT CIELO, L.L.C.
K. HOVNIANIAN AT FIDDYMENT RANCH, LLC
K. HOVNIANIAN AT FIREFLY AT WINDING CREEK, LLC
K. HOVNIANIAN AT FRESNO, LLC
K. HOVNIANIAN AT GILROY 60, LLC
K. HOVNIANIAN AT GILROY, LLC
K. HOVNIANIAN AT HIDDEN LAKE, LLC
K. HOVNIANIAN AT JAEGER RANCH, LLC
K. HOVNIANIAN AT LA LAGUNA, L.L.C.
K. HOVNIANIAN AT LADD RANCH, LLC
K. HOVNIANIAN AT LUNA VISTA, LLC
K. HOVNIANIAN AT MELANIE MEADOWS, LLC
K. HOVNIANIAN AT MERIDIAN HILLS, LLC
K. HOVNIANIAN AT MUIRFIELD, LLC
K. HOVNIANIAN AT PARKSIDE, LLC
K. HOVNIANIAN AT PAVILION PARK, LLC
K. HOVNIANIAN AT POSITANO, LLC
K. HOVNIANIAN AT ROSEMARY LANTANA, L.L.C.
K. HOVNIANIAN AT SAGE II HARVEST AT LIMONEIRA, LLC
K. HOVNIANIAN AT SANTA NELLA, LLC
K. HOVNIANIAN AT SENDERO RANCH, LLC
K. HOVNIANIAN AT SIERRA VISTA, LLC
K. HOVNIANIAN AT SKYE ISLE, LLC
K. HOVNIANIAN AT SUNRIDGE PARK, LLC
K. HOVNIANIAN AT TRAIL RIDGE, LLC
K. HOVNIANIAN AT VALLE DEL SOL, LLC
K. HOVNIANIAN AT VERONA ESTATES, LLC
K. HOVNIANIAN AT VICTORVILLE, L.L.C.
K. HOVNIANIAN AT VILLAGE CENTER, LLC
K. HOVNIANIAN AT VINEYARD HEIGHTS, LLC
K. HOVNIANIAN AT WATERSTONE, LLC
K. HOVNIANIAN AT WEST VIEW ESTATES, L.L.C.
K. HOVNIANIAN AT WESTSHORE, LLC
K. HOVNIANIAN AT WHEELER RANCH, LLC
K. HOVNIANIAN AT WOODCREEK WEST, LLC
K. HOVNIANIAN CA LAND HOLDINGS, LLC
K. HOVNIANIAN CALIFORNIA OPERATIONS, INC.
K. HOVNIANIAN CALIFORNIA REGION, INC.
K. HOVNIANIAN COMMUNITIES, INC.
K. HOVNIANIAN COMPANIES OF SOUTHERN CALIFORNIA, INC.
K. HOVNIANIAN COMPANIES, LLC
K. HOVNIANIAN EAST GROUP, LLC
K. HOVNIANIAN ENTERPRISES, INC.
K. HOVNIANIAN FOUR SEASONS AT HOMESTEAD, LLC

K. HOVNANIAN HOMES NORTHERN CALIFORNIA, INC.
K. HOVNANIAN JV HOLDINGS, L.L.C.
K. HOVNANIAN JV SERVICES COMPANY, L.L.C.
K. HOVNANIAN MEADOW VIEW AT MOUNTAIN HOUSE, LLC
K. HOVNANIAN NORTHEAST DIVISION, INC.
K. HOVNANIAN NORTHERN CALIFORNIA DIVISION, LLC
K. HOVNANIAN OPERATIONS COMPANY, INC.
K. HOVNANIAN SOUTHERN CALIFORNIA DIVISION, LLC
K. HOVNANIAN'S ASPIRE AT UNION VILLAGE, LLC
K. HOVNANIAN'S FOUR SEASONS AT BAKERSFIELD, L.L.C.
K. HOVNANIAN'S FOUR SEASONS AT BEAUMONT, LLC
K. HOVNANIAN'S FOUR SEASONS AT LOS BANOS, LLC
K. HOVNANIAN'S SONATA AT THE PRESERVE, LLC
K. HOVNANIAN'S VERANDA AT RIVERPARK II, LLC
K. HOVNANIAN'S VERANDA AT RIVERPARK, LLC
STONEBROOK HOMES, INC.
K. HOVNANIAN PARKVIEW AT STERLING MEADOWS, LLC
K. HOVNANIAN DEVELOPMENTS OF D.C., INC.
K. HOVNANIAN HOMES AT PARKSIDE, LLC
K. HOVNANIAN HOMES OF D.C., L.L.C.
GTIS-HOV ARBORS AT MONROE PARENT LLC
GTIS-HOV FOUR PONDS PARENT LLC
GTIS-HOV HEATHERFIELD PARENT LLC
GTIS-HOV HILLTOP AT CEDAR GROVE PARENT LLC
GTIS-HOV HOLDINGS IX LLC
GTIS-HOV HOLDINGS LLC
GTIS-HOV HOLDINGS V LLC
GTIS-HOV HOLDINGS VI LLC
GTIS-HOV HOLDINGS VII LLC
GTIS-HOV HOLDINGS VIII LLC
GTIS-HOV LAKES OF CANE BAY PARENT LLC
GTIS-HOV PARKSIDE OF LIBERTYVILLE PARENT LLC
GTIS-HOV PENDER OAKS PARENT LLC
GTIS-HOV PINNACLE PEAK PATIO PARENT LLC
GTIS-HOV SAUGANASH GLEN PARENT LLC
HOMEBUYERS FINANCIAL USA, LLC
HOVNANIAN ENTERPRISES, INC. (PARENT COMPANY)
HOVSITE CHURCHILL CLUB LLC
HOVSITE FIRENZE LLC
HOVSITE HUNT CLUB LLC
HOVSITE LIBERTY LAKES LLC
HOVSITE PROVIDENCE LLC
HOVSITE SOUTHAMPTON LLC
K. HOVNANIAN ASPIRE AT LYNNBURY WOODS, LLC

K. HOVNANIAN AT ADMIRAL'S LANDING, LLC
K. HOVNANIAN AT ASHBY PLACE, LLC
K. HOVNANIAN AT ASPIRE AT WEBBER FARM, LLC
K. HOVNANIAN AT ASPIRE AT WICKERSHAM, LLC
K. HOVNANIAN AT AUTUMN RIDGE, LLC
K. HOVNANIAN AT BAY KNOLLS, LLC
K. HOVNANIAN AT BRENFORD STATION, LLC
K. HOVNANIAN AT CEDAR LANE ESTATES, LLC
K. HOVNANIAN AT EGRET SHORES, LLC
K. HOVNANIAN AT FORK LANDING, LLC
K. HOVNANIAN AT HARBOR'S EDGE AT BAYSIDE, LLC
K. HOVNANIAN AT HIDDEN BROOK, LLC
K. HOVNANIAN AT LIBERTY WEST, LLC
K. HOVNANIAN AT MIDDLETOWN RESERVE, LLC
K. HOVNANIAN AT MONARCH GLEN, LLC
K. HOVNANIAN AT NORTH BRUNSWICK VI, L.L.C.
K. HOVNANIAN AT NOTTINGHAM MEADOWS, LLC
K. HOVNANIAN AT OCEAN VIEW BEACH CLUB, LLC
K. HOVNANIAN AT OYSTER COVE, LLC
K. HOVNANIAN AT PATRIOTS BLUFF, LLC
K. HOVNANIAN AT PLANTATION LAKES, L.L.C.
K. HOVNANIAN AT PLEASANTON, LLC
K. HOVNANIAN AT RED MILL POND, LLC
K. HOVNANIAN AT RETREAT AT MILLSTONE, LLC
K. HOVNANIAN AT SATTERFIELD, LLC
K. HOVNANIAN AT SEABROOK, LLC
K. HOVNANIAN AT TOWER HILL, LLC
K. HOVNANIAN AT TOWNSEND FIELDS, LLC
K. HOVNANIAN AT WOODFIELD, LLC
K. HOVNANIAN CENTRAL ACQUISITIONS, L.L.C.
K. HOVNANIAN DELAWARE DIVISION, INC.
K. HOVNANIAN DELAWARE OPERATIONS, LLC
K. HOVNANIAN HOMES AT KNOLLAC ACRES, LLC
K. HOVNANIAN HOMES AT SUMMIT POINTE, LLC
K. HOVNANIAN HOMES OF DELAWARE I, LLC
K. HOVNANIAN HOMES OF LONGACRE VILLAGE, L.L.C.
K. HOVNANIAN NEW JERSEY OPERATIONS, LLC
K. HOVNANIAN NORTH CENTRAL ACQUISITIONS, L.L.C.
K. HOVNANIAN NORTH JERSEY ACQUISITIONS, L.L.C.
K. HOVNANIAN SOUTH JERSEY ACQUISITIONS, L.L.C.
K. HOVNANIAN'S FOUR SEASONS AT BAYMONT FARMS L.L.C.
K. HOVNANIAN'S FOUR SEASONS AT HATTERAS HILLS, LLC
K. HOVNANIAN'S FOUR SEASONS AT SILVER MAPLE FARM, L.L.C.
KHH SHELL HALL LOAN ACQUISITION, LLC

RIDGEMORE UTILITY OF DELAWARE, LLC
TRAVERSE PARTNERS, LLC
WASHINGTON HOMES, INC.
WTC VENTURES, L.L.C.
GTIS-HOV NICHOLSON PARENT LLC
EASTERN NATIONAL TITLE AGENCY FLORIDA, LLC
HOVNIANIAN DEVELOPMENTS OF FLORIDA, INC.
K. HOVNIANIAN AMBER GLEN, LLC
K. HOVNIANIAN ASPIRE AT BOATMAN HAMMOCK, LLC
K. HOVNIANIAN ASPIRE AT EAST LAKE, LLC
K. HOVNIANIAN ASPIRE AT HAWKS RIDGE, LLC
K. HOVNIANIAN ASPIRE AT MARION OAKS, LLC
K. HOVNIANIAN ASPIRE AT PALM BAY, LLC
K. HOVNIANIAN ASPIRE AT PALM COAST, LLC
K. HOVNIANIAN ASPIRE AT PORT ST. LUCIE, LLC
K. HOVNIANIAN ASPIRE AT VICTORIA PARC, LLC
K. HOVNIANIAN ASPIRE AT WATERSTONE, LLC
K. HOVNIANIAN AT ARMEN GROVES, LLC
K. HOVNIANIAN AT AVENIR II, LLC
K. HOVNIANIAN AT AVENIR, LLC
K. HOVNIANIAN AT BOCA DUNES, LLC
K. HOVNIANIAN AT CORAL LAGO, LLC
K. HOVNIANIAN AT HAMPTON COVE, LLC
K. HOVNIANIAN AT HERITAGE GROVE, LLC
K. HOVNIANIAN AT HILLTOP RESERVE II, LLC
K. HOVNIANIAN AT HILLTOP RESERVE, LLC
K. HOVNIANIAN AT LAKE BURDEN, LLC
K. HOVNIANIAN AT LAKE FLORENCE, LLC
K. HOVNIANIAN AT LAKE LECLARE, LLC
K. HOVNIANIAN AT PICKETT RESERVE, LLC
K. HOVNIANIAN AT REDTAIL, LLC
K. HOVNIANIAN AT SALERNO RESERVE, LLC
K. HOVNIANIAN AT SPRING ISLE, LLC
K. HOVNIANIAN AT SUMMERLAKE, LLC
K. HOVNIANIAN AT TERRA BELLA TWO, LLC
K. HOVNIANIAN AT THE HIGHLANDS AT SUMMERLAKE GROVE, LLC
K. HOVNIANIAN AT VALLETTA, LLC
K. HOVNIANIAN AT WALKERS GROVE, LLC
K. HOVNIANIAN BELMONT RESERVE, LLC
K. HOVNIANIAN CAMBRIDGE HOMES, L.L.C.
K. HOVNIANIAN COMPANIES OF FLORIDA, LLC
K. HOVNIANIAN CYPRESS CREEK, LLC
K. HOVNIANIAN CYPRESS KEY, LLC
K. HOVNIANIAN ESTATES AT WEKIVA, LLC

K. HOVNANIAN FIRST HOMES, L.L.C.
K. HOVNANIAN FLORIDA OPERATIONS, LLC
K. HOVNANIAN FLORIDA REALTY, L.L.C.
K. HOVNANIAN GRAND CYPRESS, LLC
K. HOVNANIAN GRANDEFIELD, LLC
K. HOVNANIAN HOMES OF FLORIDA I, LLC
K. HOVNANIAN IVY TRAIL, LLC
K. HOVNANIAN LAKE PARKER, LLC
K. HOVNANIAN MAGNOLIA AT WESTSIDE, LLC
K. HOVNANIAN MONTCLAIRE ESTATES, LLC
K. HOVNANIAN OCOEE LANDINGS, LLC
K. HOVNANIAN ORLANDO DIVISION, LLC
K. HOVNANIAN PRESERVE AT AVONLEA, LLC
K. HOVNANIAN PRESERVE AT TURTLE CREEK LLC
K. HOVNANIAN REYNOLDS RANCH, LLC
K. HOVNANIAN RIVERSIDE, LLC
K. HOVNANIAN RIVINGTON, LLC
K. HOVNANIAN SAN SEBASTIAN, LLC
K. HOVNANIAN SERENO, LLC
K. HOVNANIAN SOLA VISTA, LLC
K. HOVNANIAN SOUTH FORK, LLC
K. HOVNANIAN SOUTHEAST FLORIDA DIVISION, LLC
K. HOVNANIAN STERLING RANCH, LLC
K. HOVNANIAN T&C HOMES AT FLORIDA, L.L.C.
K. HOVNANIAN TERRALARGO, LLC
K. HOVNANIAN UNION PARK, LLC
K. HOVNANIAN WINDING BAY PRESERVE, LLC
K. HOVNANIAN WINDWARD HOMES, LLC
K. HOVNANIAN'S FOUR SEASONS AT WYLDER, LLC
KHOV WINDING BAY II, LLC
LINKS AT CALUSA SPRINGS, LLC
K. HOVNANIAN AT THE COMMONS AT RICHMOND HILL, LLC
K. HOVNANIAN AT WESTBROOK, LLC
K. HOVNANIAN DEVELOPMENTS OF GEORGIA, INC.
K. HOVNANIAN GEORGIA OPERATIONS, LLC
K. HOVNANIAN HOMES AT CREEKSIDE, LLC
K. HOVNANIAN'S ASPIRE AT NEW HAMPSTEAD, LLC
AMBER RIDGE, LLC
ARBOR TRAILS, LLC
EASTERN NATIONAL TITLE AGENCY ILLINOIS, LLC
GLENRISE GROVE, L.L.C.
GTIS-HOV PARKSIDE OF LIBERTYVILLE LLC
GTIS-HOV SAUGANASH GLEN LLC
K. HOVNANIAN AT AMBERLEY WOODS, LLC

K. HOVNIANIAN AT ASHLEY POINTE LLC
K. HOVNIANIAN AT BRADWELL ESTATES, LLC
K. HOVNIANIAN AT CHRISTINA COURT, LLC
K. HOVNIANIAN AT CHURCHILL FARMS LLC
K. HOVNIANIAN AT DEER RIDGE, LLC
K. HOVNIANIAN AT ESTATES OF FOX CHASE, LLC
K. HOVNIANIAN AT FAIRFIELD RIDGE, LLC
K. HOVNIANIAN AT GRANDE PARK, LLC
K. HOVNIANIAN AT HANOVER ESTATES, LLC
K. HOVNIANIAN AT HEATHERFIELD, LLC
K. HOVNIANIAN AT ISLAND LAKE, LLC
K. HOVNIANIAN AT LINK CROSSING, LLC
K. HOVNIANIAN AT MAPLE HILL LLC
K. HOVNIANIAN AT MEADOWRIDGE VILLAS, LLC
K. HOVNIANIAN AT NORTH GROVE CROSSING, LLC
K. HOVNIANIAN AT NORTH POINTE ESTATES LLC
K. HOVNIANIAN AT NORTHRIDGE ESTATES, LLC
K. HOVNIANIAN AT ORCHARD MEADOWS, LLC
K. HOVNIANIAN AT PRAIRIE POINTE, LLC
K. HOVNIANIAN AT RANDALL HIGHLANDS, LLC
K. HOVNIANIAN AT RIVER HILLS, LLC
K. HOVNIANIAN AT SAGEBROOK, LLC
K. HOVNIANIAN AT SILVER LEAF, LLC
K. HOVNIANIAN AT SILVERWOOD GLEN, LLC
K. HOVNIANIAN AT SOMERSET, LLC
K. HOVNIANIAN AT TAMARACK SOUTH LLC
K. HOVNIANIAN AT TANGLEWOOD OAKS, LLC
K. HOVNIANIAN AT TRAFFORD PLACE, LLC
K. HOVNIANIAN AT TRAMORE LLC
K. HOVNIANIAN AT VILLAS AT THE COMMONS, LLC
K. HOVNIANIAN CHICAGO DIVISION, INC.
K. HOVNIANIAN ESTATES AT REGENCY, L.L.C.
K. HOVNIANIAN ILLINOIS OPERATIONS, LLC
K. HOVNIANIAN T&C HOMES AT ILLINOIS, L.L.C.
K. HOVNIANIAN AT NORTON LAKE LLC
EASTERN NATIONAL TITLE AGENCY MARYLAND, LLC
GTIS-HOV VILLAGES AT PEPPER MILL LLC
HOMEBUYERS FINANCIAL SERVICES, L.L.C.
HOVNIANIAN LAND INVESTMENT GROUP OF MARYLAND, L.L.C.
HOVNIANIAN LAND INVESTMENT GROUP, L.L.C.
K. HOVNIANIAN AT BRITTANY MANOR, LLC
K. HOVNIANIAN AT CATON'S RESERVE, LLC
K. HOVNIANIAN AT EDEN TERRACE, L.L.C.
K. HOVNIANIAN AT GRACE MEADOWS, LLC

K. HOVNANIAN AT LOCKE LANDING, LLC
K. HOVNANIAN AT SOUTHPOINTE, LLC
K. HOVNANIAN AT WADE'S GRANT, L.L.C.
K. HOVNANIAN BRITTANY MANOR BORROWER, LLC
K. HOVNANIAN DEVELOPMENTS OF MARYLAND, INC.
K. HOVNANIAN HOMES OF MARYLAND I, LLC
K. HOVNANIAN HOMES OF MARYLAND II, LLC
K. HOVNANIAN HOMES OF MARYLAND, L.L.C.
K. HOVNANIAN'S FOUR SEASONS AT KENT ISLAND, L.L.C.
RIDGEMORE UTILITY L.L.C.
K. HOVNANIAN DEVELOPMENTS OF MINNESOTA, INC.
K. HOVNANIAN HOMES OF MINNESOTA AT ARBOR CREEK, LLC
K. HOVNANIAN HOMES OF MINNESOTA AT AUTUMN MEADOWS, LLC
K. HOVNANIAN HOMES OF MINNESOTA AT BRYNWOOD, LLC
K. HOVNANIAN HOMES OF MINNESOTA AT CEDAR HOLLOW, LLC
K. HOVNANIAN HOMES OF MINNESOTA AT FOUNDER'S RIDGE, LLC
K. HOVNANIAN HOMES OF MINNESOTA AT HARPERS STREET WOODS, LLC
K. HOVNANIAN HOMES OF MINNESOTA AT OAKS OF OXBOW, LLC
K. HOVNANIAN HOMES OF MINNESOTA AT REGENT'S POINT, LLC
K. HOVNANIAN HOMES OF MINNESOTA, L.L.C.
K. HOVNANIAN LIBERTY ON BLUFF CREEK, LLC
K. HOVNANIAN TIMBRES AT ELM CREEK, LLC
K. HOVNANIAN'S FOUR SEASONS AT RUSH CREEK II, LLC
K. HOVNANIAN AT BURCH KOVE, LLC
K. HOVNANIAN AT INDIAN WELLS, LLC
K. HOVNANIAN AT LILY ORCHARD, LLC
K. HOVNANIAN AT MAIN STREET SQUARE, LLC
K. HOVNANIAN AT OAK POINTE, LLC
K. HOVNANIAN AT THE PROMENADE AT BEAVER CREEK, LLC
K. HOVNANIAN AT WHEELER WOODS, LLC
K. HOVNANIAN DEVELOPMENTS OF NORTH CAROLINA, INC.
K. HOVNANIAN HOMES AT BROOK MANOR, LLC
K. HOVNANIAN HOMES OF NORTH CAROLINA, INC.
K. HOVNANIAN SHERWOOD AT REGENCY, LLC
BUILDER SERVICES NJ, L.L.C.
EASTERN NATIONAL TITLE AGENCY, INC.
F&W MECHANICAL SERVICES, L.L.C.
GTIS-HOV ARBORS AT MONROE LLC
GTIS-HOV HOLDINGS XI LLC
HILLTOP AT CEDAR GROVE URBAN RENEWAL, LLC
K. HOVNANIAN ACQUISITIONS, INC.
K. HOVNANIAN AT ACADEMY HILL, LLC
K. HOVNANIAN AT ASBURY PARK URBAN RENEWAL, LLC
K. HOVNANIAN AT CARRIAGES AT WALL, LLC

K. HOVNIANIAN AT CHARLESTON MEADOWS, LLC
K. HOVNIANIAN AT CHESTERFIELD, L.L.C.
K. HOVNIANIAN AT DUNELLEN URBAN RENEWAL, LLC
K. HOVNIANIAN AT EAST BRUNSWICK III, LLC
K. HOVNIANIAN AT EAST BRUNSWICK, LLC
K. HOVNIANIAN AT EAST WINDSOR, LLC
K. HOVNIANIAN AT FRANKLIN II, L.L.C.
K. HOVNIANIAN AT FRANKLIN, L.L.C.
K. HOVNIANIAN AT FREEHOLD TOWNSHIP III, LLC
K. HOVNIANIAN AT GLEN OAKS, LLC
K. HOVNIANIAN AT GREAT NOTCH, L.L.C.
K. HOVNIANIAN AT HILLANDALE, LLC
K. HOVNIANIAN AT HILLSBOROUGH, LLC
K. HOVNIANIAN AT HOWELL FORT PLAINS, LLC
K. HOVNIANIAN AT HOWELL II, LLC
K. HOVNIANIAN AT HOWELL, LLC
K. HOVNIANIAN AT JACKSON I, L.L.C.
K. HOVNIANIAN AT JACKSON, L.L.C.
K. HOVNIANIAN AT LITTLE EGG HARBOR TOWNSHIP II, L.L.C.
K. HOVNIANIAN AT MANALAPAN CROSSING, LLC
K. HOVNIANIAN AT MANALAPAN II, L.L.C.
K. HOVNIANIAN AT MANALAPAN IV, LLC
K. HOVNIANIAN AT MANALAPAN V, LLC
K. HOVNIANIAN AT MAPLE AVENUE, L.L.C.
K. HOVNIANIAN AT MARLBORO GROVE, LLC
K. HOVNIANIAN AT MIDDLETOWN III, LLC
K. HOVNIANIAN AT MIDDLETOWN IV, LLC
K. HOVNIANIAN AT MILLVILLE II, L.L.C.
K. HOVNIANIAN AT MONROE NJ II, LLC
K. HOVNIANIAN AT MONROE NJ III, LLC
K. HOVNIANIAN AT MONROE NJ, L.L.C.
K. HOVNIANIAN AT MONTGOMERY, LLC
K. HOVNIANIAN AT MONTVALE II, LLC
K. HOVNIANIAN AT MORRIS TWP, LLC
K. HOVNIANIAN AT MORRIS WOODS, LLC
K. HOVNIANIAN AT NORTH CALDWELL III, L.L.C.
K. HOVNIANIAN AT NORTH WILDWOOD, L.L.C.
K. HOVNIANIAN AT OAKLAND, LLC
K. HOVNIANIAN AT OLD BRIDGE II, LLC
K. HOVNIANIAN AT OLD BRIDGE, L.L.C.
K. HOVNIANIAN AT PORT IMPERIAL URBAN RENEWAL V, L.L.C.
K. HOVNIANIAN AT PORT IMPERIAL URBAN RENEWAL VIII, L.L.C.
K. HOVNIANIAN AT PRESERVE AT FREEHOLD, LLC
K. HOVNIANIAN AT RANOCAS CREEK, LLC

K. HOVNIANIAN AT RESERVOIR POINT, LLC
K. HOVNIANIAN AT RIDGEMONT, L.L.C.
K. HOVNIANIAN AT SANDPIPER PLACE, LLC
K. HOVNIANIAN AT SHREWSBURY, LLC
K. HOVNIANIAN AT SMITHVILLE, INC.
K. HOVNIANIAN AT SOUTH BRUNSWICK II, LLC
K. HOVNIANIAN AT SOUTH BRUNSWICK III, LLC
K. HOVNIANIAN AT SOUTH BRUNSWICK IV, LLC
K. HOVNIANIAN AT STATION SQUARE, L.L.C.
K. HOVNIANIAN AT THE MONARCH, L.L.C.
K. HOVNIANIAN AT TOWNES AT PARKVIEW, LLC
K. HOVNIANIAN AT TOWNES AT WEST LONG BRANCH, LLC
K. HOVNIANIAN AT VILLAGES AT COUNTRY VIEW, LLC
K. HOVNIANIAN AT WALL DONATO, LLC
K. HOVNIANIAN AT WALL QUAIL RIDGE, LLC
K. HOVNIANIAN AT WARREN TOWNSHIP II, LLC
K. HOVNIANIAN AT WASHINGTON RIDGE, LLC
K. HOVNIANIAN AT WILDWOOD BAYSIDE, L.L.C.
K. HOVNIANIAN AT WOOLWICH I, L.L.C.
K. HOVNIANIAN HOLDINGS NJ, L.L.C.
K. HOVNIANIAN MANALAPAN ACQUISITION, LLC
K. HOVNIANIAN NORTHEAST SERVICES, L.L.C.
K. HOVNIANIAN PROPERTIES OF RED BANK, LLC
K. HOVNIANIAN SERENITY WALK AT PLAINSBORO URBAN RENEWAL, LLC
K. HOVNIANIAN SOUTHERN NEW JERSEY, L.L.C.
K. HOVNIANIAN VILLAGES AT HAYS MILL CREEK, LLC
K. HOVNIANIAN'S AEGEAN AT ASBURY PARK URBAN RENEWAL, LLC
K. HOVNIANIAN'S BALTIC AT ASBURY PARK URBAN RENEWAL, LLC
K. HOVNIANIAN'S COVE AT ASBURY PARK URBAN RENEWAL, LLC
K. HOVNIANIAN'S DELTA AT ASBURY PARK, LLC
K. HOVNIANIAN'S ENCLAVE AT OLD TAPPAN, LLC
K. HOVNIANIAN'S FOUR SEASONS AT COLTS FARM, LLC
K. HOVNIANIAN'S THE TOWNES AT WEST WINDSOR, LLC
LANDARAMA, INC.
M & M AT MONROE WOODS, L.L.C.
M&M AT WEST ORANGE, L.L.C.
MATZEL & MUMFORD AT EGG HARBOR, L.L.C.
MCNJ, INC.
MM-BEACHFRONT NORTH I, LLC
ROUTE 1 AND ROUTE 522, L.L.C.
TERRAPIN REALTY, L.L.C.
THE MATZEL & MUMFORD ORGANIZATION, INC
K. HOVNIANIAN AT WALDWICK, LLC
K. HOVNIANIAN CLASSICS, L.L.C.

K. HOVNIANIAN COMPANIES OF NEW YORK, INC.
K. HOVNIANIAN DEVELOPMENTS OF NEW YORK, INC.
K. HOVNIANIAN NEW YORK OPERATIONS, LLC
K. HOVNIANIAN ABERDEEN, LLC
K. HOVNIANIAN AKRON SCATTERED SITE, LLC
K. HOVNIANIAN ASBURY POINTE, LLC
K. HOVNIANIAN ASPIRE AT AULD FARMS, LLC
K. HOVNIANIAN ASPIRE AT WESTON PLACE, LLC
K. HOVNIANIAN AT BOOTH FARM, LLC
K. HOVNIANIAN AT COOPER'S LANDING, LLC
K. HOVNIANIAN AT COUNTRY VIEW ESTATES, LLC
K. HOVNIANIAN AT CREEKSIDE CROSSING, LLC
K. HOVNIANIAN AT HAMPSHIRE FARMS, LLC
K. HOVNIANIAN AT HARVEST MEADOWS, LLC
K. HOVNIANIAN AT HAWK RIDGE, LLC
K. HOVNIANIAN AT HERITAGE PARK, LLC
K. HOVNIANIAN AT ORCHARD PARK, LLC
K. HOVNIANIAN AT RIVERFIELD RESERVE, LLC
K. HOVNIANIAN BELDEN POINTE, LLC
K. HOVNIANIAN BUILD ON YOUR LOT DIVISION, LLC
K. HOVNIANIAN CLEVELAND DIVISION, LLC
K. HOVNIANIAN CORNERSTONE FARMS, LLC
K. HOVNIANIAN EDGEBROOK, LLC
K. HOVNIANIAN FALLS POINTE, LLC
K. HOVNIANIAN FOREST LAKES, LLC
K. HOVNIANIAN FOREST VALLEY, LLC
K. HOVNIANIAN FOUR SEASONS AT CHESTNUT RIDGE, LLC
K. HOVNIANIAN HIDDEN HOLLOW, LLC
K. HOVNIANIAN HIGHLAND RIDGE, LLC
K. HOVNIANIAN INDIAN TRAILS, LLC
K. HOVNIANIAN KINGSTON AT WESTERN RESERVE, LLC
K. HOVNIANIAN LADUE RESERVE, LLC
K. HOVNIANIAN LAKES OF GREEN, LLC
K. HOVNIANIAN LANDINGS 40S, LLC
K. HOVNIANIAN MEADOW LAKES, LLC
K. HOVNIANIAN MONARCH GROVE, LLC
K. HOVNIANIAN NORTHPOINTE 40S, LLC
K. HOVNIANIAN NORTHWEST OHIO, LLC
K. HOVNIANIAN NORTON PLACE, LLC
K. HOVNIANIAN OHIO REALTY, L.L.C.
K. HOVNIANIAN OHIO REGION, INC.
K. HOVNIANIAN REDFERN TRAILS, LLC
K. HOVNIANIAN RIVENDALE, LLC
K. HOVNIANIAN SCHADY RESERVE, LLC

K. HOVNIANIAN VILLAGE GLEN, LLC
K. HOVNIANIAN WATERBURY, LLC
K. HOVNIANIAN WHITE ROAD, LLC
K. HOVNIANIAN WOODLAND POINTE, LLC
K. HOVNIANIAN'S FOUR SEASONS AT ADDISON FARMS, LLC
K. HOVNIANIAN'S FOUR SEASONS AT SANDSTONE, LLC
MIDWEST BUILDING PRODUCTS & CONTRACTOR SERVICES, L.L.C.
NEW HOME REALTY, LLC
K. HOVNIANIAN OHIO OPERATIONS, LLC
K. HOVNIANIAN WOODRIDGE PLACE, LLC
BUILDER SERVICES PA, L.L.C.
EASTERN NATIONAL ABSTRACT, INC.
GTIS-HOV WARMINSTER LLC
K. HOVNIANIAN AT DOYLESTOWN, LLC
K. HOVNIANIAN AT MIDDLETOWN, LLC
K. HOVNIANIAN AT NORTHAMPTON, L.L.C.
K. HOVNIANIAN DEVELOPMENTS OF PENNSYLVANIA, INC.
K. HOVNIANIAN HOMES OF PENNSYLVANIA, L.L.C.
K. HOVNIANIAN PA REAL ESTATE, INC.
K. HOVNIANIAN PENNSYLVANIA BUILD ON YOUR LOT DIVISION, LLC
K. HOVNIANIAN PENNSYLVANIA OPERATIONS, LLC
MIDWEST BUILDING PRODUCTS & CONTRACTOR SERVICES OF PENNSYLVANIA, L.L.C.
K. HOVNIANIAN AT UPPER PROVIDENCE, LLC
K. HOVNIANIAN AT COOSAW POINT, LLC
K. HOVNIANIAN AT FOX PATH AT HAMPTON LAKE, LLC
K. HOVNIANIAN AT HAMMOCK BREEZE, LLC
K. HOVNIANIAN AT HAMPTON LAKE, LLC
K. HOVNIANIAN AT LAKES AT NEW RIVERSIDE, LLC
K. HOVNIANIAN AT LIBERTY HILL FARM, LLC
K. HOVNIANIAN AT MAGNOLIA PLACE, LLC
K. HOVNIANIAN AT PINCKNEY FARM, LLC
K. HOVNIANIAN AT PINE CREST, LLC
K. HOVNIANIAN CRAFTBUILT HOMES OF SOUTH CAROLINA, L.L.C.
K. HOVNIANIAN HOMES AT SALT CREEK LANDING, LLC
K. HOVNIANIAN HOMES AT SANDY CREEK LANDING, LLC
K. HOVNIANIAN HOMES AT SHELL HALL, LLC
K. HOVNIANIAN HOMES AT THE ABBY, LLC
K. HOVNIANIAN HOMES AT THE PADDOCKS, LLC
K. HOVNIANIAN SOUTH CAROLINA OPERATIONS, LLC
K. HOVNIANIAN SOUTHEAST COASTAL DIVISION, INC.
K. HOVNIANIAN'S FOUR SEASONS AT CANE BAY EXPANSION, LLC
K. HOVNIANIAN'S FOUR SEASONS AT HILTON HEAD LAKES, LLC
K. HOVNIANIAN'S FOUR SEASONS AT LAKES OF CANE BAY LLC

K. HOVNIANIAN'S LAKES AT NEW RIVERSIDE EXPANSION, LLC
SHELL HALL CLUB AMENITY ACQUISITION, LLC
SHELL HALL LAND ACQUISITION, LLC
K. HOVNIANIAN DEVELOPMENTS OF TEXAS, INC.
K. HOVNIANIAN DFW AGAVE RANCH, LLC
K. HOVNIANIAN DFW ASCEND AT CREEKSHAW, LLC
K. HOVNIANIAN DFW ASCEND AT JUSTIN CROSSING, LLC
K. HOVNIANIAN DFW AUBURN FARMS, LLC
K. HOVNIANIAN DFW BAYSIDE, LLC
K. HOVNIANIAN DFW BELMONT, LLC
K. HOVNIANIAN DFW BERKSHIRE II, LLC
K. HOVNIANIAN DFW BERKSHIRE, LLC
K. HOVNIANIAN DFW BLUFF CREEK, LLC
K. HOVNIANIAN DFW CALDWELL LAKES, LLC
K. HOVNIANIAN DFW CALLOWAY TRAILS, LLC
K. HOVNIANIAN DFW CANYON FALLS, LLC
K. HOVNIANIAN DFW CARILLON, LLC
K. HOVNIANIAN DFW COMMODORE AT PRESTON, LLC
K. HOVNIANIAN DFW CREEKSIDE ESTATES II, LLC
K. HOVNIANIAN DFW DIAMOND CREEK ESTATES, LLC
K. HOVNIANIAN DFW DIVISION, LLC
K. HOVNIANIAN DFW ELEVON, LLC
K. HOVNIANIAN DFW ENCORE OF LAS COLINAS II, LLC
K. HOVNIANIAN DFW ENCORE OF LAS COLINAS, LLC
K. HOVNIANIAN DFW HARMON FARMS, LLC
K. HOVNIANIAN DFW HERITAGE CROSSING, LLC
K. HOVNIANIAN DFW HERITAGE RANCH, LLC
K. HOVNIANIAN DFW HERON POND, LLC
K. HOVNIANIAN DFW HIGH POINTE, LLC
K. HOVNIANIAN DFW HIGHTOWER, LLC
K. HOVNIANIAN DFW HOMESTEAD, LLC
K. HOVNIANIAN DFW INSPIRATION, LLC
K. HOVNIANIAN DFW KENSINGTON PLACE, LLC
K. HOVNIANIAN DFW LEXINGTON, LLC
K. HOVNIANIAN DFW LIBERTY CROSSING II, LLC
K. HOVNIANIAN DFW LIBERTY CROSSING, LLC
K. HOVNIANIAN DFW LIBERTY, LLC
K. HOVNIANIAN DFW LIGHT FARMS CYPRESS III, LLC
K. HOVNIANIAN DFW LIGHT FARMS II, LLC
K. HOVNIANIAN DFW LIGHT FARMS, LLC
K. HOVNIANIAN DFW LINCOLN POINTE, LLC
K. HOVNIANIAN DFW MIDTOWN PARK, LLC
K. HOVNIANIAN DFW MILRANY RANCH, LLC
K. HOVNIANIAN DFW MONTERRA, LLC

K. HOVNANIAN DFW MUSTANG LAKES II, LLC
K. HOVNANIAN DFW MUSTANG LAKES, LLC
K. HOVNANIAN DFW NOBLE RIDGE, LLC
K. HOVNANIAN DFW NORTH CREEK, LLC
K. HOVNANIAN DFW OAKMONT PARK II, LLC
K. HOVNANIAN DFW OAKMONT PARK, LLC
K. HOVNANIAN DFW PALISADES, LLC
K. HOVNANIAN DFW PARKSIDE, LLC
K. HOVNANIAN DFW PARKVIEW, LLC
K. HOVNANIAN DFW REUNION, LLC
K. HOVNANIAN DFW RIDGEVIEW, LLC
K. HOVNANIAN DFW ROLLING RIDGE, LLC
K. HOVNANIAN DFW SANFORD PARK, LLC
K. HOVNANIAN DFW SAPPHIRE BAY, LLC
K. HOVNANIAN DFW SEVENTEEN LAKES, LLC
K. HOVNANIAN DFW SOUTH POINTE, LLC
K. HOVNANIAN DFW THE PARKS AT ROSEHILL, LLC
K. HOVNANIAN DFW TIMBERBROOK, LLC
K. HOVNANIAN DFW TRAILWOOD II, LLC
K. HOVNANIAN DFW TRAILWOOD, LLC
K. HOVNANIAN DFW VILLAS AT MUSTANG PARK, LLC
K. HOVNANIAN DFW VILLAS AT THE STATION, LLC
K. HOVNANIAN DFW WATSON CREEK, LLC
K. HOVNANIAN DFW WELLINGTON ESTATES SOUTH, LLC
K. HOVNANIAN DFW WELLINGTON VILLAS, LLC
K. HOVNANIAN DFW WELLINGTON, LLC
K. HOVNANIAN DFW WILDRIDGE, LLC
K. HOVNANIAN DISTRIBUTION SERVICES, INC.
K. HOVNANIAN HOMES - DFW II, L.L.C.
K. HOVNANIAN HOMES - DFW, L.L.C.
K. HOVNANIAN HOUSTON BALMORAL PARK LAKES EAST SECTION 8, LLC
K. HOVNANIAN HOUSTON BALMORAL, LLC
K. HOVNANIAN HOUSTON BAYOU OAKS AT WEST OREM, LLC
K. HOVNANIAN HOUSTON CAMBRIDGE HEIGHTS, LLC
K. HOVNANIAN HOUSTON CITY HEIGHTS, LLC
K. HOVNANIAN HOUSTON CREEK BEND, LLC
K. HOVNANIAN HOUSTON DIVISION, LLC
K. HOVNANIAN HOUSTON DRY CREEK VILLAGE, LLC
K. HOVNANIAN HOUSTON ELDRIDGE PARK, LLC
K. HOVNANIAN HOUSTON FAIRCHILD FARMS, LLC
K. HOVNANIAN HOUSTON GREATWOOD LAKE, LLC
K. HOVNANIAN HOUSTON KATY POINTE II, LLC
K. HOVNANIAN HOUSTON KATY POINTE, LLC
K. HOVNANIAN HOUSTON KINGDOM HEIGHTS, LLC

K. HOVNIANIAN HOUSTON LAKES OF BELLA TERRA WEST II, LLC
K. HOVNIANIAN HOUSTON LAKES OF BELLA TERRA WEST, LLC
K. HOVNIANIAN HOUSTON LAUREL GLEN, LLC
K. HOVNIANIAN HOUSTON MAGNOLIA CREEK, LLC
K. HOVNIANIAN HOUSTON MIDTOWN PARK I, LLC
K. HOVNIANIAN HOUSTON PARK LAKES EAST, LLC
K. HOVNIANIAN HOUSTON PARKWAY TRAILS, LLC
K. HOVNIANIAN HOUSTON RIVER FARMS, LLC
K. HOVNIANIAN HOUSTON SUNSET RANCH, LLC
K. HOVNIANIAN HOUSTON TERRA DEL SOL, LLC
K. HOVNIANIAN HOUSTON THUNDER BAY SUBDIVISION, LLC
K. HOVNIANIAN HOUSTON TRANQUILITY LAKE ESTATES, LLC
K. HOVNIANIAN HOUSTON WESTWOOD, LLC
K. HOVNIANIAN HOUSTON WILLOWPOINT, LLC
K. HOVNIANIAN HOUSTON WOODSHORE, LLC
K. HOVNIANIAN OF HOUSTON II, L.L.C.
K. HOVNIANIAN OF HOUSTON III, L.L.C.
K. HOVNIANIAN TEXAS OPERATIONS, LLC
PARK TITLE COMPANY, LLC
K. HOVNIANIAN DFW CREEKSIDE ESTATES, LLC
EASTERN NATIONAL TITLE AGENCY VIRGINIA, INC.
GTIS-HOV LEELAND STATION LLC
GTIS-HOV WILLOWSFORD WINDMILL LLC
K. HOVNIANIAN AT ALEXANDER LAKES, LLC
K. HOVNIANIAN AT BELLEWOOD, LLC
K. HOVNIANIAN AT BENSEN'S MILL ESTATES, LLC
K. HOVNIANIAN AT CANTER V, LLC
K. HOVNIANIAN AT DOMINION CROSSING, LLC
K. HOVNIANIAN AT EAST CHASE, LLC
K. HOVNIANIAN AT EMBREY MILL VILLAGE, LLC
K. HOVNIANIAN AT EMBREY MILL, LLC
K. HOVNIANIAN AT ESTATES AT WHEATLANDS, LLC
K. HOVNIANIAN AT ESTATES OF CHANCELLORSVILLE, LLC
K. HOVNIANIAN AT GALLERY PARK AT WESTFIELDS, LLC
K. HOVNIANIAN AT HAMPTON RUN, LLC
K. HOVNIANIAN AT HIGHLAND PARK, LLC
K. HOVNIANIAN AT HOLLY RIDGE, LLC
K. HOVNIANIAN AT HUNTER'S POND, LLC
K. HOVNIANIAN AT JACKS RUN, LLC
K. HOVNIANIAN AT JACKSON VILLAGE, LLC
K. HOVNIANIAN AT LAUREL HILLS CROSSING, LLC
K. HOVNIANIAN AT LENA H WOODS, LLC
K. HOVNIANIAN AT LINCOLN PARK, LLC
K. HOVNIANIAN AT MADISON SQUARE, LLC

K. HOVNIANIAN AT MELODY FARM, LLC
K. HOVNIANIAN AT NEW POST, LLC
K. HOVNIANIAN AT NICHOLSON, LLC
K. HOVNIANIAN AT NORTH HILL, LLC
K. HOVNIANIAN AT NORTH RIDGE, LLC
K. HOVNIANIAN AT OLD CAROLINA, LLC
K. HOVNIANIAN AT POTOMAC TRACE, LLC
K. HOVNIANIAN AT RAYMOND FARM, LLC
K. HOVNIANIAN AT RESERVES AT WHEATLANDS, LLC
K. HOVNIANIAN AT RESIDENCE AT DISCOVERY SQUARE, LLC
K. HOVNIANIAN AT ROCKLAND VILLAGE GREEN, LLC
K. HOVNIANIAN AT ROCKY RUN VILLAGE, LLC
K. HOVNIANIAN AT SUMMIT CROSSING ESTATES, LLC
K. HOVNIANIAN AT TANAGER, LLC
K. HOVNIANIAN AT TOWNES AT COUNTY CENTER, LLC
K. HOVNIANIAN AT WAXPOOL CROSSING, LLC
K. HOVNIANIAN AT WELLSPRINGS, LLC
K. HOVNIANIAN AT WILLOWSFORD GREENS III, LLC
K. HOVNIANIAN AT WREN HOLLOW, LLC
K. HOVNIANIAN DEVELOPMENTS OF VIRGINIA, INC.
K. HOVNIANIAN HOMES AT BURKE JUNCTION, LLC
K. HOVNIANIAN HOMES AT LEIGH MILL, LLC
K. HOVNIANIAN HOMES AT PENDER OAKS, LLC
K. HOVNIANIAN HOMES AT THOMPSON'S GRANT, LLC
K. HOVNIANIAN HOMES AT WILLOWSFORD GRANGE, LLC
K. HOVNIANIAN HOMES AT WILLOWSFORD GRANT II, LLC
K. HOVNIANIAN HOMES AT WILLOWSFORD GRANT, LLC
K. HOVNIANIAN HOMES AT WILLOWSFORD GREENS, LLC
K. HOVNIANIAN HOMES AT WILLOWSFORD NEW, LLC
K. HOVNIANIAN MID-ATLANTIC DIVISION, LLC
K. HOVNIANIAN SUMMIT HOLDINGS, L.L.C.
K. HOVNIANIAN VIRGINIA OPERATIONS, INC.
K. HOVNIANIAN'S FOUR SEASONS AT CHARLOTTESVILLE II, LLC
K. HOVNIANIAN'S FOUR SEASONS AT NEW KENT VINEYARDS, L.L.C.
K. HOVNIANIAN'S FOUR SEASONS AT VIRGINIA CROSSING, LLC
K. HOVNIANIAN AT DILLON FARM, LLC
K. HOVNIANIAN AT HUNTFIELD, LLC
K. HOVNIANIAN DEVELOPMENTS OF WEST VIRGINIA, INC.
K. HOVNIANIAN HOMES AT LIBERTY RUN, LLC
K. HOVNIANIAN HOMES AT SHENANDOAH SPRINGS, LLC
K. HOVNIANIAN WEST VIRGINIA BUILD ON YOUR LOT DIVISION, LLC
K. HOVNIANIAN WEST VIRGINIA OPERATIONS, LLC
MIDWEST BUILDING PRODUCTS & CONTRACTOR SERVICES OF WEST VIRGINIA, L.L.C.

UNRESTRICTED SUBSIDIARIES

K. HOVNIANIAN GT INVESTMENT, L.L.C.
K. HOVNIANIAN TERRA LAGO INVESTMENT, LLC
K. HOVNIANIAN AGENCY HOLDINGS, LLC
K. HOVNIANIAN GT IX INVESTMENT, LLC
K. HOVNIANIAN GT V INVESTMENT, LLC
K. HOVNIANIAN GT VI INVESTMENT, LLC
K. HOVNIANIAN GT VII INVESTMENT, LLC
K. HOVNIANIAN GT VIII INVESTMENT, LLC
K. HOVNIANIAN GT X INVESTMENT, LLC
K. HOVNIANIAN HOVSITE II INVESTMENT, LLC
K. HOVNIANIAN HOVSITE III INVESTMENT, LLC
K. HOVNIANIAN M.E. INVESTMENTS, LLC
GTIS-HOV HOLDINGS X LLC
K. HOVNIANIAN GT XII INVESTMENT, LLC
K. HOVNIANIAN GT XIII INVESTMENT, LLC
77 HUDSON STREET JOINT DEVELOPMENT, L.L.C.
GTIS-HOV HOLDINGS XII LLC
GTIS-HOV HOLDINGS XIII LLC
GTIS-HOV HOLDINGS XIV LLC
HOVSITE HOLDINGS II LLC
HOVSITE HOLDINGS III LLC
K. HOVNIANIAN GT XIV INVESTMENT, LLC
PORT IMPERIAL PARTNERS, LLC
TERRA LAGO INDIO LLC
K. HOVNIANIAN'S FOUR SEASONS AT BELLE TERRE, LLC
K. HOVNIANIAN'S FOUR SEASONS AT SCENIC MANOR, LLC
GTIS-HOV RESIDENCES AT COLUMBIA PARK PARENT LLC
K. HOVNIANIAN AT DELRAY BEACH, L.L.C.
HOVSITE II CASA DEL MAR LEASEHOLD LLC
HOVSITE II CASA DEL MAR LLC
HOVSITE III AT PARKLAND LLC
K. HOVNIANIAN AT MYSTIC DUNES, LLC
K. HOVNIANIAN OSPREY RANCH, LLC
AL TAHALUF AL AQARY LLC (AL TAHALUF REAL ESTATE LIMITED LIABILITY COMPANY)
K. HOVNIANIAN'S FOUR SEASONS AT KENT ISLAND III, LLC
K. HOVNIANIAN AT FAIRWAY ESTATES, LLC
K. HOVNIANIAN'S FOUR SEASONS AT KENT ISLAND II, LLC
K. HOVNIANIAN 77 HUDSON STREET INVESTMENTS, L.L.C.
K. HOVNIANIAN AT PORT IMPERIAL INVESTMENT, LLC
K. HOVNIANIAN GT XI INVESTMENT, LLC
MM-BEACHFRONT NORTH II, L.L.C.
K. HOVNIANIAN AT 77 HUDSON STREET URBAN RENEWAL COMPANY, L.L.C.
K. HOVNIANIAN AT MANALAPAN LANDING, LLC
K. HOVNIANIAN AT PORT IMPERIAL URBAN RENEWAL VI, L.L.C.

GTIS-HOV RESIDENCES AT COLUMBIA PARK LLC
K. HOVNANIAN AMERICAN MORTGAGE, L.L.C.
K. HOVNANIAN AT TRENTON II, L.L.C.
K. HOVNANIAN AT TRENTON URBAN RENEWAL, L.L.C.
MILLENNIUM TITLE AGENCY, LTD.
K. HOVNANIAN'S FOUR SEASONS AT CAROLINA OAKS, LLC
HOVNANIAN INSURANCE AGENCY, LLC
K. HOVNANIAN HOUSTON MARVIDA, LLC
EASTERN NATIONAL TITLE AGENCY TEXAS, INC.
K. HOVNANIAN AT HAZEL RUN GLEN, LLC
WHI-REPUBLIC, LLC
K. HOVNANIAN AT THE BOULEVARDS AT WESTFIELDS, LLC

Sch. B-2

[FACE OF NOTE]

K. HOVNANIAN ENTERPRISES, INC.

11.75% Senior Secured 1.25 Lien Notes due 2029

CUSIP No.: _____

No.

\$ _____ [, or such other amount as is provided in the schedule of exchanges of interests in global notes attached hereto]

K. Hovnanian Enterprises, Inc., a California corporation (the “**Issuer**,” which term includes any successor under the Indenture hereinafter referred to), for value received, promises to pay to _____, or its registered assigns, the principal sum of _____ DOLLARS (\$ _____), [or such other amount as is provided in the schedule of exchanges of interests in global notes attached hereto]¹, on September 30, 2029.

Interest Rate: 11.75% per annum.

Interest Payment Dates: March 30 and September 30, commencing March 30, 2024.

Record Dates: March 15 and September 15.

Reference is hereby made to the further provisions of this Note set forth on the reverse hereof, which will for all purposes have the same effect as if set forth at this place.

¹ For Global Notes.

IN WITNESS WHEREOF, the Issuer has caused this Note to be signed manually or by facsimile by its duly authorized officer.

Dated:

K. HOVNIANIAN ENTERPRISES, INC.

By: _____
Name:
Title:

A-2

[Form of] Trustee's Certificate of Authentication

This is one of the 11.75% Senior Secured 1.25 Lien Notes due 2029 described in the Indenture referred to in this Note.

WILMINGTON TRUST, NATIONAL
ASSOCIATION, as Trustee

By: _____
Authorized Signatory

K. HOVNANIAN ENTERPRISES, INC.

11.75% Senior Secured 1.25 Lien Notes due 2029

Capitalized terms used herein are used as defined in the Indenture referred to below unless otherwise indicated. References to “Notes” or “Note” herein refer only to the 11.75% Senior Secured 1.25 Lien Notes due 2029.

1. *Principal and Interest.*

K. Hovnanian Enterprises, Inc. (the “**Issuer**,” which term includes any successor under the Indenture hereinafter referred to), a California corporation, promises to pay the principal of this Note on September 30, 2029.

The Issuer promises to pay interest on the principal amount of this Note on each Interest Payment Date, as set forth on the face of this Note, at the rate of 11.75% per annum.

Interest will be payable semiannually (to the holders of record of the Notes at the close of business on the March 15 or September 15 immediately preceding the Interest Payment Date) on each Interest Payment Date, commencing March 30, 2024.

Interest on this Note will accrue from the most recent date to which interest has been paid on this Note or the Note surrendered in exchange for this Note (or, if there is no existing default in the payment of interest and if this Note is authenticated between a regular record date and the next Interest Payment Date, from such Interest Payment Date) or, if no interest has been paid, from Issue Date. Interest will be computed on the basis of a 360-day year of twelve 30-day months.

2. *Paying Agent and Registrar.*

Initially, Wilmington Trust, National Association (the “**Trustee**”) will act as Paying Agent and Registrar. The Issuer may change or appoint any Paying Agent, Registrar or co-Registrar without notice to any Holder. The Issuer or any of its Subsidiaries may act as Paying Agent, Registrar or co-Registrar.

3. *Indenture; Liens; Guarantees.*

This is one of the 11.75% Senior Secured 1.25 Lien Notes due 2029 issued under an Indenture, dated as of October 5, 2023 (as amended from time to time, the “**Indenture**”), among the Issuer, the Guarantors party thereto, the Trustee and the Collateral Agent. The terms of the Notes include those stated in the Indenture and are not subject to the Trust Indenture Act except as expressly and to the extent provided for in the Indenture and the Notes, and Holders are referred to the Indenture and the Trust Indenture Act for a statement of such terms. To the extent permitted by applicable law, in the event of any inconsistency between the terms of this Note and the terms of the Indenture, the terms of the Indenture will control.

The Notes are general obligations of the Issuer, secured by Liens on the Collateral as described in the Indenture and the Security Documents. The Indenture limits the original aggregate principal amount of the Notes issued thereunder to \$430,000,000 but Additional Notes may be issued pursuant to the Indenture (subject to the conditions stated therein), and the originally issued Notes and all such Additional Notes vote together for all purposes as a single class. This Note is guaranteed by the Guarantors as set forth in the Indenture and the Guarantee endorsed hereon.

Reference is hereby made to the Indenture for a statement of the respective rights, duties and obligations thereunder of the Issuer, the Guarantors, the Trustee, the Collateral Agent and the Holders.

4. *Optional Redemption; Redemption with Proceeds of Equity Offering.*

(a) The Issuer may, at its option, redeem the Notes, in whole, at any time, or in part, from time to time, prior to March 30, 2026, at a redemption price equal to the sum of:

(i) 100% of the principal amount thereof, plus accrued and unpaid interest thereon to, but excluding, the redemption date, if any (subject to the right of Holders of record on the relevant Record Date to receive interest on the relevant Interest Payment Date); *plus*

(ii) the Make-Whole Amount.

The term “**Make-Whole Amount**” shall mean, in connection with any optional redemption of any Note, the greater of:

(i) the excess, if any, of (x) the present value at such redemption date of (A) the redemption price of the Note at March 30, 2026 (such redemption price being set forth in the table appearing in 4(b) below) plus (B) all required interest payments due on the Note through March 30, 2026 (excluding accrued but unpaid interest), computed using a discount rate equal to the Treasury Rate as of such redemption date plus 50 basis points *over* (y) the principal amount of the Note being redeemed; and

(i) 1.0% of the principal amount of the Note being redeemed.

In no case shall the Trustee be responsible for calculating, verifying or determining the Make-Whole Amount.

“**Treasury Rate**” means, in connection with the calculation of any Make-Whole Amount with respect to any Note, as calculated by the Company, the yield to maturity at the time of computation of United States Treasury securities with a constant maturity, as compiled by and published in the most recent Federal Reserve Statistical Release H.15 (519) that has become publicly available at least two Business Days prior to the redemption date (or, if such Statistical Release is no longer published, any publicly available source or similar market data), most nearly equal to the period from the redemption date to March 30, 2026; *provided, however*, that if the period from the redemption date to March 30, 2026 is not equal to the constant maturity of a United States Treasury security for which a weekly average yield is given, the Treasury Rate shall be obtained by linear interpolation (calculated to the nearest one-twelfth of a year) from the weekly average yields of United States Treasury securities for which such yields are given, except that if the period from the redemption date to March 30, 2026 is less than one year, the weekly average yield on actually traded United States Treasury securities adjusted to a constant maturity of one year will be used.

(b) At any time and from time to time on or after March 30, 2026, the Issuer may redeem the Notes, in whole or in part, at a redemption price equal to the percentage of the principal amount set forth below for the period during which the redemption date falls plus accrued and unpaid interest thereon, if any, to, but excluding, the applicable redemption date (subject to the right of Holders of record on the relevant Record Date to receive interest on the relevant Interest Payment Date).

Period Commencing	Percentage
March 30, 2026	105.8750%
September 30, 2027	102.9375%
September 30, 2028 and thereafter	100.0000%

(c) If Holders of not less than 90% in aggregate principal amount of the outstanding Notes validly tender and do not validly withdraw such Notes in a Change of Control Offer in connection with a Change of Control and the Issuer, or any third party making a Change of Control Offer in lieu of the Issuer as permitted by Section 4.12 of the Indenture, purchases of all of the Notes validly tendered and not validly withdrawn by such Holders, the Issuer or such third party shall have the right, upon not less than 10 nor more than 60 days' prior notice to the Holders (with a copy to the Trustee), given not more than 30 days following such purchase pursuant to the Change of Control Offer described in Section 4.12 of the Indenture, to redeem all Notes that remain outstanding following such purchase at a redemption price in cash equal to 101% of the principal amount thereof plus accrued and unpaid interest, if any, to, but not including, the date of redemption.

(d) At any time and from time to time prior to March 30, 2026, the Issuer may redeem the Notes with the net cash proceeds received by the Issuer from any Equity Offering at a redemption price equal to 111.750% of the principal amount plus accrued and unpaid interest, if any, to, but excluding, the applicable redemption date (subject to the right of Holders of record on the relevant Record Date to receive interest on the relevant Interest Payment Date), in an aggregate principal amount for all such redemptions not to exceed 35% of the original aggregate principal amount of the Notes (including Additional Notes), *provided* that:

- (i) in each case the redemption takes place not later than 60 days after the closing of the related Equity Offering, and
- (ii) not less than 65% of the original aggregate principal amount of the Notes (including Additional Notes) remains outstanding immediately thereafter.

If fewer than all of the Notes are being redeemed, the Notes to be redeemed shall be selected by the Trustee by lot, pro rata or such other method as the Trustee deems fair and appropriate in consultation with the Issuer, subject to applicable DTC procedures and compliance with the rules of any securities exchange on which the Notes may be listed.

Notes shall be redeemed in denominations of \$2,000 principal amount or any multiple of \$1,000 in excess thereof. Notices of any redemption may be given prior to the completion thereof, and may, at the Issuer's discretion, be subject to one or more conditions precedent, including, but not limited to, completion of a related Equity Offering. If a redemption is subject to one or more conditions precedent, such notice shall describe each condition precedent.

If any Note is to be redeemed in part only, the notice of redemption that relates to that Note shall state the portion of the principal amount thereof to be redeemed. A new Note in principal amount equal to the unredeemed portion of the original Note will be issued in the name of the Holder thereof upon cancellation of the original Note. Notes called for redemption become due on the date fixed for redemption. On and after the redemption date, interest ceases to accrue on Notes or portions thereof called for redemption. Any notice of redemption will be given in accordance with Article III of the Indenture.

5. *Repurchase Provisions.*

If a Change of Control occurs, each Holder shall have the right, at such Holder's option, to require the Issuer to purchase all or any part (equal to \$2,000 principal amount or any multiple of \$1,000 in excess thereof) of such Holder's Notes on a date that is no later than 90 days after notice of the Change of Control, at a purchase price equal to 101% of the principal amount thereof, plus accrued and unpaid interest, if any, to the date of repurchase as provided in, and subject to the terms of, the Indenture.

6. *Mandatory Redemption.*

There is no sinking fund for, or mandatory redemption of, the Notes.

7. *Discharge and Defeasance.*

If the Issuer deposits with the Trustee money in U.S. dollars and/or U.S. Government Obligations sufficient to pay the then outstanding principal of, premium, interest and accrued interest on the Notes to redemption or maturity, as the case may be, the Issuer, the Company and the Guarantors may in certain circumstances be discharged from the Indenture, the Notes, the Guarantees and the Security Documents or may be discharged from certain of their obligations under certain provisions of the Indenture. In such circumstances, the Liens securing the Notes and the Guarantees will also be released.

8. *Registered Form; Denominations; Transfer; Exchange.*

The Notes are in registered form only without coupons in denominations of \$2,000 principal amount and any multiple of \$1,000 in excess thereof. A Holder may register the transfer or exchange of Notes in accordance with the Indenture. The Trustee may require a Holder, among other things, to furnish appropriate endorsements and transfer documents and to pay any taxes and fees required by law or permitted by the Indenture. Pursuant to the Indenture, there are certain periods during which the Trustee will not be required to issue, register the transfer of, or exchange any Note or certain portions of a Note.

9. *Persons Deemed Owners.*

The registered Holder of this Note shall be treated as the owner of it for all purposes.

10. *Defaults and Remedies.*

If an Event of Default occurs and is continuing, the Trustee or the Holders of at least 25% in principal amount of the Notes may declare all the Notes to be due and payable immediately. If a bankruptcy or insolvency default with respect to the Issuer or the Company occurs and is continuing, the Notes automatically become immediately due and payable. Holders may not enforce the Indenture or the Notes except as provided in the Indenture. The Trustee may require reasonable indemnity or security satisfactory to it before it enforces the Indenture or the Notes. Subject to certain limitations, Holders of a majority in principal amount of the Notes then outstanding may direct the Trustee in its exercise of remedies.

11. *Amendment, Supplement and Waiver.*

Subject to certain exceptions, the Indenture, the Notes, the Guarantees or the Security Documents may be amended or supplemented, or future compliance with any provision thereof may be waived, with the consent of the Holders of a majority in principal amount of the outstanding Notes. Without notice to or the consent of any Holder, the Company, the Issuer, the Guarantors, the Trustee, the Collateral Agent and the Joint First Lien Collateral Agent, as applicable, may amend or supplement, or waive future compliance with any provision of, the Indenture, the Notes, the Guarantees or the Security Documents with respect to the Notes to, among other things, cure any ambiguity, defect or inconsistency or if such amendment or supplement does not adversely affect the legal rights of any Holder. Without the consent of the Holders of at least 66⅔% in principal amount of the Notes, the Company, the Issuer, the Guarantors, the Trustee, the Collateral Agent and the Joint First Lien Collateral Agent may not effect a release of all or substantially all of the Collateral with respect to the Notes other than pursuant to the terms of the Security Documents or as otherwise permitted under the Indenture.

12. *Trustee Dealings With Issuer.*

The Trustee, in its individual or any other capacity, may become the owner or pledgee of Notes and may otherwise deal with the Issuer or its affiliates, with the same rights as if it were not Trustee; *however*, if it acquires any conflicting interest (as defined in the Trust Indenture Act), it must eliminate such conflict or resign.

13. *No Recourse Against Others.*

An incorporator, and any past, present or future director, officer, partner, employee or stockholder, as such, of the Issuer, the Company or the Guarantors shall not have any liability for any obligations of the Issuer, the Company or the Guarantors under the Notes, the Indenture or the Guarantees or for any claim based on, in respect of, or by reason of, such obligations or their creation. Each Holder by accepting a Note waives and releases all such liability. The waiver and release are part of the consideration for the issue of the Notes.

14. *Governing Law.*

THIS NOTE SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK.

15. *CUSIP Numbers.*

Pursuant to a recommendation promulgated by the Committee on Uniform Note Identification Procedures, the Issuer has caused CUSIP numbers to be printed on the Notes, and the Trustee may use CUSIP numbers in notices as a convenience to Holders. No representation is made as to the accuracy of such numbers either as printed on the Notes or as contained in any notice and reliance may be placed only on the other identification numbers placed thereon.

16. *Authentication.*

This Note is not valid until the Trustee (or Authenticating Agent) manually signs the certificate of authentication on the other side of this Note.

17. *Abbreviations.*

Customary abbreviations may be used in the name of a Holder or an assignee, such as: TEN COM (= tenants in common), TEN ENT (= tenants by the entireties), JT TEN (= joint tenants with right of survivorship and not as tenants in common), CUST (= Custodian) and U/G/M/A/ (= Uniform Gifts to Minors Act).

The Issuer will furnish a copy of the Indenture to any Holder upon written request and without charge.

[FORM OF TRANSFER NOTICE]

FOR VALUE RECEIVED the undersigned registered holder hereby sell(s), assign(s) and transfer(s) unto

Insert Social Security or Taxpayer Identification No.

Please print or typewrite name and address, including zip code, of assignee

the within Note and all rights thereunder, hereby irrevocably constituting and appointing

agent to transfer this Note on the books of the Issuer with full power of substitution in the premises.

Dated: _____

Signed: _____

(sign exactly as name appears on the other side of this Note)

Signature Guarantee²: _____

² Signatures must be guaranteed by an “eligible guarantor institution” meeting the requirements of the Registrar, which requirements include membership or participation in the Note Transfer Agent Medallion Program (“STAMP”) or such other “signature guarantee program” as may be determined by the Registrar in addition to, or in substitution for, STAMP, all in accordance with the Securities Exchange Act of 1934, as amended.

[THE FOLLOWING PROVISION TO BE INCLUDED ON ALL CERTIFICATES BEARING A RESTRICTED LEGEND]

In connection with any transfer of this Note occurring prior to the Resale Restriction Termination Date (as defined in this Note), the undersigned confirms that such transfer is made without utilizing any general solicitation or general advertising in connection with the transfer and further as follows:

Check One

(1) This Note is being transferred to a “qualified institutional buyer” in compliance with Rule 144A under the Securities Act of 1933, as amended, and certification in the form of Exhibit F to the Indenture is being furnished herewith.

(2) This Note is being transferred to a non-“U.S. Person,” as defined in Rule 902 of Regulation S under the Securities Act in compliance with the exemption from registration under the Securities Act of 1933, as amended, provided by Regulation S thereunder, and certification in the form of Exhibit E to the Indenture is being furnished herewith.

or

(3) This Note is being transferred other than in accordance with (1) or (2) above and documents are being furnished herewith which comply with the conditions of transfer set forth in this Note and the Indenture.

If none of the foregoing boxes is checked, the Trustee is not obligated to register this Note in the name of any Person other than the Holder hereof unless and until the conditions to any such transfer of registration set forth herein and in the Indenture have been satisfied.

Dated: _____

Transferor

Signed: _____

NOTICE: The signature to this assignment must correspond with the name as written upon the face of the within-mentioned instrument in every particular, without alteration or any change whatsoever.

Signature Guarantee³: _____

³ Signatures must be guaranteed by an “eligible guarantor institution” meeting the requirements of the Registrar, which requirements include membership or participation in the Note Transfer Agent Medallion Program (“STAMP”) or such other “signature guarantee program” as may be determined by the Registrar in addition to, or in substitution for, STAMP, all in accordance with the Securities Exchange Act of 1934, as amended.

By: _____
(To be executed by an executive officer)

OPTION OF HOLDER TO ELECT PURCHASE

If you wish to have all of this Note purchased by the Issuer pursuant to Section 4.10 or Section 4.12 of the Indenture, check the box:

If you wish to have a portion of this Note purchased by the Issuer pursuant to Section 4.10 or Section 4.12 of the Indenture, state the amount (in original principal amount) below:

\$ _____.

Date: _____

Your Signature: _____

(Sign exactly as your name appears on the other side of this Note)

Signature Guarantee⁴: _____

⁴ Signatures must be guaranteed by an “eligible guarantor institution” meeting the requirements of the Trustee, which requirements include membership or participation in the Note Transfer Agent Medallion Program (“STAMP”) or such other “signature guarantee program” as may be determined by the Trustee in addition to, or in substitution for, STAMP, all in accordance with the Securities Exchange Act of 1934, as amended.

SCHEDULE OF EXCHANGES OF INTERESTS IN GLOBAL NOTES⁵

The following exchanges of a part of this Global Note for Certificated Notes or an interest in another Global Note, or exchanges of a part of another Global Note or Certificated Note for an interest in this Global Note, have been made:

<u>Date of Exchange</u>	<u>Amount of decrease in principal amount of this Global Note</u>	<u>Amount of increase in principal amount of this Global Note</u>	<u>Principal amount of this Global Note following such decrease or increase</u>	<u>Signature of authorized officer of Trustee</u>
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⁵ For Global Notes

GUARANTEE

The undersigned (the “**Guarantors**”) have unconditionally guaranteed, jointly and severally (such guarantee by each Guarantor being referred to herein as the “**Guarantee**”) (i) the due and punctual payment of the principal of and interest on the Issuer’s 11.75% Senior Secured 1.25 Lien Notes due 2029 (the “**Notes**”), whether at maturity or on an Interest Payment Date, by acceleration or otherwise, on the Notes, to the extent lawful, and of all other obligations of the Issuer to the Holders or the Trustee all in accordance with the terms set forth in Article VI of the Indenture and (ii) in case of any extension of time of payment or renewal of any Notes or any of such other obligations, that the same will be promptly paid in full when due or performed in accordance with the terms of the extension or renewal, whether at stated maturity, by acceleration or otherwise. This Guarantee is secured by Liens on the Collateral as described in the Indenture and the Security Documents.

No past, present or future stockholder, officer, director, employee, partner or incorporator, as such, of any of the Guarantors shall have any liability under the Guarantee evidenced hereby by reason of such person’s status as stockholder, officer, director, employee, partner or incorporator. Each Holder of a Note by accepting a Note waives and releases all such liability. This waiver and release are part of the consideration for the issuance of the Guarantee.

Each Holder of a Note by accepting a Note agrees that any Guarantor named below shall have no further liability with respect to its Guarantee if such Guarantor otherwise ceases to be liable in respect of its Guarantee in accordance with the terms of the Indenture.

The Guarantee evidenced hereby shall not be valid or obligatory for any purpose until the certificate of authentication on the Notes upon which the Guarantee is noted shall have been executed by the Trustee under the Indenture by the manual signature of one of its authorized officers.

This Guarantee shall be governed by, and construed in accordance with, the laws of the State of New York.

EASTERN NATIONAL TITLE AGENCY ARIZONA, LLC
GTIS-HOV AT SILVERSTONE LLC
GTIS-HOV POINTE 16 LLC
K. HOVNANIAN ARIZONA NEW GC, LLC
K. HOVNANIAN ARIZONA OPERATIONS, LLC
K. HOVNANIAN AT 17 NORTH, LLC
K. HOVNANIAN AT 23 NORTH, LLC
K. HOVNANIAN AT 240 MISSOURI, LLC
K. HOVNANIAN AT ACACIA PLACE, LLC
K. HOVNANIAN AT AIRE ON MCDOWELL, LLC
K. HOVNANIAN AT ALAMEDA POINT, LLC
K. HOVNANIAN AT ALTO, LLC
K. HOVNANIAN AT AMBRA, LLC
K. HOVNANIAN AT ASTER RIDGE, LLC
K. HOVNANIAN AT CATANIA, LLC
K. HOVNANIAN AT EAGLE HEIGHTS, LLC
K. HOVNANIAN AT GALLERY, LLC
K. HOVNANIAN AT GALLOWAY RIDGE, LLC

K. HOVNIANIAN AT HONEYSUCKLE TRAIL, LLC
K. HOVNIANIAN AT LAWEEN SPRINGS, LLC
K. HOVNIANIAN AT LUKE LANDING, LLC
K. HOVNIANIAN AT MARYLAND RIDGE, LLC
K. HOVNIANIAN AT MCCARTNEY RANCH, LLC
K. HOVNIANIAN AT MONROE RANCH, LLC
K. HOVNIANIAN AT MONTANA VISTA DOBBINS, LLC
K. HOVNIANIAN AT MONTANA VISTA, LLC
K. HOVNIANIAN AT ORANGEWOOD RANCH, LLC
K. HOVNIANIAN AT PALERMO, LLC
K. HOVNIANIAN AT PALM VALLEY, L.L.C.
K. HOVNIANIAN AT PARK PASEO, LLC
K. HOVNIANIAN AT PINNACLE PEAK PATIO, LLC
K. HOVNIANIAN AT POINTE 16, LLC
K. HOVNIANIAN AT QUAIL CREEK, L.L.C.
K. HOVNIANIAN AT RANCHO CABRILLO, LLC
K. HOVNIANIAN AT RANCHO EL DORADO, LLC
K. HOVNIANIAN AT RANCHO MIRAGE PARCEL 17, LLC
K. HOVNIANIAN AT RANCHO MIRAGE PARCEL 23, LLC
K. HOVNIANIAN AT SANTA ROSA SPRINGS, LLC
K. HOVNIANIAN AT SANTANILLA, LLC
K. HOVNIANIAN AT SCOTTSDALE HEIGHTS, LLC
K. HOVNIANIAN AT SIENNA HILLS, LLC
K. HOVNIANIAN AT SILVERSTONE G, LLC
K. HOVNIANIAN AT SILVERSTONE, LLC
K. HOVNIANIAN AT SKYE ON MCDOWELL, LLC
K. HOVNIANIAN AT STERLING VISTAS, LLC
K. HOVNIANIAN AT SUN CITY WEST, LLC
K. HOVNIANIAN AT SUNRISE TRAIL II, LLC
K. HOVNIANIAN AT SUNRISE TRAIL III, LLC
K. HOVNIANIAN AT THE MEADOWS 9, LLC
K. HOVNIANIAN AT THE MEADOWS, LLC
K. HOVNIANIAN AT TORTOSA SOUTH, LLC
K. HOVNIANIAN AT UNION PARK, LLC
K. HOVNIANIAN AT VENTANA LAKES, LLC
K. HOVNIANIAN AT VERRADO CASCINA, LLC
K. HOVNIANIAN AT VERRADO MARKETSIDE, LLC
K. HOVNIANIAN AT VICTORY AT VERRADO, LLC
K. HOVNIANIAN AT VILLAGO, LLC
K. HOVNIANIAN COMPANIES OF ARIZONA, LLC
K. HOVNIANIAN GREAT WESTERN HOMES, LLC
K. HOVNIANIAN LEGACY AT VIA BELLA, LLC
K. HOVNIANIAN PHOENIX DIVISION, INC.
K. HOVNIANIAN WEST GROUP, LLC
K. HOVNIANIAN'S FOUR SEASONS AT THE MANOR II, LLC
K. HOVNIANIAN'S FOUR SEASONS AT THE MANOR, LLC
VISTAS AT SILVERSTONE LLC
2700 EMPIRE, LLC

GTIS-HOV RANCHO 79 LLC
K. HOV IP, II, INC.
K. HOVNIANIAN ASPIRE AT BELLEVUE RANCH M2, LLC
K. HOVNIANIAN ASPIRE AT BELLEVUE RANCH, LLC
K. HOVNIANIAN ASPIRE AT RIVER TERRACE, LLC
K. HOVNIANIAN ASPIRE AT SOLAIRE, LLC
K. HOVNIANIAN ASPIRE AT STONES THROW, LLC
K. HOVNIANIAN AT ANDALUSIA, LLC
K. HOVNIANIAN AT ASPIRE AT APRICOT GROVE PH2, LLC
K. HOVNIANIAN AT BAKERSFIELD 463, L.L.C.
K. HOVNIANIAN AT BEACON PARK AREA 129 II, LLC
K. HOVNIANIAN AT BEACON PARK AREA 129, LLC
K. HOVNIANIAN AT BEACON PARK AREA 137, LLC
K. HOVNIANIAN AT BENNETT RANCH, LLC
K. HOVNIANIAN AT BLACKSTONE, LLC
K. HOVNIANIAN AT CADENCE PARK, LLC
K. HOVNIANIAN AT CAPISTRANO, L.L.C.
K. HOVNIANIAN AT CARLSBAD, LLC
K. HOVNIANIAN AT CEDAR LANE, LLC
K. HOVNIANIAN AT CIELO, L.L.C.
K. HOVNIANIAN AT FIDDYMENT RANCH, LLC
K. HOVNIANIAN AT FIREFLY AT WINDING CREEK, LLC
K. HOVNIANIAN AT FRESNO, LLC
K. HOVNIANIAN AT GILROY 60, LLC
K. HOVNIANIAN AT GILROY, LLC
K. HOVNIANIAN AT HIDDEN LAKE, LLC
K. HOVNIANIAN AT JAEGER RANCH, LLC
K. HOVNIANIAN AT LA LAGUNA, L.L.C.
K. HOVNIANIAN AT LADD RANCH, LLC
K. HOVNIANIAN AT LUNA VISTA, LLC
K. HOVNIANIAN AT MELANIE MEADOWS, LLC
K. HOVNIANIAN AT MERIDIAN HILLS, LLC
K. HOVNIANIAN AT MUIRFIELD, LLC
K. HOVNIANIAN AT PARKSIDE, LLC
K. HOVNIANIAN AT PAVILION PARK, LLC
K. HOVNIANIAN AT POSITANO, LLC
K. HOVNIANIAN AT ROSEMARY LANTANA, L.L.C.
K. HOVNIANIAN AT SAGE II HARVEST AT LIMONEIRA, LLC
K. HOVNIANIAN AT SANTA NELLA, LLC
K. HOVNIANIAN AT SENDERO RANCH, LLC
K. HOVNIANIAN AT SIERRA VISTA, LLC
K. HOVNIANIAN AT SKYE ISLE, LLC
K. HOVNIANIAN AT SUNRIDGE PARK, LLC
K. HOVNIANIAN AT TRAIL RIDGE, LLC
K. HOVNIANIAN AT VALLE DEL SOL, LLC
K. HOVNIANIAN AT VERONA ESTATES, LLC
K. HOVNIANIAN AT VICTORVILLE, L.L.C.
K. HOVNIANIAN AT VILLAGE CENTER, LLC

K. HOVNANIAN AT VINEYARD HEIGHTS, LLC
K. HOVNANIAN AT WATERSTONE, LLC
K. HOVNANIAN AT WEST VIEW ESTATES, L.L.C.
K. HOVNANIAN AT WESTSHORE, LLC
K. HOVNANIAN AT WHEELER RANCH, LLC
K. HOVNANIAN AT WOODCREEK WEST, LLC
K. HOVNANIAN CA LAND HOLDINGS, LLC
K. HOVNANIAN CALIFORNIA OPERATIONS, INC.
K. HOVNANIAN CALIFORNIA REGION, INC.
K. HOVNANIAN COMMUNITIES, INC.
K. HOVNANIAN COMPANIES OF SOUTHERN CALIFORNIA, INC.
K. HOVNANIAN COMPANIES, LLC
K. HOVNANIAN EAST GROUP, LLC
K. HOVNANIAN ENTERPRISES, INC.
K. HOVNANIAN FOUR SEASONS AT HOMESTEAD, LLC
K. HOVNANIAN HOMES NORTHERN CALIFORNIA, INC.
K. HOVNANIAN JV HOLDINGS, L.L.C.
K. HOVNANIAN JV SERVICES COMPANY, L.L.C.
K. HOVNANIAN MEADOW VIEW AT MOUNTAIN HOUSE, LLC
K. HOVNANIAN NORTHEAST DIVISION, INC.
K. HOVNANIAN NORTHERN CALIFORNIA DIVISION, LLC
K. HOVNANIAN OPERATIONS COMPANY, INC.
K. HOVNANIAN SOUTHERN CALIFORNIA DIVISION, LLC
K. HOVNANIAN'S ASPIRE AT UNION VILLAGE, LLC
K. HOVNANIAN'S FOUR SEASONS AT BAKERSFIELD, L.L.C.
K. HOVNANIAN'S FOUR SEASONS AT BEAUMONT, LLC
K. HOVNANIAN'S FOUR SEASONS AT LOS BANOS, LLC
K. HOVNANIAN'S SONATA AT THE PRESERVE, LLC
K. HOVNANIAN'S VERANDA AT RIVERPARK II, LLC
K. HOVNANIAN'S VERANDA AT RIVERPARK, LLC
STONEBROOK HOMES, INC.
K. HOVNANIAN PARKVIEW AT STERLING MEADOWS, LLC
K. HOVNANIAN DEVELOPMENTS OF D.C., INC.
K. HOVNANIAN HOMES AT PARKSIDE, LLC
K. HOVNANIAN HOMES OF D.C., L.L.C.
GTIS-HOV ARBORS AT MONROE PARENT LLC
GTIS-HOV FOUR PONDS PARENT LLC
GTIS-HOV HEATHERFIELD PARENT LLC
GTIS-HOV HILLTOP AT CEDAR GROVE PARENT LLC
GTIS-HOV HOLDINGS IX LLC
GTIS-HOV HOLDINGS LLC
GTIS-HOV HOLDINGS V LLC
GTIS-HOV HOLDINGS VI LLC
GTIS-HOV HOLDINGS VII LLC
GTIS-HOV HOLDINGS VIII LLC
GTIS-HOV LAKES OF CANE BAY PARENT LLC
GTIS-HOV PARKSIDE OF LIBERTYVILLE PARENT LLC
GTIS-HOV PENDER OAKS PARENT LLC

GTIS-HOV PINNACLE PEAK PATIO PARENT LLC
GTIS-HOV SAUGANASH GLEN PARENT LLC
HOMEBUYERS FINANCIAL USA, LLC
HOVNANIAN ENTERPRISES, INC. (PARENT COMPANY)
HOVSITE CHURCHILL CLUB LLC
HOVSITE FIRENZE LLC
HOVSITE HUNT CLUB LLC
HOVSITE LIBERTY LAKES LLC
HOVSITE PROVIDENCE LLC
HOVSITE SOUTHAMPTON LLC
K. HOVNANIAN ASPIRE AT LYNNBURY WOODS, LLC
K. HOVNANIAN AT ADMIRAL'S LANDING, LLC
K. HOVNANIAN AT ASHBY PLACE, LLC
K. HOVNANIAN AT ASPIRE AT WEBBER FARM, LLC
K. HOVNANIAN AT ASPIRE AT WICKERSHAM, LLC
K. HOVNANIAN AT AUTUMN RIDGE, LLC
K. HOVNANIAN AT BAY KNOLLS, LLC
K. HOVNANIAN AT BRENFORD STATION, LLC
K. HOVNANIAN AT CEDAR LANE ESTATES, LLC
K. HOVNANIAN AT EGRET SHORES, LLC
K. HOVNANIAN AT FORK LANDING, LLC
K. HOVNANIAN AT HARBOR'S EDGE AT BAYSIDE, LLC
K. HOVNANIAN AT HIDDEN BROOK, LLC
K. HOVNANIAN AT LIBERTY WEST, LLC
K. HOVNANIAN AT MIDDLETOWN RESERVE, LLC
K. HOVNANIAN AT MONARCH GLEN, LLC
K. HOVNANIAN AT NORTH BRUNSWICK VI, L.L.C.
K. HOVNANIAN AT NOTTINGHAM MEADOWS, LLC
K. HOVNANIAN AT OCEAN VIEW BEACH CLUB, LLC
K. HOVNANIAN AT OYSTER COVE, LLC
K. HOVNANIAN AT PATRIOTS BLUFF, LLC
K. HOVNANIAN AT PLANTATION LAKES, L.L.C.
K. HOVNANIAN AT PLEASANTON, LLC
K. HOVNANIAN AT RED MILL POND, LLC
K. HOVNANIAN AT RETREAT AT MILLSTONE, LLC
K. HOVNANIAN AT SATTERFIELD, LLC
K. HOVNANIAN AT SEABROOK, LLC
K. HOVNANIAN AT TOWER HILL, LLC
K. HOVNANIAN AT TOWNSEND FIELDS, LLC
K. HOVNANIAN AT WOODFIELD, LLC
K. HOVNANIAN CENTRAL ACQUISITIONS, L.L.C.
K. HOVNANIAN DELAWARE DIVISION, INC.
K. HOVNANIAN DELAWARE OPERATIONS, LLC
K. HOVNANIAN HOMES AT KNOLLAC ACRES, LLC
K. HOVNANIAN HOMES AT SUMMIT POINTE, LLC
K. HOVNANIAN HOMES OF DELAWARE I, LLC
K. HOVNANIAN HOMES OF LONGACRE VILLAGE, L.L.C.
K. HOVNANIAN NEW JERSEY OPERATIONS, LLC

K. HOVNIANIAN NORTH CENTRAL ACQUISITIONS, L.L.C.
K. HOVNIANIAN NORTH JERSEY ACQUISITIONS, L.L.C.
K. HOVNIANIAN SOUTH JERSEY ACQUISITIONS, L.L.C.
K. HOVNIANIAN'S FOUR SEASONS AT BAYMONT FARMS L.L.C.
K. HOVNIANIAN'S FOUR SEASONS AT HATTERAS HILLS, LLC
K. HOVNIANIAN'S FOUR SEASONS AT SILVER MAPLE FARM, L.L.C.
KHH SHELL HALL LOAN ACQUISITION, LLC
RIDGEMORE UTILITY OF DELAWARE, LLC
TRAVERSE PARTNERS, LLC
WASHINGTON HOMES, INC.
WTC VENTURES, L.L.C.
GTIS-HOV NICHOLSON PARENT LLC
EASTERN NATIONAL TITLE AGENCY FLORIDA, LLC
HOVNIANIAN DEVELOPMENTS OF FLORIDA, INC.
K. HOVNIANIAN AMBER GLEN, LLC
K. HOVNIANIAN ASPIRE AT BOATMAN HAMMOCK, LLC
K. HOVNIANIAN ASPIRE AT EAST LAKE, LLC
K. HOVNIANIAN ASPIRE AT HAWKS RIDGE, LLC
K. HOVNIANIAN ASPIRE AT MARION OAKS, LLC
K. HOVNIANIAN ASPIRE AT PALM BAY, LLC
K. HOVNIANIAN ASPIRE AT PALM COAST, LLC
K. HOVNIANIAN ASPIRE AT PORT ST. LUCIE, LLC
K. HOVNIANIAN ASPIRE AT VICTORIA PARC, LLC
K. HOVNIANIAN ASPIRE AT WATERSTONE, LLC
K. HOVNIANIAN AT ARMEN GROVES, LLC
K. HOVNIANIAN AT AVENIR II, LLC
K. HOVNIANIAN AT AVENIR, LLC
K. HOVNIANIAN AT BOCA DUNES, LLC
K. HOVNIANIAN AT CORAL LAGO, LLC
K. HOVNIANIAN AT HAMPTON COVE, LLC
K. HOVNIANIAN AT HERITAGE GROVE, LLC
K. HOVNIANIAN AT HILLTOP RESERVE II, LLC
K. HOVNIANIAN AT HILLTOP RESERVE, LLC
K. HOVNIANIAN AT LAKE BURDEN, LLC
K. HOVNIANIAN AT LAKE FLORENCE, LLC
K. HOVNIANIAN AT LAKE LECLARE, LLC
K. HOVNIANIAN AT PICKETT RESERVE, LLC
K. HOVNIANIAN AT REDTAIL, LLC
K. HOVNIANIAN AT SALERNO RESERVE, LLC
K. HOVNIANIAN AT SPRING ISLE, LLC
K. HOVNIANIAN AT SUMMERLAKE, LLC
K. HOVNIANIAN AT TERRA BELLA TWO, LLC
K. HOVNIANIAN AT THE HIGHLANDS AT SUMMERLAKE GROVE, LLC
K. HOVNIANIAN AT VALLETTA, LLC
K. HOVNIANIAN AT WALKERS GROVE, LLC
K. HOVNIANIAN BELMONT RESERVE, LLC
K. HOVNIANIAN CAMBRIDGE HOMES, L.L.C.
K. HOVNIANIAN COMPANIES OF FLORIDA, LLC

K. HOVNIANIAN CYPRESS CREEK, LLC
K. HOVNIANIAN CYPRESS KEY, LLC
K. HOVNIANIAN ESTATES AT WEKIVA, LLC
K. HOVNIANIAN FIRST HOMES, L.L.C.
K. HOVNIANIAN FLORIDA OPERATIONS, LLC
K. HOVNIANIAN FLORIDA REALTY, L.L.C.
K. HOVNIANIAN GRAND CYPRESS, LLC
K. HOVNIANIAN GRANDEFIELD, LLC
K. HOVNIANIAN HOMES OF FLORIDA I, LLC
K. HOVNIANIAN IVY TRAIL, LLC
K. HOVNIANIAN LAKE PARKER, LLC
K. HOVNIANIAN MAGNOLIA AT WESTSIDE, LLC
K. HOVNIANIAN MONTCLAIRE ESTATES, LLC
K. HOVNIANIAN OCOEE LANDINGS, LLC
K. HOVNIANIAN ORLANDO DIVISION, LLC
K. HOVNIANIAN PRESERVE AT AVONLEA, LLC
K. HOVNIANIAN PRESERVE AT TURTLE CREEK LLC
K. HOVNIANIAN REYNOLDS RANCH, LLC
K. HOVNIANIAN RIVERSIDE, LLC
K. HOVNIANIAN RIVINGTON, LLC
K. HOVNIANIAN SAN SEBASTIAN, LLC
K. HOVNIANIAN SERENO, LLC
K. HOVNIANIAN SOLA VISTA, LLC
K. HOVNIANIAN SOUTH FORK, LLC
K. HOVNIANIAN SOUTHEAST FLORIDA DIVISION, LLC
K. HOVNIANIAN STERLING RANCH, LLC
K. HOVNIANIAN T&C HOMES AT FLORIDA, L.L.C.
K. HOVNIANIAN TERRALARGO, LLC
K. HOVNIANIAN UNION PARK, LLC
K. HOVNIANIAN WINDING BAY PRESERVE, LLC
K. HOVNIANIAN WINDWARD HOMES, LLC
K. HOVNIANIAN'S FOUR SEASONS AT WYLDER, LLC
KHOV WINDING BAY II, LLC
LINKS AT CALUSA SPRINGS, LLC
K. HOVNIANIAN AT THE COMMONS AT RICHMOND HILL, LLC
K. HOVNIANIAN AT WESTBROOK, LLC
K. HOVNIANIAN DEVELOPMENTS OF GEORGIA, INC.
K. HOVNIANIAN GEORGIA OPERATIONS, LLC
K. HOVNIANIAN HOMES AT CREEKSIDE, LLC
K. HOVNIANIAN'S ASPIRE AT NEW HAMPSTEAD, LLC
AMBER RIDGE, LLC
ARBOR TRAILS, LLC
EASTERN NATIONAL TITLE AGENCY ILLINOIS, LLC
GLENRISE GROVE, L.L.C.
GTIS-HOV PARKSIDE OF LIBERTYVILLE LLC
GTIS-HOV SAUGANASH GLEN LLC
K. HOVNIANIAN AT AMBERLEY WOODS, LLC
K. HOVNIANIAN AT ASHLEY POINTE LLC

K. HOVNANIAN AT BRADWELL ESTATES, LLC
K. HOVNANIAN AT CHRISTINA COURT, LLC
K. HOVNANIAN AT CHURCHILL FARMS LLC
K. HOVNANIAN AT DEER RIDGE, LLC
K. HOVNANIAN AT ESTATES OF FOX CHASE, LLC
K. HOVNANIAN AT FAIRFIELD RIDGE, LLC
K. HOVNANIAN AT GRANDE PARK, LLC
K. HOVNANIAN AT HANOVER ESTATES, LLC
K. HOVNANIAN AT HEATHERFIELD, LLC
K. HOVNANIAN AT ISLAND LAKE, LLC
K. HOVNANIAN AT LINK CROSSING, LLC
K. HOVNANIAN AT MAPLE HILL LLC
K. HOVNANIAN AT MEADOWRIDGE VILLAS, LLC
K. HOVNANIAN AT NORTH GROVE CROSSING, LLC
K. HOVNANIAN AT NORTH POINTE ESTATES LLC
K. HOVNANIAN AT NORTHRIDGE ESTATES, LLC
K. HOVNANIAN AT ORCHARD MEADOWS, LLC
K. HOVNANIAN AT PRAIRIE POINTE, LLC
K. HOVNANIAN AT RANDALL HIGHLANDS, LLC
K. HOVNANIAN AT RIVER HILLS, LLC
K. HOVNANIAN AT SAGEBROOK, LLC
K. HOVNANIAN AT SILVER LEAF, LLC
K. HOVNANIAN AT SILVERWOOD GLEN, LLC
K. HOVNANIAN AT SOMERSET, LLC
K. HOVNANIAN AT TAMARACK SOUTH LLC
K. HOVNANIAN AT TANGLEWOOD OAKS, LLC
K. HOVNANIAN AT TRAFFORD PLACE, LLC
K. HOVNANIAN AT TRAMORE LLC
K. HOVNANIAN AT VILLAS AT THE COMMONS, LLC
K. HOVNANIAN CHICAGO DIVISION, INC.
K. HOVNANIAN ESTATES AT REGENCY, L.L.C.
K. HOVNANIAN ILLINOIS OPERATIONS, LLC
K. HOVNANIAN T&C HOMES AT ILLINOIS, L.L.C.
K. HOVNANIAN AT NORTON LAKE LLC
EASTERN NATIONAL TITLE AGENCY MARYLAND, LLC
GTIS-HOV VILLAGES AT PEPPER MILL LLC
HOMEBUYERS FINANCIAL SERVICES, L.L.C.
HOVNANIAN LAND INVESTMENT GROUP OF MARYLAND, L.L.C.
HOVNANIAN LAND INVESTMENT GROUP, L.L.C.
K. HOVNANIAN AT BRITTANY MANOR, LLC
K. HOVNANIAN AT CATON'S RESERVE, LLC
K. HOVNANIAN AT EDEN TERRACE, L.L.C.
K. HOVNANIAN AT GRACE MEADOWS, LLC
K. HOVNANIAN AT LOCKE LANDING, LLC
K. HOVNANIAN AT SOUTHPOINTE, LLC
K. HOVNANIAN AT WADE'S GRANT, L.L.C.
K. HOVNANIAN BRITTANY MANOR BORROWER, LLC
K. HOVNANIAN DEVELOPMENTS OF MARYLAND, INC.

K. HOVNIANIAN HOMES OF MARYLAND I, LLC
K. HOVNIANIAN HOMES OF MARYLAND II, LLC
K. HOVNIANIAN HOMES OF MARYLAND, L.L.C.
K. HOVNIANIAN'S FOUR SEASONS AT KENT ISLAND, L.L.C.
RIDGEMORE UTILITY L.L.C.
K. HOVNIANIAN DEVELOPMENTS OF MINNESOTA, INC.
K. HOVNIANIAN HOMES OF MINNESOTA AT ARBOR CREEK, LLC
K. HOVNIANIAN HOMES OF MINNESOTA AT AUTUMN MEADOWS, LLC
K. HOVNIANIAN HOMES OF MINNESOTA AT BRYNWOOD, LLC
K. HOVNIANIAN HOMES OF MINNESOTA AT CEDAR HOLLOW, LLC
K. HOVNIANIAN HOMES OF MINNESOTA AT FOUNDER'S RIDGE, LLC
K. HOVNIANIAN HOMES OF MINNESOTA AT HARPERS STREET WOODS, LLC
K. HOVNIANIAN HOMES OF MINNESOTA AT OAKS OF OXBOW, LLC
K. HOVNIANIAN HOMES OF MINNESOTA AT REGENT'S POINT, LLC
K. HOVNIANIAN HOMES OF MINNESOTA, L.L.C.
K. HOVNIANIAN LIBERTY ON BLUFF CREEK, LLC
K. HOVNIANIAN TIMBRES AT ELM CREEK, LLC
K. HOVNIANIAN'S FOUR SEASONS AT RUSH CREEK II, LLC
K. HOVNIANIAN AT BURCH KOVE, LLC
K. HOVNIANIAN AT INDIAN WELLS, LLC
K. HOVNIANIAN AT LILY ORCHARD, LLC
K. HOVNIANIAN AT MAIN STREET SQUARE, LLC
K. HOVNIANIAN AT OAK POINTE, LLC
K. HOVNIANIAN AT THE PROMENADE AT BEAVER CREEK, LLC
K. HOVNIANIAN AT WHEELER WOODS, LLC
K. HOVNIANIAN DEVELOPMENTS OF NORTH CAROLINA, INC.
K. HOVNIANIAN HOMES AT BROOK MANOR, LLC
K. HOVNIANIAN HOMES OF NORTH CAROLINA, INC.
K. HOVNIANIAN SHERWOOD AT REGENCY, LLC
BUILDER SERVICES NJ, L.L.C.
EASTERN NATIONAL TITLE AGENCY, INC.
F&W MECHANICAL SERVICES, L.L.C.
GTIS-HOV ARBORS AT MONROE LLC
GTIS-HOV HOLDINGS XI LLC
HILLTOP AT CEDAR GROVE URBAN RENEWAL, LLC
K. HOVNIANIAN ACQUISITIONS, INC.
K. HOVNIANIAN AT ACADEMY HILL, LLC
K. HOVNIANIAN AT ASBURY PARK URBAN RENEWAL, LLC
K. HOVNIANIAN AT CARRIAGES AT WALL, LLC
K. HOVNIANIAN AT CHARLESTON MEADOWS, LLC
K. HOVNIANIAN AT CHESTERFIELD, L.L.C.
K. HOVNIANIAN AT DUNELLEN URBAN RENEWAL, LLC
K. HOVNIANIAN AT EAST BRUNSWICK III, LLC
K. HOVNIANIAN AT EAST BRUNSWICK, LLC
K. HOVNIANIAN AT EAST WINDSOR, LLC
K. HOVNIANIAN AT FRANKLIN II, L.L.C.
K. HOVNIANIAN AT FRANKLIN, L.L.C.
K. HOVNIANIAN AT FREEHOLD TOWNSHIP III, LLC

K. HOVNIANIAN AT GLEN OAKS, LLC
K. HOVNIANIAN AT GREAT NOTCH, L.L.C.
K. HOVNIANIAN AT HILLANDALE, LLC
K. HOVNIANIAN AT HILLSBOROUGH, LLC
K. HOVNIANIAN AT HOWELL FORT PLAINS, LLC
K. HOVNIANIAN AT HOWELL II, LLC
K. HOVNIANIAN AT HOWELL, LLC
K. HOVNIANIAN AT JACKSON I, L.L.C.
K. HOVNIANIAN AT JACKSON, L.L.C.
K. HOVNIANIAN AT LITTLE EGG HARBOR TOWNSHIP II, L.L.C.
K. HOVNIANIAN AT MANALAPAN CROSSING, LLC
K. HOVNIANIAN AT MANALAPAN II, L.L.C.
K. HOVNIANIAN AT MANALAPAN IV, LLC
K. HOVNIANIAN AT MANALAPAN V, LLC
K. HOVNIANIAN AT MAPLE AVENUE, L.L.C.
K. HOVNIANIAN AT MARLBORO GROVE, LLC
K. HOVNIANIAN AT MIDDLETOWN III, LLC
K. HOVNIANIAN AT MIDDLETOWN IV, LLC
K. HOVNIANIAN AT MILLVILLE II, L.L.C.
K. HOVNIANIAN AT MONROE NJ II, LLC
K. HOVNIANIAN AT MONROE NJ III, LLC
K. HOVNIANIAN AT MONROE NJ, L.L.C.
K. HOVNIANIAN AT MONTGOMERY, LLC
K. HOVNIANIAN AT MONTVALE II, LLC
K. HOVNIANIAN AT MORRIS TWP, LLC
K. HOVNIANIAN AT MORRIS WOODS, LLC
K. HOVNIANIAN AT NORTH CALDWELL III, L.L.C.
K. HOVNIANIAN AT NORTH WILDWOOD, L.L.C.
K. HOVNIANIAN AT OAKLAND, LLC
K. HOVNIANIAN AT OLD BRIDGE II, LLC
K. HOVNIANIAN AT OLD BRIDGE, L.L.C.
K. HOVNIANIAN AT PORT IMPERIAL URBAN RENEWAL V, L.L.C.
K. HOVNIANIAN AT PORT IMPERIAL URBAN RENEWAL VIII, L.L.C.
K. HOVNIANIAN AT PRESERVE AT FREEHOLD, LLC
K. HOVNIANIAN AT RANCOCAS CREEK, LLC
K. HOVNIANIAN AT RESERVOIR POINT, LLC
K. HOVNIANIAN AT RIDGEMONT, L.L.C.
K. HOVNIANIAN AT SANDPIPER PLACE, LLC
K. HOVNIANIAN AT SHREWSBURY, LLC
K. HOVNIANIAN AT SMITHVILLE, INC.
K. HOVNIANIAN AT SOUTH BRUNSWICK II, LLC
K. HOVNIANIAN AT SOUTH BRUNSWICK III, LLC
K. HOVNIANIAN AT SOUTH BRUNSWICK IV, LLC
K. HOVNIANIAN AT STATION SQUARE, L.L.C.
K. HOVNIANIAN AT THE MONARCH, L.L.C.
K. HOVNIANIAN AT TOWNES AT PARKVIEW, LLC
K. HOVNIANIAN AT TOWNES AT WEST LONG BRANCH, LLC
K. HOVNIANIAN AT VILLAGES AT COUNTRY VIEW, LLC

K. HOVNIANIAN AT WALL DONATO, LLC
K. HOVNIANIAN AT WALL QUAIL RIDGE, LLC
K. HOVNIANIAN AT WARREN TOWNSHIP II, LLC
K. HOVNIANIAN AT WASHINGTON RIDGE, LLC
K. HOVNIANIAN AT WILDWOOD BAYSIDE, L.L.C.
K. HOVNIANIAN AT WOOLWICH I, L.L.C.
K. HOVNIANIAN HOLDINGS NJ, L.L.C.
K. HOVNIANIAN MANALAPAN ACQUISITION, LLC
K. HOVNIANIAN NORTHEAST SERVICES, L.L.C.
K. HOVNIANIAN PROPERTIES OF RED BANK, LLC
K. HOVNIANIAN SERENITY WALK AT PLAINSBORO URBAN RENEWAL, LLC
K. HOVNIANIAN SOUTHERN NEW JERSEY, L.L.C.
K. HOVNIANIAN VILLAGES AT HAYS MILL CREEK, LLC
K. HOVNIANIAN'S AEGEAN AT ASBURY PARK URBAN RENEWAL, LLC
K. HOVNIANIAN'S BALTIC AT ASBURY PARK URBAN RENEWAL, LLC
K. HOVNIANIAN'S COVE AT ASBURY PARK URBAN RENEWAL, LLC
K. HOVNIANIAN'S DELTA AT ASBURY PARK, LLC
K. HOVNIANIAN'S ENCLAVE AT OLD TAPPAN, LLC
K. HOVNIANIAN'S FOUR SEASONS AT COLTS FARM, LLC
K. HOVNIANIAN'S THE TOWNES AT WEST WINDSOR, LLC
LANDARAMA, INC.
M & M AT MONROE WOODS, L.L.C.
M&M AT WEST ORANGE, L.L.C.
MATZEL & MUMFORD AT EGG HARBOR, L.L.C.
MCNJ, INC.
MM-BEACHFRONT NORTH I, LLC
ROUTE 1 AND ROUTE 522, L.L.C.
TERRAPIN REALTY, L.L.C.
THE MATZEL & MUMFORD ORGANIZATION, INC
K. HOVNIANIAN AT WALDWICK, LLC
K. HOVNIANIAN CLASSICS, L.L.C.
K. HOVNIANIAN COMPANIES OF NEW YORK, INC.
K. HOVNIANIAN DEVELOPMENTS OF NEW YORK, INC.
K. HOVNIANIAN NEW YORK OPERATIONS, LLC
K. HOVNIANIAN ABERDEEN, LLC
K. HOVNIANIAN AKRON SCATTERED SITE, LLC
K. HOVNIANIAN ASBURY POINTE, LLC
K. HOVNIANIAN ASPIRE AT AULD FARMS, LLC
K. HOVNIANIAN ASPIRE AT WESTON PLACE, LLC
K. HOVNIANIAN AT BOOTH FARM, LLC
K. HOVNIANIAN AT COOPER'S LANDING, LLC
K. HOVNIANIAN AT COUNTRY VIEW ESTATES, LLC
K. HOVNIANIAN AT CREEKSIDE CROSSING, LLC
K. HOVNIANIAN AT HAMPSHIRE FARMS, LLC
K. HOVNIANIAN AT HARVEST MEADOWS, LLC
K. HOVNIANIAN AT HAWK RIDGE, LLC
K. HOVNIANIAN AT HERITAGE PARK, LLC
K. HOVNIANIAN AT ORCHARD PARK, LLC

K. HOVNIANIAN AT RIVERFIELD RESERVE, LLC
K. HOVNIANIAN BELDEN POINTE, LLC
K. HOVNIANIAN BUILD ON YOUR LOT DIVISION, LLC
K. HOVNIANIAN CLEVELAND DIVISION, LLC
K. HOVNIANIAN CORNERSTONE FARMS, LLC
K. HOVNIANIAN EDGEBROOK, LLC
K. HOVNIANIAN FALLS POINTE, LLC
K. HOVNIANIAN FOREST LAKES, LLC
K. HOVNIANIAN FOREST VALLEY, LLC
K. HOVNIANIAN FOUR SEASONS AT CHESTNUT RIDGE, LLC
K. HOVNIANIAN HIDDEN HOLLOW, LLC
K. HOVNIANIAN HIGHLAND RIDGE, LLC
K. HOVNIANIAN INDIAN TRAILS, LLC
K. HOVNIANIAN KINGSTON AT WESTERN RESERVE, LLC
K. HOVNIANIAN LADUE RESERVE, LLC
K. HOVNIANIAN LAKES OF GREEN, LLC
K. HOVNIANIAN LANDINGS 40S, LLC
K. HOVNIANIAN MEADOW LAKES, LLC
K. HOVNIANIAN MONARCH GROVE, LLC
K. HOVNIANIAN NORTHPOINTE 40S, LLC
K. HOVNIANIAN NORTHWEST OHIO, LLC
K. HOVNIANIAN NORTON PLACE, LLC
K. HOVNIANIAN OHIO REALTY, L.L.C.
K. HOVNIANIAN OHIO REGION, INC.
K. HOVNIANIAN REDFERN TRAILS, LLC
K. HOVNIANIAN RIVENDALE, LLC
K. HOVNIANIAN SCHADY RESERVE, LLC
K. HOVNIANIAN VILLAGE GLEN, LLC
K. HOVNIANIAN WATERBURY, LLC
K. HOVNIANIAN WHITE ROAD, LLC
K. HOVNIANIAN WOODLAND POINTE, LLC
K. HOVNIANIAN'S FOUR SEASONS AT ADDISON FARMS, LLC
K. HOVNIANIAN'S FOUR SEASONS AT SANDSTONE, LLC
MIDWEST BUILDING PRODUCTS & CONTRACTOR SERVICES, L.L.C.
NEW HOME REALTY, LLC
K. HOVNIANIAN OHIO OPERATIONS, LLC
K. HOVNIANIAN WOODRIDGE PLACE, LLC
BUILDER SERVICES PA, L.L.C.
EASTERN NATIONAL ABSTRACT, INC.
GTIS-HOV WARMINSTER LLC
K. HOVNIANIAN AT DOYLESTOWN, LLC
K. HOVNIANIAN AT MIDDLETOWN, LLC
K. HOVNIANIAN AT NORTHAMPTON, L.L.C.
K. HOVNIANIAN DEVELOPMENTS OF PENNSYLVANIA, INC.
K. HOVNIANIAN HOMES OF PENNSYLVANIA, L.L.C.
K. HOVNIANIAN PA REAL ESTATE, INC.
K. HOVNIANIAN PENNSYLVANIA BUILD ON YOUR LOT DIVISION, LLC
K. HOVNIANIAN PENNSYLVANIA OPERATIONS, LLC

MIDWEST BUILDING PRODUCTS & CONTRACTOR SERVICES OF PENNSYLVANIA, L.L.C.

K. HOVNIANIAN AT UPPER PROVIDENCE, LLC
K. HOVNIANIAN AT COOSAW POINT, LLC
K. HOVNIANIAN AT FOX PATH AT HAMPTON LAKE, LLC
K. HOVNIANIAN AT HAMMOCK BREEZE, LLC
K. HOVNIANIAN AT HAMPTON LAKE, LLC
K. HOVNIANIAN AT LAKES AT NEW RIVERSIDE, LLC
K. HOVNIANIAN AT LIBERTY HILL FARM, LLC
K. HOVNIANIAN AT MAGNOLIA PLACE, LLC
K. HOVNIANIAN AT PINCKNEY FARM, LLC
K. HOVNIANIAN AT PINE CREST, LLC
K. HOVNIANIAN CRAFTBUILT HOMES OF SOUTH CAROLINA, L.L.C.
K. HOVNIANIAN HOMES AT SALT CREEK LANDING, LLC
K. HOVNIANIAN HOMES AT SANDY CREEK LANDING, LLC
K. HOVNIANIAN HOMES AT SHELL HALL, LLC
K. HOVNIANIAN HOMES AT THE ABBY, LLC
K. HOVNIANIAN HOMES AT THE PADDOCKS, LLC
K. HOVNIANIAN SOUTH CAROLINA OPERATIONS, LLC
K. HOVNIANIAN SOUTHEAST COASTAL DIVISION, INC.
K. HOVNIANIAN'S FOUR SEASONS AT CANE BAY EXPANSION, LLC
K. HOVNIANIAN'S FOUR SEASONS AT HILTON HEAD LAKES, LLC
K. HOVNIANIAN'S FOUR SEASONS AT LAKES OF CANE BAY LLC
K. HOVNIANIAN'S LAKES AT NEW RIVERSIDE EXPANSION, LLC
SHELL HALL CLUB AMENITY ACQUISITION, LLC
SHELL HALL LAND ACQUISITION, LLC
K. HOVNIANIAN DEVELOPMENTS OF TEXAS, INC.
K. HOVNIANIAN DFW AGAVE RANCH, LLC
K. HOVNIANIAN DFW ASCEND AT CREEKSHAW, LLC
K. HOVNIANIAN DFW ASCEND AT JUSTIN CROSSING, LLC
K. HOVNIANIAN DFW AUBURN FARMS, LLC
K. HOVNIANIAN DFW BAYSIDE, LLC
K. HOVNIANIAN DFW BELMONT, LLC
K. HOVNIANIAN DFW BERKSHIRE II, LLC
K. HOVNIANIAN DFW BERKSHIRE, LLC
K. HOVNIANIAN DFW BLUFF CREEK, LLC
K. HOVNIANIAN DFW CALDWELL LAKES, LLC
K. HOVNIANIAN DFW CALLOWAY TRAILS, LLC
K. HOVNIANIAN DFW CANYON FALLS, LLC
K. HOVNIANIAN DFW CARILLON, LLC
K. HOVNIANIAN DFW COMMODORE AT PRESTON, LLC
K. HOVNIANIAN DFW CREEKSIDE ESTATES II, LLC
K. HOVNIANIAN DFW DIAMOND CREEK ESTATES, LLC
K. HOVNIANIAN DFW DIVISION, LLC
K. HOVNIANIAN DFW ELEVON, LLC
K. HOVNIANIAN DFW ENCORE OF LAS COLINAS II, LLC
K. HOVNIANIAN DFW ENCORE OF LAS COLINAS, LLC
K. HOVNIANIAN DFW HARMON FARMS, LLC
K. HOVNIANIAN DFW HERITAGE CROSSING, LLC

K. HOVNIANIAN DFW HERITAGE RANCH, LLC
K. HOVNIANIAN DFW HERON POND, LLC
K. HOVNIANIAN DFW HIGH POINTE, LLC
K. HOVNIANIAN DFW HIGHTOWER, LLC
K. HOVNIANIAN DFW HOMESTEAD, LLC
K. HOVNIANIAN DFW INSPIRATION, LLC
K. HOVNIANIAN DFW KENSINGTON PLACE, LLC
K. HOVNIANIAN DFW LEXINGTON, LLC
K. HOVNIANIAN DFW LIBERTY CROSSING II, LLC
K. HOVNIANIAN DFW LIBERTY CROSSING, LLC
K. HOVNIANIAN DFW LIBERTY, LLC
K. HOVNIANIAN DFW LIGHT FARMS CYPRESS III, LLC
K. HOVNIANIAN DFW LIGHT FARMS II, LLC
K. HOVNIANIAN DFW LIGHT FARMS, LLC
K. HOVNIANIAN DFW LINCOLN POINTE, LLC
K. HOVNIANIAN DFW MIDTOWN PARK, LLC
K. HOVNIANIAN DFW MILRANY RANCH, LLC
K. HOVNIANIAN DFW MONTERRA, LLC
K. HOVNIANIAN DFW MUSTANG LAKES II, LLC
K. HOVNIANIAN DFW MUSTANG LAKES, LLC
K. HOVNIANIAN DFW NOBLE RIDGE, LLC
K. HOVNIANIAN DFW NORTH CREEK, LLC
K. HOVNIANIAN DFW OAKMONT PARK II, LLC
K. HOVNIANIAN DFW OAKMONT PARK, LLC
K. HOVNIANIAN DFW PALISADES, LLC
K. HOVNIANIAN DFW PARKSIDE, LLC
K. HOVNIANIAN DFW PARKVIEW, LLC
K. HOVNIANIAN DFW REUNION, LLC
K. HOVNIANIAN DFW RIDGEVIEW, LLC
K. HOVNIANIAN DFW ROLLING RIDGE, LLC
K. HOVNIANIAN DFW SANFORD PARK, LLC
K. HOVNIANIAN DFW SAPPHIRE BAY, LLC
K. HOVNIANIAN DFW SEVENTEEN LAKES, LLC
K. HOVNIANIAN DFW SOUTH POINTE, LLC
K. HOVNIANIAN DFW THE PARKS AT ROSEHILL, LLC
K. HOVNIANIAN DFW TIMBERBROOK, LLC
K. HOVNIANIAN DFW TRAILWOOD II, LLC
K. HOVNIANIAN DFW TRAILWOOD, LLC
K. HOVNIANIAN DFW VILLAS AT MUSTANG PARK, LLC
K. HOVNIANIAN DFW VILLAS AT THE STATION, LLC
K. HOVNIANIAN DFW WATSON CREEK, LLC
K. HOVNIANIAN DFW WELLINGTON ESTATES SOUTH, LLC
K. HOVNIANIAN DFW WELLINGTON VILLAS, LLC
K. HOVNIANIAN DFW WELLINGTON, LLC
K. HOVNIANIAN DFW WILDRIDGE, LLC
K. HOVNIANIAN DISTRIBUTION SERVICES, INC.
K. HOVNIANIAN HOMES - DFW II, L.L.C.
K. HOVNIANIAN HOMES - DFW, L.L.C.

K. HOVNANIAN HOUSTON BALMORAL PARK LAKES EAST SECTION 8, LLC
K. HOVNANIAN HOUSTON BALMORAL, LLC
K. HOVNANIAN HOUSTON BAYOU OAKS AT WEST OREM, LLC
K. HOVNANIAN HOUSTON CAMBRIDGE HEIGHTS, LLC
K. HOVNANIAN HOUSTON CITY HEIGHTS, LLC
K. HOVNANIAN HOUSTON CREEK BEND, LLC
K. HOVNANIAN HOUSTON DIVISION, LLC
K. HOVNANIAN HOUSTON DRY CREEK VILLAGE, LLC
K. HOVNANIAN HOUSTON ELDRIDGE PARK, LLC
K. HOVNANIAN HOUSTON FAIRCHILD FARMS, LLC
K. HOVNANIAN HOUSTON GREATWOOD LAKE, LLC
K. HOVNANIAN HOUSTON KATY POINTE II, LLC
K. HOVNANIAN HOUSTON KATY POINTE, LLC
K. HOVNANIAN HOUSTON KINGDOM HEIGHTS, LLC
K. HOVNANIAN HOUSTON LAKES OF BELLA TERRA WEST II, LLC
K. HOVNANIAN HOUSTON LAKES OF BELLA TERRA WEST, LLC
K. HOVNANIAN HOUSTON LAUREL GLEN, LLC
K. HOVNANIAN HOUSTON MAGNOLIA CREEK, LLC
K. HOVNANIAN HOUSTON MIDTOWN PARK I, LLC
K. HOVNANIAN HOUSTON PARK LAKES EAST, LLC
K. HOVNANIAN HOUSTON PARKWAY TRAILS, LLC
K. HOVNANIAN HOUSTON RIVER FARMS, LLC
K. HOVNANIAN HOUSTON SUNSET RANCH, LLC
K. HOVNANIAN HOUSTON TERRA DEL SOL, LLC
K. HOVNANIAN HOUSTON THUNDER BAY SUBDIVISION, LLC
K. HOVNANIAN HOUSTON TRANQUILITY LAKE ESTATES, LLC
K. HOVNANIAN HOUSTON WESTWOOD, LLC
K. HOVNANIAN HOUSTON WILLOWPOINT, LLC
K. HOVNANIAN HOUSTON WOODSHORE, LLC
K. HOVNANIAN OF HOUSTON II, L.L.C.
K. HOVNANIAN OF HOUSTON III, L.L.C.
K. HOVNANIAN TEXAS OPERATIONS, LLC
PARK TITLE COMPANY, LLC
K. HOVNANIAN DFW CREEKSIDE ESTATES, LLC
EASTERN NATIONAL TITLE AGENCY VIRGINIA, INC.
GTIS-HOV LEELAND STATION LLC
GTIS-HOV WILLOWSFORD WINDMILL LLC
K. HOVNANIAN AT ALEXANDER LAKES, LLC
K. HOVNANIAN AT BELLEWOOD, LLC
K. HOVNANIAN AT BENSEN'S MILL ESTATES, LLC
K. HOVNANIAN AT CANTER V, LLC
K. HOVNANIAN AT DOMINION CROSSING, LLC
K. HOVNANIAN AT EAST CHASE, LLC
K. HOVNANIAN AT EMBREY MILL VILLAGE, LLC
K. HOVNANIAN AT EMBREY MILL, LLC
K. HOVNANIAN AT ESTATES AT WHEATLANDS, LLC
K. HOVNANIAN AT ESTATES OF CHANCELLORSVILLE, LLC
K. HOVNANIAN AT GALLERY PARK AT WESTFIELDS, LLC

K. HOVNIANIAN AT HAMPTON RUN, LLC
K. HOVNIANIAN AT HIGHLAND PARK, LLC
K. HOVNIANIAN AT HOLLY RIDGE, LLC
K. HOVNIANIAN AT HUNTER'S POND, LLC
K. HOVNIANIAN AT JACKS RUN, LLC
K. HOVNIANIAN AT JACKSON VILLAGE, LLC
K. HOVNIANIAN AT LAUREL HILLS CROSSING, LLC
K. HOVNIANIAN AT LENA WOODS, LLC
K. HOVNIANIAN AT LINCOLN PARK, LLC
K. HOVNIANIAN AT MADISON SQUARE, LLC
K. HOVNIANIAN AT MELODY FARM, LLC
K. HOVNIANIAN AT NEW POST, LLC
K. HOVNIANIAN AT NICHOLSON, LLC
K. HOVNIANIAN AT NORTH HILL, LLC
K. HOVNIANIAN AT NORTH RIDGE, LLC
K. HOVNIANIAN AT OLD CAROLINA, LLC
K. HOVNIANIAN AT POTOMAC TRACE, LLC
K. HOVNIANIAN AT RAYMOND FARM, LLC
K. HOVNIANIAN AT RESERVES AT WHEATLANDS, LLC
K. HOVNIANIAN AT RESIDENCE AT DISCOVERY SQUARE, LLC
K. HOVNIANIAN AT ROCKLAND VILLAGE GREEN, LLC
K. HOVNIANIAN AT ROCKY RUN VILLAGE, LLC
K. HOVNIANIAN AT SUMMIT CROSSING ESTATES, LLC
K. HOVNIANIAN AT TANAGER, LLC
K. HOVNIANIAN AT TOWNES AT COUNTY CENTER, LLC
K. HOVNIANIAN AT WAXPOOL CROSSING, LLC
K. HOVNIANIAN AT WELLSPRINGS, LLC
K. HOVNIANIAN AT WILLOWSFORD GREENS III, LLC
K. HOVNIANIAN AT WREN HOLLOW, LLC
K. HOVNIANIAN DEVELOPMENTS OF VIRGINIA, INC.
K. HOVNIANIAN HOMES AT BURKE JUNCTION, LLC
K. HOVNIANIAN HOMES AT LEIGH MILL, LLC
K. HOVNIANIAN HOMES AT PENDER OAKS, LLC
K. HOVNIANIAN HOMES AT THOMPSON'S GRANT, LLC
K. HOVNIANIAN HOMES AT WILLOWSFORD GRANGE, LLC
K. HOVNIANIAN HOMES AT WILLOWSFORD GRANT II, LLC
K. HOVNIANIAN HOMES AT WILLOWSFORD GRANT, LLC
K. HOVNIANIAN HOMES AT WILLOWSFORD GREENS, LLC
K. HOVNIANIAN HOMES AT WILLOWSFORD NEW, LLC
K. HOVNIANIAN MID-ATLANTIC DIVISION, LLC
K. HOVNIANIAN SUMMIT HOLDINGS, L.L.C.
K. HOVNIANIAN VIRGINIA OPERATIONS, INC.
K. HOVNIANIAN'S FOUR SEASONS AT CHARLOTTESVILLE II, LLC
K. HOVNIANIAN'S FOUR SEASONS AT NEW KENT VINEYARDS, L.L.C.
K. HOVNIANIAN'S FOUR SEASONS AT VIRGINIA CROSSING, LLC
K. HOVNIANIAN AT DILLON FARM, LLC
K. HOVNIANIAN AT HUNTFIELD, LLC
K. HOVNIANIAN DEVELOPMENTS OF WEST VIRGINIA, INC.

K. HOVNANIAN HOMES AT LIBERTY RUN, LLC
K. HOVNANIAN HOMES AT SHENANDOAH SPRINGS, LLC
K. HOVNANIAN WEST VIRGINIA BUILD ON YOUR LOT DIVISION, LLC
K. HOVNANIAN WEST VIRGINIA OPERATIONS, LLC
MIDWEST BUILDING PRODUCTS & CONTRACTOR SERVICES OF WEST VIRGINIA, L.L.C.

By: _____
Name:
Title: Authorized Officer

[This Guarantee relates to K. Hovnanian Enterprises, Inc.'s 11.75% Senior Secured 1.25 Lien Notes due 2029 – CUSIP No.:]

SUPPLEMENTAL INDENTURE

dated as of _____, ____

among

K. HOVNANIAN ENTERPRISES, INC.,

HOVNANIAN ENTERPRISES, INC.,

The Other Guarantors Party Hereto

and

WILMINGTON TRUST, NATIONAL ASSOCIATION

as Trustee and Collateral Agent

11.75% Senior Secured 1.25 Lien Notes due 2029

THIS [] SUPPLEMENTAL INDENTURE (this “[] **Supplemental Indenture**”), entered into as of _____, _____, among K. Hovnanian Enterprises, Inc., a California corporation (the “**Issuer**”), Hovnanian Enterprises, Inc., a Delaware corporation (the “**Company**”), [list each new guarantor and its jurisdiction of incorporation] (each an “**Undersigned**”) and Wilmington Trust, National Association, a national banking association, as Trustee (the “**Trustee**”) and as Collateral Agent (the “**Collateral Agent**”).

RECITALS

WHEREAS, the Issuer, Company, the other Guarantors party thereto, the Trustee and the Collateral Agent entered into an indenture, dated as of October 5, 2023 (the “**Indenture**”), relating to the Issuer’s 11.75% Senior Secured 1.25 Lien Notes due 2029 (the “**Notes**”);

WHEREAS, as a condition to the purchase of the Notes by the Holders, the Company agreed pursuant to the Indenture to cause any newly acquired or created Restricted Subsidiaries (other than any Excluded Subsidiary) to provide Guarantees.

AGREEMENT

NOW, THEREFORE, in consideration of the premises and mutual covenants herein contained and intending to be legally bound, the parties hereto hereby agree as follows:

SECTION 1. Capitalized terms used herein and not otherwise defined herein are used as defined in the Indenture.

SECTION 2. Each Undersigned, by its execution of this [] Supplemental Indenture, agrees to be a Guarantor with respect to the Notes under the Indenture and to be bound by the terms of the Indenture applicable to Guarantors, including, but not limited to, Article VI thereof.

SECTION 3. This [] Supplemental Indenture shall be governed by and construed in accordance with the laws of the State of New York.

SECTION 4. This [] Supplemental Indenture may be signed in various counterparts which together shall constitute one and the same instrument.

SECTION 5. This [] Supplemental Indenture is an amendment supplemental to the Indenture and the Indenture and this [] Supplemental Indenture shall henceforth be read together.

SECTION 6. The Trustee shall not be responsible in any manner whatsoever for or in respect of the validity or sufficiency of this Supplemental Indenture or for or in respect of the Recitals contained herein, all of which are made solely by the Issuer, the Company and each of the undersigned.

IN WITNESS WHEREOF, the parties hereto have caused this [] Supplemental Indenture to be duly executed as of the date first above written.

K. HOVNANIAN ENTERPRISES, INC., as
Issuer

By: _____
Name:
Title:

HOVNANIAN ENTERPRISES, INC.

By: _____
Name:
Title:

[GUARANTOR]

By: _____
Name:
Title:

WILMINGTON TRUST, NATIONAL ASSOCIATION, as
Trustee and Collateral Agent

By: _____
Name:
Title:

RESTRICTED LEGEND

THIS NOTE (OR ITS PREDECESSOR) HAS NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”), AND, ACCORDINGLY, MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS, EXCEPT AS SET FORTH IN THE NEXT SENTENCE. BY ITS ACQUISITION HEREOF OR OF A BENEFICIAL INTEREST HEREIN, THE HOLDER:

(1) REPRESENTS THAT (A) IT IS A “QUALIFIED INSTITUTIONAL BUYER” (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT) (A “QIB”), (B) IT HAS ACQUIRED THIS NOTE IN AN OFFSHORE TRANSACTION IN COMPLIANCE WITH REGULATION S UNDER THE SECURITIES ACT OR (C) IT IS AN INSTITUTIONAL “ACCREDITED INVESTOR” (AS DEFINED IN RULE 501(a)(1), (2), (3) OR (7) OF REGULATION D UNDER THE SECURITIES ACT) (AN “IAI”),

(2) AGREES ON ITS OWN BEHALF AND ON BEHALF OF ANY INVESTOR ACCOUNT FOR WHICH IT HAS PURCHASED NOTES, NOT TO OFFER, SELL, OR OTHERWISE TRANSFER THIS NOTE OR ANY BENEFICIAL INTEREST HEREIN PRIOR TO THE DATE (THE “RESALE RESTRICTION TERMINATION DATE”) THAT IS [*IN THE CASE OF RULE 144A NOTES*: ONE YEAR AFTER THE LATER OF THE ORIGINAL ISSUE DATE HEREOF, THE ORIGINAL ISSUE DATE OF THE ISSUANCE OF ANY ADDITIONAL NOTES AND THE LAST DATE ON WHICH THE ISSUER OR ANY AFFILIATE OF THE ISSUER WAS THE OWNER OF THIS NOTE (OR ANY PREDECESSOR OF SUCH NOTE),] [*IN THE CASE OF REGULATION S NOTES*: 40 DAYS AFTER THE LATER OF THE ORIGINAL ISSUE DATE HEREOF, THE ORIGINAL ISSUE DATE OF THE ISSUANCE OF ANY ADDITIONAL NOTES AND THE DATE ON WHICH THIS NOTE (OR ANY PREDECESSOR OF SUCH NOTE) WAS FIRST OFFERED TO PERSONS OTHER THAN DISTRIBUTORS (AS DEFINED IN RULE 902 OF REGULATION S) IN RELIANCE ON REGULATION S], ONLY (A) TO THE ISSUER, THE COMPANY OR ANY OF ITS SUBSIDIARIES, (B) TO A PERSON WHOM THE SELLER REASONABLY BELIEVES IS A QIB PURCHASING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QIB IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A, (C) IN AN OFFSHORE TRANSACTION MEETING THE REQUIREMENTS OF RULE 903 OR 904 OF REGULATION S OF THE SECURITIES ACT, (D) IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144 UNDER THE SECURITIES ACT, (E) TO AN IAI THAT, PRIOR TO SUCH TRANSFER, FURNISHES THE TRUSTEE A SIGNED LETTER CONTAINING CERTAIN REPRESENTATIONS AND AGREEMENTS RELATING TO THE TRANSFER OF THIS NOTE (THE FORM OF WHICH CAN BE OBTAINED FROM THE TRUSTEE) AND, IF SUCH TRANSFER IS IN RESPECT OF AN AGGREGATE PRINCIPAL AMOUNT OF NOTES LESS THAN \$250,000, AN OPINION OF COUNSEL ACCEPTABLE TO THE ISSUER AND THE TRUSTEE THAT SUCH TRANSFER IS IN COMPLIANCE WITH THE SECURITIES ACT, (F) IN ACCORDANCE WITH ANOTHER EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT (AND BASED UPON AN OPINION OF COUNSEL ACCEPTABLE TO THE ISSUER AND THE TRUSTEE) OR (G) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT AND, IN EACH CASE, IN ACCORDANCE WITH THE APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OR ANY OTHER APPLICABLE JURISDICTION (THIS LEGEND WILL BE REMOVED UPON THE REQUEST OF THE HOLDER AFTER THE RESALE RESTRICTION TERMINATION DATE); AND

(3) AGREES THAT IT WILL DELIVER TO EACH PERSON TO WHOM THIS NOTE OR AN INTEREST HEREIN IS TRANSFERRED A NOTICE SUBSTANTIALLY TO THE EFFECT OF THIS LEGEND.

AS USED HEREIN, THE TERMS “OFFSHORE TRANSACTIONS” AND “UNITED STATES” HAVE THE MEANINGS GIVEN TO THEM BY RULE 902 OF REGULATION S UNDER THE SECURITIES ACT. THE INDENTURE CONTAINS A PROVISION REQUIRING THE TRUSTEE TO REFUSE TO REGISTER ANY TRANSFER OF THIS NOTE IN VIOLATION OF THE FOREGOING.

DTC LEGEND

UNLESS THIS NOTE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION (“**DTC**”), TO THE ISSUER OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY NOTE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

THIS NOTE IS A GLOBAL NOTE WITHIN THE MEANING OF THE INDENTURE HEREINAFTER REFERRED. TRANSFERS OF THIS GLOBAL NOTE ARE LIMITED TO TRANSFERS IN WHOLE, BUT NOT IN PART, BY DTC TO A NOMINEE OF DTC OR BY A NOMINEE OF DTC TO DTC OR ANOTHER NOMINEE OF DTC OR BY DTC OR ANY SUCH NOMINEE TO A SUCCESSOR DEPOSITARY OR A NOMINEE OF SUCH SUCCESSOR DEPOSITARY AND TRANSFERS OF PORTIONS OF THIS GLOBAL NOTE ARE LIMITED TO TRANSFERS MADE IN ACCORDANCE WITH THE TRANSFER PROVISIONS OF THE INDENTURE.

Regulation S Certificate

To: Wilmington Trust, National Association
246 Goose Lane, Suite 105
Guilford, CT 06437
Facsimile: 203-453-1183
Attention: Global Capital Markets – K. Hovnanian Relationship Manager

Re: K. Hovnanian Enterprises, Inc.
11.75% Senior Secured 1.25 Lien Notes due 2029 (the “Notes”)
issued under the Indenture (the “**Indenture**”) dated as
as of October 5, 2023 relating to the Notes

Dear Sirs:

Terms are used in this Certificate as used in Regulation S (“**Regulation S**”) under the Securities Act of 1933, as amended (the “**Securities Act**”), except as otherwise stated herein.

[CHECK A OR B AS APPLICABLE.]

A. This Certificate relates to our proposed transfer of \$_____ principal amount of Notes issued under the Indenture. We hereby certify as follows:

1. The offer and sale of the Notes was not and will not be made to a person in the United States (unless such person is excluded from the definition of “U.S. person” pursuant to Rule 902(k)(2)(vi) or the account held by it for which it is acting is excluded from the definition of “U.S. person” pursuant to Rule 902(k)(2)(i) under the circumstances described in Rule 902(g)(3)) and such offer and sale was not and will not be specifically targeted at an identifiable group of U.S. citizens abroad.
2. Unless the circumstances described in the parenthetical in paragraph 1 above are applicable, either (a) at the time the buy order was originated, the buyer was outside the United States or we and any person acting on our behalf reasonably believed that the buyer was outside the United States or (b) the transaction was executed in, on or through the facilities of a designated offshore securities market, and neither we nor any person acting on our behalf knows that the transaction was pre-arranged with a buyer in the United States.
3. Neither we, any of our affiliates, nor any person acting on our or their behalf has made any directed selling efforts in the United States with respect to the Notes.
4. The proposed transfer of Notes is not part of a plan or scheme to evade the registration requirements of the Securities Act.
5. If we are a dealer or a person receiving a selling concession, fee or other remuneration in respect of the Notes, and the proposed transfer takes place during the Restricted Period (as defined in the Indenture), or we are an officer or director of the Company, we certify that the proposed transfer is being made in accordance with the provisions of Rule 904(b) of Regulation S.

B. This Certificate relates to our proposed exchange of \$_____ principal amount of Notes issued under the Indenture for an equal principal amount of Notes to be held by us. We hereby certify as follows:

1. At the time the offer and sale of the Notes was made to us, either (i) we were not in the United States or (ii) we were excluded from the definition of "U.S. person" pursuant to Rule 902(k)(2)(vi) or the account held by us for which we were acting was excluded from the definition of "U.S. person" pursuant to Rule 902(k)(2)(i) under the circumstances described in Rule 902(g)(3); and we were not a member of an identifiable group of U.S. citizens abroad.
2. Unless the circumstances described in paragraph 1(ii) above are applicable, either (a) at the time our buy order was originated, we were outside the United States or (b) the transaction was executed in, on or through the facilities of a designated offshore securities market and we did not pre-arrange the transaction in the United States.
3. The proposed exchange of Notes is not part of a plan or scheme to evade the registration requirements of the Securities Act.

You and the Issuer are entitled to rely upon this Certificate and are irrevocably authorized to produce this Certificate or a copy hereof to any interested party in any administrative or legal proceeding or official inquiry with respect to the matters covered hereby.

Very truly yours,

[NAME OF SELLER (FOR TRANSFERS)
OR OWNER (FOR EXCHANGES)]

By: _____
Name:
Title:
Address:

Date: _____

Upon transfer of certificated Notes, the Notes would be registered in the name of the new beneficial owner as follows:

By: _____

Date: _____

Taxpayer ID number: _____

Rule 144A Certificate

To: Wilmington Trust, National Association
246 Goose Lane, Suite 105
Guilford, CT 06437
Facsimile: 203-453-1183
Attention: Global Capital Markets – K. Hovnanian Relationship Manager

Re: K. Hovnanian Enterprises, Inc.
11.75% Senior Secured 1.25 Lien Notes due 2029 (the “Notes”)
issued under the Indenture (the “Indenture”) dated as
as of October 5, 2023 relating to the Notes _____

Ladies and Gentlemen:

This Certificate relates to:

[CHECK A OR B AS APPLICABLE]

- A. Our proposed purchase of \$_____ principal amount of Notes issued under the Indenture.
- B. Our proposed transfer or exchange of \$_____ principal amount of Notes issued under the Indenture for an equal principal amount of Notes to be held by us.

We and, if applicable, each account for which we are acting, are a qualified institutional buyer within the meaning of Rule 144A (“**Rule 144A**”) under the Securities Act of 1933, as amended (the “**Securities Act**”). If we are acting on behalf of an account, we exercise sole investment discretion with respect to such account. We are aware that the transfer of Notes to us, or such exchange, as applicable, is being made in reliance upon the exemption from the provisions of Section 5 of the Securities Act provided by Rule 144A. Prior to the date of this Certificate we have received such information regarding the Company as we have requested pursuant to Rule 144A(d)(4) or have determined not to request such information.

You and the Issuer are entitled to rely upon this Certificate and are irrevocably authorized to produce this Certificate or a copy hereof to any interested party in any administrative or legal proceeding or official inquiry with respect to the matters covered hereby.

Very truly yours,

[NAME OF PURCHASER (FOR
TRANSFERS) OR OWNER (FOR
EXCHANGES)]

By: _____
Name:
Title:
Address:

Date: _____

Upon transfer of certificated Notes, the Notes would be registered in the name of the new beneficial owner as follows:

By: _____

Date: _____

Taxpayer ID number: _____

ORIGINAL ISSUE DISCOUNT LEGEND

THIS NOTE WAS ISSUED WITH ORIGINAL ISSUE DISCOUNT (“OID”) FOR UNITED STATES FEDERAL INCOME TAX PURPOSES. UPON REQUEST, THE ISSUER WILL PROMPTLY MAKE AVAILABLE TO A HOLDER OF THIS NOTE INFORMATION REGARDING THE ISSUE PRICE, THE AMOUNT OF OID, THE ISSUE DATE AND THE YIELD TO MATURITY OF THIS NOTE. HOLDERS SHOULD CONTACT: BRAD G. O’CONNOR, SENIOR VICE PRESIDENT, TREASURER AND CHIEF ACCOUNTING OFFICER, K. HOVNIANIAN ENTERPRISES, INC., 90 MATAWAN ROAD, FIFTH FLOOR, MATAWAN, NEW JERSEY 07747.

[COMPLETE FORM I OR FORM II AS APPLICABLE.]

[FORM I]

Certificate of Beneficial Ownership

To: Wilmington Trust, National Association
246 Goose Lane, Suite 105
Guilford, CT 06437
Facsimile: 203-453-1183
Attention: Global Capital Markets – K. Hovnanian Relationship Manager

[Euroclear Bank S.A./N.V., as operator of the Euroclear System] OR

[Clearstream Banking, *société anonyme*]

Re: K. Hovnanian Enterprises, Inc.
11.75% Senior Secured 1.25 Lien Notes due 2029 (the “Notes”) issued under the Indenture (the “**Indenture**”) dated as of October 5, 2023 relating to the Notes _____

Ladies and Gentlemen:

We are the beneficial owner of \$____ principal amount of Notes issued under the Indenture and represented by a Regulation S Temporary Global Note (as defined in the Indenture).

[CHECK A OR B AS APPLICABLE.]

- A. We are a non-U.S. person (within the meaning of Regulation S under the Securities Act of 1933, as amended).
- B. We are a U.S. person (within the meaning of Regulation S under the Securities Act of 1933, as amended) that purchased the Notes in a transaction that did not require registration under the Securities Act of 1933, as amended.

You and the Issuer are entitled to rely upon this Certificate and are irrevocably authorized to produce this Certificate or a copy hereof to any interested party in any administrative or legal proceeding or official inquiry with respect to the matters covered hereby.

Very truly yours,

[NAME OF BENEFICIAL OWNER]

By: _____
Name:
Title:
Address:

Date: _____

[FORM II]

Certificate of Beneficial Ownership

To: Wilmington Trust, National Association
246 Goose Lane, Suite 105
Guilford, CT 06437
Facsimile: 203-453-1183
Attention: Global Capital Markets – K. Hovnanian Relationship Manager

Re: K. Hovnanian Enterprises, Inc.
11.75% Senior Secured 1.25 Lien Notes due 2029 (the “Notes”)
issued under the Indenture (the “**Indenture**”) dated
as of October 5, 2023 relating to the Notes

Ladies and Gentlemen:

This is to certify that based solely on certifications we have received in writing, by tested telex or by electronic transmission from member organizations (“**Member Organizations**”) appearing in our records as persons being entitled to a portion of the principal amount of Notes represented by a Regulation S Temporary Global Note issued under the above-referenced Indenture, that as of the date hereof, \$____ principal amount of Notes represented by the Regulation S Temporary Global Note being submitted herewith for exchange is beneficially owned by persons that are either (i) non-U.S. persons (within the meaning of Regulation S under the Securities Act of 1933, as amended) or (ii) U.S. persons that purchased the Notes in a transaction that did not require registration under the Securities Act of 1933, as amended.

We further certify that (i) we are not submitting herewith for exchange any portion of such Regulation S Temporary Global Note excepted in such Member Organization certifications and (ii) as of the date hereof we have not received any notification from any Member Organization to the effect that the statements made by such Member Organization with respect to any portion of such Regulation S Temporary Global Note submitted herewith for exchange are no longer true and cannot be relied upon as of the date hereof.

You and the Issuer are entitled to rely upon this Certificate and are irrevocably authorized to produce this Certificate or a copy hereof to any interested party in any administrative or legal proceeding or official inquiry with respect to the matters covered hereby.

Yours faithfully,

[EUROCLEAR BANK S.A./N.V., as operator
of the Euroclear System]

OR

[CLEARSTREAM BANKING, *société
anonyme*]

By: _____
Name:
Title:
Address:

Date: _____

H-3

THIS NOTE IS A TEMPORARY GLOBAL NOTE. PRIOR TO THE EXPIRATION OF THE RESTRICTED PERIOD APPLICABLE HERETO, BENEFICIAL INTERESTS HEREIN MAY NOT BE HELD BY ANY PERSON OTHER THAN (1) A NON-U.S. PERSON OR (2) A U.S. PERSON THAT PURCHASED SUCH INTEREST IN A TRANSACTION EXEMPT FROM REGISTRATION UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE “**SECURITIES ACT**”). BENEFICIAL INTERESTS HEREIN ARE NOT EXCHANGEABLE FOR CERTIFICATED NOTES OTHER THAN A PERMANENT GLOBAL NOTE IN ACCORDANCE WITH THE TERMS OF THE INDENTURE. TERMS IN THIS LEGEND ARE USED AS USED IN REGULATION S UNDER THE SECURITIES ACT.

Institutional Accredited Investor Certificate

To: Wilmington Trust, National Association
 246 Goose Lane, Suite 105
 Guilford, CT 06437
 Facsimile: 203-453-1183
 Attention: Global Capital Markets – K. Hovnanian Relationship Manager

Re: K. Hovnanian Enterprises, Inc.
 11.75% Senior Secured 1.25 Lien Notes due 2029 (the “Notes”)
 issued under the Indenture (the “**Indenture**”) dated as
as of October 5, 2023 relating to the Notes

Ladies and Gentlemen:

This Certificate relates to:

[CHECK A, B OR C AS APPLICABLE]

- A. Our proposed purchase of \$____ principal amount of Notes issued under the Indenture.
- B. Our proposed purchase of \$____ principal amount of a beneficial interest in a Global Note
- C. Our proposed transfer or exchange of \$____ principal amount of Notes issued under the Indenture for an equal principal amount of Notes to be held by us.

We hereby confirm that:

1. We are an institutional “accredited investor” as defined in Rule 501(a)(1), (2), (3) or (7) of Regulation D under the Securities Act of 1933, as amended (the “**Securities Act**”) (an “**Institutional Accredited Investor**”).
2. Any acquisition of Notes by us will be for our own account or for the account of one or more other Institutional Accredited Investors as to which we exercise sole investment discretion.
3. We have such knowledge and experience in financial and business matters that we are capable of evaluating the merits and risks of an investment in the Notes and we and any accounts for which we are acting are able to bear the economic risks of and an entire loss of our or their investment in the Notes.
4. We are not acquiring the Notes or beneficial interest therein with a view to any distribution thereof in a transaction that would violate the Securities Act or the securities laws of any State of the United States or any other applicable jurisdiction; *provided*, that the disposition of our property and the property of any accounts for which we are acting as fiduciary will remain at all times within our and their control.

5. We acknowledge that the Notes have not been registered under the Securities Act and that the Notes may not be offered or sold within the United States or to or for the benefit of U.S. persons except as set forth below.
6. The principal amount of Notes to which this Certificate relates is at least equal to \$250,000.

We agree for the benefit of the Issuer and the Guarantors, on our own behalf and on behalf of each account for which we are acting, that we will not resell or otherwise transfer this Note or any beneficial interest herein except (A) to the Issuer, the Company or any of its subsidiaries, (B) to a person whom we reasonably believe is a QIB purchasing for its own account or for the account of a QIB in a transaction meeting the requirements of Rule 144A, (C) in an offshore transaction meeting the requirements of Rule 903 or 904 of Regulation S of the Securities Act, (D) in a transaction meeting the requirements of Rule 144 under the Securities Act, (E) to an Institutional Accredited Investor that, prior to such transfer, furnishes the Trustee a signed letter containing certain representations and agreements relating to the transfer of the Notes (the form of which can be obtained from the Trustee) and, if such transfer is in respect of an aggregate principal amount of Notes less than \$250,000, an opinion of counsel acceptable to the Issuer and the Trustee that such transfer is in compliance with the Securities Act, (F) in accordance with another exemption from the registration requirements of the Securities Act (and based upon an opinion of counsel acceptable to the Issuer and the Trustee) or (G) pursuant to an effective registration statement and, in each case, in accordance with the applicable securities laws of any state of the United States or any other applicable jurisdiction.

Prior to the registration of any transfer or exchange, we acknowledge that the Issuer reserves the right to require the delivery of such legal opinions, certifications or other evidence as may reasonably be required in order to determine that the proposed transfer or exchange is being made in compliance with the Securities Act and applicable state securities laws. We acknowledge that no representation is made as to the availability of any Rule 144 exemption from the registration requirements of the Securities Act.

We understand that the Trustee will not be required to accept for registration of transfer or exchange any Notes acquired by us, except upon presentation of evidence satisfactory to the Issuer and the Trustee that the foregoing restrictions on transfer have been complied with. We further agree to deliver to each person acquiring any of the Notes or any beneficial interest therein from us a notice advising such person that resales of the Notes are restricted as stated herein.

We agree to notify you promptly in writing if any of our acknowledgments, representations or agreements herein ceases to be accurate and complete.

We represent to you that we have full power to make the foregoing acknowledgments, representations and agreements on our own behalf and on behalf of any account for which we are acting.

You and the Issuer are entitled to rely upon this Certificate and are irrevocably authorized to produce this Certificate or a copy hereof to any interested party in any administrative or legal proceeding or official inquiry with respect to the matters covered hereby.

[NAME OF PURCHASER (FOR
TRANSFERS) OR OWNER (FOR
EXCHANGES)]

By: _____
Name:
Title:
Address:

Date: _____

Upon transfer of certificated Notes, the Notes would be registered in the name of the new beneficial owner as follows:

By: _____

Date: _____

Taxpayer ID number: _____

THIRD AMENDMENT TO THE CREDIT AGREEMENT

This THIRD AMENDMENT, dated as of September 25, 2023 (this "Amendment"), to the \$125,000,000 Credit Agreement, dated as of October 31, 2019 (as amended by the First Amendment to the Credit Agreement, dated as of November 27, 2019, as further amended by the Second Amendment to the Credit Agreement, dated as of August 19, 2022, and as further amended, restated, amended and restated, supplemented or otherwise modified from time to time, the "Credit Agreement" and, the Credit Agreement as amended by this Amendment, the "Amended Credit Agreement"), among HOVNANIAN ENTERPRISES, INC., a Delaware corporation ("Holdings"), K. HOVNANIAN ENTERPRISES, INC., a California corporation ("Borrower"), the Subsidiaries of Holdings from time to time party thereto (each a "Subsidiary Guarantor" and collectively, together with Holdings, the "Guarantors"), each lender from time to time party thereto (collectively, the "Lenders" and individually, each a "Lender") and WILMINGTON TRUST, NATIONAL ASSOCIATION, as administrative agent ("Administrative Agent"), is entered into by and among the Borrower, Holdings, the Administrative Agent and the Lenders signatory hereto (which constitute all Lenders).

W I T N E S S E T H:

WHEREAS, the Borrower, Holdings, the Administrative Agent and the Lenders have requested an amendment to the Credit Agreement; and

WHEREAS, pursuant to Section 9.01 of the Credit Agreement, the Borrower, Holdings, the Subsidiary Guarantors, the Lenders party hereto (which constitute all Lenders) and the Administrative Agent are willing to agree to this Amendment on the terms set forth herein.

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

ARTICLE 1.
DEFINITIONS

Unless otherwise defined herein, terms defined in the Credit Agreement and used herein shall have the meanings given to them in the Credit Agreement.

ARTICLE 2.
AMENDMENT

SECTION 2.1. Amendments the Credit Agreement. Each of the parties hereto agrees that, upon the satisfaction of the conditions precedent set forth in Section 3.1 below (and in the case of clause (i) hereof, the conditions precedent set forth in Section 3.2 below), (i) the Credit Agreement shall be amended to delete the stricken text (indicated textually in the same manner as the following example: ~~stricken text~~) and to add the double-underlined text (indicated textually in the same manner as the following example: double-underlined text) as set forth in the pages of the Credit Agreement attached as Exhibit A hereto (such amendments, the "Credit Agreement Amendments"), (ii) Schedule 1.01 of the Credit Agreement shall be replaced in its entirety with the schedule set forth in Exhibit B hereto and (iii) Schedule 2.01 of the Credit Agreement shall be replaced in its entirety with the schedule set forth in Exhibit C hereto.

SECTION 2.2. Guarantees. Each guarantor listed in Schedule I hereto, by its execution of this Amendment, agrees to be a Guarantor with respect to the obligations under the Credit Agreement and to be bound by the terms of the Credit Agreement applicable to Guarantors, including, but not limited to, Article X thereof.

ARTICLE 3.
CONDITIONS; GENERAL

SECTION 3.1. Effectiveness. The effectiveness of this Amendment (other than the Credit Agreement Amendments, which are subject to further satisfaction of the conditions precedent set forth in Section 3.2 below) is subject to the satisfaction of the following conditions precedent (the date on which this Amendment becomes effective, the "Third Amendment Effective Date"):

(a) the Administrative Agent (or its outside counsel) shall have received (i) a duly executed and completed counterpart hereof that bears the signature of each of the Borrower and Holdings and each of the Guarantors, (ii) a duly executed and completed counterpart hereof that bears the signature of the Administrative Agent and (iii) duly executed and completed counterparts hereof that bear the signatures of all the Lenders party to the Credit Agreement immediately prior to the effectiveness of this Amendment;

(b) the Lenders shall have received a duly executed and completed counterpart of that certain Note Purchase Agreement, dated as of September 25, 2023 (the "Note Purchase Agreement"), by and among Holdings, the Borrower, the other guarantors party thereto and the purchasers party thereto, that bears the signature of each party thereto; and

(c) the representations and warranties of the Borrower and each other Loan Party contained in this Agreement, Article V of the Credit Agreement and any other Loan Document shall be true and correct in all material respects (and in all respects if qualified by materiality) on and as of the date of the Third Amendment Effective Date (except in the case of any representation and warranty which expressly relates to a given date or period, such representation and warranty shall be true and correct in all material respects (and in all respects if qualified by materiality) as of the respective date or for the respective period, as the case may be).

SECTION 3.2. Closing. The effectiveness of the Credit Agreement Amendments is subject to the satisfaction of the following conditions precedent (the date on which the Credit Agreement Amendments become effective, the "Third Amendment Closing Date"):

(a) each of the Third Amendment Effective Date and the Closing (as defined in the Note Purchase Agreement) shall have occurred prior to or substantially concurrently with the effectiveness of the Credit Agreement Amendments on the Third Amendment Closing Date;

(b) the receipt by the Administrative Agent and the Lenders of a written opinion of (i) Simpson Thacher & Bartlett LLP, special counsel for the Borrower and Holdings, (ii) Elizabeth D. Tice, Vice President and Corporate Counsel of the Borrower and Holdings and (iii) Fennemore Craig, P.C., special counsel for the Subsidiary Guarantors incorporated or formed, as the case may be, in the State of Arizona, in each case, dated as of the Third Amendment Closing Date;

(c) the Loan Parties shall have paid all reasonable and documented out-of-pocket fees (including closing and/or extension fees), charges and disbursements of the Administrative Agent and/or the Lenders incurred in connection with this Amendment, including all reasonable and documented out-of-pocket fees, charges and disbursements of counsel to the Administrative Agent and of counsel to the Lenders; and

(d) upon consummation of the transactions contemplated by this Amendment, no Default or Event of Default shall have occurred.

Upon satisfaction of the conditions set forth in this Section 3.2, the Administrative Agent (at the direction of the Lenders) and the Lenders shall confirm, in a signed writing addressed to the Borrower, that the Third Amendment Closing Date has occurred and that the Credit Agreement Amendments have become effective. For the avoidance of doubt, prior to and until the occurrence of the Third Amendment Closing Date, the Borrower shall continue to be able to borrow Loans pursuant to the terms of Credit Agreement as in effect immediately following the occurrence of the Third Amendment Effective Date.

SECTION 3.3. Representations and Warranties. Each of the Loan Parties hereby represents and warrants to each of the Lenders and the Administrative Agent that, as of the Third Amendment Effective Date:

(a) this Amendment has been duly authorized, executed and delivered by it, and this Amendment and the Credit Agreement, as amended hereby, constitutes its valid and binding obligation, enforceable against it in accordance with its terms except as the enforceability thereof may be limited by the effects of bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium and other similar laws relating to or affecting creditors' rights generally, general equitable principles (whether considered in a proceeding in equity or at law) and an implied covenant of good faith and fair dealing;

(b) at the time of entering into, and immediately after giving effect to, this Amendment, no Default or Event of Default has occurred and is continuing;

(c) the representations and warranties of the Borrower and each other Loan Party contained in this Agreement, Article V of the Credit Agreement and each other Loan Document are true and correct in all material respects (and in all respects if qualified by materiality) on and as of the Third Amendment Effective Date (except in the case of any representation and warranty which expressly relates to a given date or period, such representation and warranty shall be true and correct in all material respects (and in all respects if qualified by materiality) as of the respective date or for the respective period, as the case may be); and

(d) the Subsidiaries of Holdings listed in Exhibit B hereto constitute all of the Unrestricted Subsidiaries of Holdings immediately prior to the Third Amendment Effective Date.

SECTION 3.4. Effect of Amendment.

(a) Except as expressly set forth herein, the execution, delivery and effectiveness of this Amendment shall not, by implication or otherwise, alter, modify, amend or in any way affect any of the terms, conditions, obligations, liabilities, covenants or agreements contained in the Credit Agreement, or any other provision of the Credit Agreement or of any other Loan Document, which shall remain in full force and effect and are hereby ratified and confirmed.

(b) The execution, delivery and effectiveness of this Amendment shall not, by implication or otherwise, (i) constitute or operate as a waiver of any Defaults or Events of Default that may be continuing under the Credit Agreement or (ii) limit, impair, constitute or operate as a waiver of, or otherwise affect any of the rights, powers, privileges or remedies of, the Lenders or the Administrative Agent under the Credit Agreement or any other Loan Document.

(c) On and after the Third Amendment Effective Date, each reference in the Credit Agreement to "this Agreement", "hereunder", "hereof", "herein", or words of like import, and each reference to the Credit Agreement in any other Loan Document shall be deemed a reference to the Credit Agreement, as amended hereby and in the manner set forth herein, and this Amendment and the Credit Agreement shall be read together and construed as a single instrument. This Amendment shall constitute a Loan Document under the terms of the Credit Agreement.

SECTION 3.5. General.

(a) Incorporation by Reference. Sections 9.12 through (and including) 9.16 and Section 9.19 of the Credit Agreement are hereby incorporated by reference and shall apply to this Amendment, *mutatis mutandis*.

(b) Counterparts. This Amendment may be executed by one or more of the parties to this Amendment in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. The words "execution," "signed," "signature," and words of like import in this Amendment shall be deemed to include electronic signatures or the keeping of electronic records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act.

(c) Headings. The headings of this Amendment are used for convenience of reference only, are not part of this Amendment and shall not affect the construction of, or be taken into consideration in interpreting, this Amendment.

(d) Binding; Administrative Agent. Each of the Lenders party hereto, by its execution below, (i) authorizes the Administrative Agent to execute and deliver this Amendment and (ii) agrees to be bound by the terms and conditions of this Amendment. Wilmington Trust, National Association is entering into this Amendment solely in its capacity as Administrative Agent under the Credit Agreement and as such in executing this Amendment and acting hereunder (including pursuant to the following sentence), it shall be entitled to the rights, benefits, protections, indemnities and immunities afforded to it as Administrative Agent under the Credit Agreement. Furthermore, the Lenders party hereto authorize and direct the Administrative Agent and the Joint First Lien Collateral Agent (on behalf of the Administrative Agent), to enter into the security documents listed on Schedule II hereto, in connection with the Third Amendment Closing Date.

SECTION 3.6. Reaffirmation; No Novation. Each Loan Party hereby (a) reaffirms and agrees that each of the Collateral Documents to which it is a party is, and shall continue to be, in full force and effect and is hereby in all respects ratified and confirmed on the Third Amendment Effective Date, and further reaffirms and agrees that such Collateral Documents shall be in full force and effect and shall in all respects be ratified and confirmed on the Third Amendment Closing Date, (b) reaffirms and confirms its guarantee under the Credit Agreement as a continuing guarantee under the Amended Credit Agreement and its pledge and/or grant of a security interest in the Collateral to secure the Loan Obligations under the Collateral Documents, with all such security interests continuing in full force and effect after giving effect to this Amendment (other than the Credit Agreement Amendments) on the Third Amendment Effective Date and after giving effect to the Credit Agreement Amendments on the Third Amendment Closing Date and (c) acknowledges and agrees that, from and after each of the Third Amendment Effective Date and the Third Amendment Closing Date, the Collateral Documents to which it is a party and all the Collateral shall continue to secure the Obligations under the Amended Credit Agreement. This Amendment is not a novation of the Credit Agreement or any other Loan Document.

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

HOVNANIAN ENTERPRISES, INC.,
as Holdings

By: /s/ Brad O'Connor

Name: Brad O'Connor
Title: Senior Vice President, Chief
Accounting Officer and Treasurer

K. HOVNANIAN ENTERPRISES, INC.,
as the Borrower

By: /s/ Brad O'Connor

Name: Brad O'Connor
Title: Senior Vice President,
Chief Accounting Officer and Treasurer

K. HOV IP, II, INC.,

By: /s/ Brad O'Connor

Name: Brad O'Connor
Title: Treasurer

**On behalf of each of the entities listed on
Schedule I hereto**

By: /s/ Brad O'Connor

Name: Brad O'Connor
Title: Vice President/Authorized Representative

[Hovnanian – Third Amendment to Credit Agreement (Revolving Credit Facility)]

**WILMINGTON TRUST, NATIONAL
ASSOCIATION,**
as Administrative Agent

By: /s/ Alec Winchel

Name: Alec Winchel

Title: Relationship Manager | Assistant VP

[Hovnanian – Third Amendment to Credit Agreement (Revolving Credit Facility)]

Signature of lenders on file with the Administrative Agent.

[Hovnanian – Third Amendment to Credit Agreement (Revolving Credit Facility)]

List of Existing Guarantors

2700 EMPIRE, LLC
AMBER RIDGE, LLC
ARBOR TRAILS, LLC
BUILDER SERVICES NJ, L.L.C.
BUILDER SERVICES PA, L.L.C.
EASTERN NATIONAL ABSTRACT, INC.
EASTERN NATIONAL TITLE AGENCY ARIZONA, LLC
EASTERN NATIONAL TITLE AGENCY FLORIDA, LLC
EASTERN NATIONAL TITLE AGENCY ILLINOIS, LLC
EASTERN NATIONAL TITLE AGENCY MARYLAND, LLC
EASTERN NATIONAL TITLE AGENCY VIRGINIA, INC.
EASTERN NATIONAL TITLE AGENCY, INC.
F&W MECHANICAL SERVICES, L.L.C.
GLENRISE GROVE, L.L.C.
GTIS-HOV ARBORS AT MONROE LLC
GTIS-HOV ARBORS AT MONROE PARENT LLC
GTIS-HOV AT SILVERSTONE LLC
GTIS-HOV FOUR PONDS PARENT LLC
GTIS-HOV HEATHERFIELD PARENT LLC
GTIS-HOV HILLTOP AT CEDAR GROVE PARENT LLC
GTIS-HOV HOLDINGS IX LLC
GTIS-HOV HOLDINGS LLC
GTIS-HOV HOLDINGS V LLC
GTIS-HOV HOLDINGS VI LLC
GTIS-HOV HOLDINGS VII LLC
GTIS-HOV HOLDINGS VIII LLC
GTIS-HOV HOLDINGS XI LLC
GTIS-HOV LAKES OF CANE BAY PARENT LLC
GTIS-HOV LEELAND STATION LLC
GTIS-HOV NICHOLSON PARENT LLC
GTIS-HOV PARKSIDE OF LIBERTYVILLE LLC
GTIS-HOV PARKSIDE OF LIBERTYVILLE PARENT LLC
GTIS-HOV PENDER OAKS PARENT LLC
GTIS-HOV PINNACLE PEAK PATIO PARENT LLC
GTIS-HOV POINTE 16 LLC
GTIS-HOV RANCHO 79 LLC
GTIS-HOV SAUGANASH GLEN LLC
GTIS-HOV SAUGANASH GLEN PARENT LLC
GTIS-HOV VILLAGES AT PEPPER MILL LLC
GTIS-HOV WARMINSTER LLC
GTIS-HOV WILLOWSFORD WINDMILL LLC
HILLTOP AT CEDAR GROVE URBAN RENEWAL, LLC
HOMEBUYERS FINANCIAL SERVICES, L.L.C.
HOMEBUYERS FINANCIAL USA, LLC
HOVNIANIAN DEVELOPMENTS OF FLORIDA, INC.
HOVNIANIAN ENTERPRISES, INC.
HOVNIANIAN LAND INVESTMENT GROUP OF MARYLAND, L.L.C.

HOVNIANIAN LAND INVESTMENT GROUP, L.L.C.
HOVSITE CHURCHILL CLUB LLC
HOVSITE FIRENZE LLC
HOVSITE HUNT CLUB LLC
HOVSITE LIBERTY LAKES LLC
HOVSITE PROVIDENCE LLC
HOVSITE SOUTHAMPTON LLC
K. HOV IP, II, INC.
K. HOVNIANIAN ABERDEEN, LLC
K. HOVNIANIAN ACQUISITIONS, INC.
K. HOVNIANIAN AKRON SCATTERED SITE, LLC
K. HOVNIANIAN AMBER GLEN, LLC
K. HOVNIANIAN ARIZONA NEW GC, LLC
K. HOVNIANIAN ARIZONA OPERATIONS, LLC
K. HOVNIANIAN ASBURY POINTE, LLC
K. HOVNIANIAN ASPIRE AT AULD FARMS, LLC
K. HOVNIANIAN ASPIRE AT BELLEVUE RANCH M2, LLC
K. HOVNIANIAN ASPIRE AT BELLEVUE RANCH, LLC
K. HOVNIANIAN ASPIRE AT BOATMAN HAMMOCK, LLC
K. HOVNIANIAN ASPIRE AT EAST LAKE, LLC
K. HOVNIANIAN ASPIRE AT HAWKS RIDGE, LLC
K. HOVNIANIAN ASPIRE AT LYNNBURY WOODS, LLC
K. HOVNIANIAN ASPIRE AT MARION OAKS, LLC
K. HOVNIANIAN ASPIRE AT PALM BAY, LLC
K. HOVNIANIAN ASPIRE AT PALM COAST, LLC
K. HOVNIANIAN ASPIRE AT PORT ST. LUCIE, LLC
K. HOVNIANIAN ASPIRE AT RIVER TERRACE, LLC
K. HOVNIANIAN ASPIRE AT SOLAIRE, LLC
K. HOVNIANIAN ASPIRE AT STONES THROW, LLC
K. HOVNIANIAN ASPIRE AT VICTORIA PARC, LLC
K. HOVNIANIAN ASPIRE AT WATERSTONE, LLC
K. HOVNIANIAN ASPIRE AT WESTON PLACE, LLC
K. HOVNIANIAN AT 17 NORTH, LLC
K. HOVNIANIAN AT 23 NORTH, LLC
K. HOVNIANIAN AT 240 MISSOURI, LLC
K. HOVNIANIAN AT ACACIA PLACE, LLC
K. HOVNIANIAN AT ACADEMY HILL, LLC
K. HOVNIANIAN AT ADMIRAL'S LANDING, LLC
K. HOVNIANIAN AT AIRE ON MCDOWELL, LLC
K. HOVNIANIAN AT ALAMEDA POINT, LLC
K. HOVNIANIAN AT ALEXANDER LAKES, LLC
K. HOVNIANIAN AT ALTO, LLC
K. HOVNIANIAN AT AMBERLEY WOODS, LLC
K. HOVNIANIAN AT AMBRA, LLC
K. HOVNIANIAN AT ANDALUSIA, LLC
K. HOVNIANIAN AT ARMEN GROVES, LLC
K. HOVNIANIAN AT ASBURY PARK URBAN RENEWAL, LLC
K. HOVNIANIAN AT ASHBY PLACE, LLC
K. HOVNIANIAN AT ASHLEY POINTE LLC
K. HOVNIANIAN AT ASPIRE AT APRICOT GROVE PH2, LLC

K. HOVNIANIAN AT ASPIRE AT WEBBER FARM, LLC
K. HOVNIANIAN AT ASPIRE AT WICKERSHAM, LLC
K. HOVNIANIAN AT ASTER RIDGE, LLC
K. HOVNIANIAN AT AUTUMN RIDGE, LLC
K. HOVNIANIAN AT AVENIR II, LLC
K. HOVNIANIAN AT AVENIR, LLC
K. HOVNIANIAN AT BAKERSFIELD 463, L.L.C.
K. HOVNIANIAN AT BAY KNOLLS, LLC
K. HOVNIANIAN AT BEACON PARK AREA 129 II, LLC
K. HOVNIANIAN AT BEACON PARK AREA 129, LLC
K. HOVNIANIAN AT BEACON PARK AREA 137, LLC
K. HOVNIANIAN AT BELLEWOOD, LLC
K. HOVNIANIAN AT BENNETT RANCH, LLC
K. HOVNIANIAN AT BENSEN'S MILL ESTATES, LLC
K. HOVNIANIAN AT BLACKSTONE, LLC
K. HOVNIANIAN AT BOCA DUNES, LLC
K. HOVNIANIAN AT BOOTH FARM, LLC
K. HOVNIANIAN AT BRADWELL ESTATES, LLC
K. HOVNIANIAN AT BRENFORD STATION, LLC
K. HOVNIANIAN AT BRITTANY MANOR, LLC
K. HOVNIANIAN AT BURCH KOVE, LLC
K. HOVNIANIAN AT CADENCE PARK, LLC
K. HOVNIANIAN AT CANTER V, LLC
K. HOVNIANIAN AT CAPISTRANO, L.L.C.
K. HOVNIANIAN AT CARLSBAD, LLC
K. HOVNIANIAN AT CARRIAGES AT WALL, LLC
K. HOVNIANIAN AT CATANIA, LLC
K. HOVNIANIAN AT CATON'S RESERVE, LLC
K. HOVNIANIAN AT CEDAR LANE ESTATES, LLC
K. HOVNIANIAN AT CEDAR LANE, LLC
K. HOVNIANIAN AT CHARLESTON MEADOWS, LLC
K. HOVNIANIAN AT CHESTERFIELD, L.L.C.
K. HOVNIANIAN AT CHRISTINA COURT, LLC
K. HOVNIANIAN AT CHURCHILL FARMS LLC
K. HOVNIANIAN AT CIELO, L.L.C.
K. HOVNIANIAN AT COOPER'S LANDING, LLC
K. HOVNIANIAN AT COOSAW POINT, LLC
K. HOVNIANIAN AT CORAL LAGO, LLC
K. HOVNIANIAN AT COUNTRY VIEW ESTATES, LLC
K. HOVNIANIAN AT CREEKSIDE CROSSING, LLC
K. HOVNIANIAN AT DEER RIDGE, LLC
K. HOVNIANIAN AT DILLON FARM, LLC
K. HOVNIANIAN AT DOMINION CROSSING, LLC
K. HOVNIANIAN AT DOYLESTOWN, LLC
K. HOVNIANIAN AT DUNELLEN URBAN RENEWAL, LLC
K. HOVNIANIAN AT EAGLE HEIGHTS, LLC
K. HOVNIANIAN AT EAST BRUNSWICK III, LLC
K. HOVNIANIAN AT EAST BRUNSWICK, LLC
K. HOVNIANIAN AT EAST CHASE, LLC
K. HOVNIANIAN AT EAST WINDSOR, LLC

K. HOVNANIAN AT EDEN TERRACE, L.L.C.
K. HOVNANIAN AT EGRET SHORES, LLC
K. HOVNANIAN AT EMBREY MILL VILLAGE, LLC
K. HOVNANIAN AT EMBREY MILL, LLC
K. HOVNANIAN AT ESTATES AT WHEATLANDS, LLC
K. HOVNANIAN AT ESTATES OF CHANCELLORSVILLE, LLC
K. HOVNANIAN AT ESTATES OF FOX CHASE, LLC
K. HOVNANIAN AT FAIRFIELD RIDGE, LLC
K. HOVNANIAN AT FIDDYMENT RANCH, LLC
K. HOVNANIAN AT FIREFLY AT WINDING CREEK, LLC
K. HOVNANIAN AT FORK LANDING, LLC
K. HOVNANIAN AT FOX PATH AT HAMPTON LAKE, LLC
K. HOVNANIAN AT FRANKLIN II, L.L.C.
K. HOVNANIAN AT FRANKLIN, L.L.C.
K. HOVNANIAN AT FREEHOLD TOWNSHIP III, LLC
K. HOVNANIAN AT FRESNO, LLC
K. HOVNANIAN AT GALLERY PARK AT WESTFIELDS, LLC
K. HOVNANIAN AT GALLERY, LLC
K. HOVNANIAN AT GALLOWAY RIDGE, LLC
K. HOVNANIAN AT GILROY 60, LLC
K. HOVNANIAN AT GILROY, LLC
K. HOVNANIAN AT GLEN OAKS, LLC
K. HOVNANIAN AT GRACE MEADOWS, LLC
K. HOVNANIAN AT GRANDE PARK, LLC
K. HOVNANIAN AT GREAT NOTCH, L.L.C.
K. HOVNANIAN AT HAMMOCK BREEZE, LLC
K. HOVNANIAN AT HAMPSHIRE FARMS, LLC
K. HOVNANIAN AT HAMPTON COVE, LLC
K. HOVNANIAN AT HAMPTON LAKE, LLC
K. HOVNANIAN AT HAMPTON RUN, LLC
K. HOVNANIAN AT HANOVER ESTATES, LLC
K. HOVNANIAN AT HARBOR'S EDGE AT BAYSIDE, LLC
K. HOVNANIAN AT HARVEST MEADOWS, LLC
K. HOVNANIAN AT HAWK RIDGE, LLC
K. HOVNANIAN AT HEATHERFIELD, LLC
K. HOVNANIAN AT HERITAGE GROVE, LLC
K. HOVNANIAN AT HERITAGE PARK, LLC
K. HOVNANIAN AT HIDDEN BROOK, LLC
K. HOVNANIAN AT HIDDEN LAKE, LLC
K. HOVNANIAN AT HIGHLAND PARK, LLC
K. HOVNANIAN AT HILLANDALE, LLC
K. HOVNANIAN AT HILLSBOROUGH, LLC
K. HOVNANIAN AT HILLTOP RESERVE II, LLC
K. HOVNANIAN AT HILLTOP RESERVE, LLC
K. HOVNANIAN AT HOLLY RIDGE, LLC
K. HOVNANIAN AT HONEYSUCKLE TRAIL, LLC
K. HOVNANIAN AT HOWELL FORT PLAINS, LLC
K. HOVNANIAN AT HOWELL II, LLC
K. HOVNANIAN AT HOWELL, LLC
K. HOVNANIAN AT HUNTER'S POND, LLC

K. HOVNIANIAN AT HUNTFIELD, LLC
K. HOVNIANIAN AT INDIAN WELLS, LLC
K. HOVNIANIAN AT ISLAND LAKE, LLC
K. HOVNIANIAN AT JACKS RUN, LLC
K. HOVNIANIAN AT JACKSON I, L.L.C.
K. HOVNIANIAN AT JACKSON VILLAGE, LLC
K. HOVNIANIAN AT JACKSON, L.L.C.
K. HOVNIANIAN AT JAEGER RANCH, LLC
K. HOVNIANIAN AT LA LAGUNA, L.L.C.
K. HOVNIANIAN AT LADD RANCH, LLC
K. HOVNIANIAN AT LAKE BURDEN, LLC
K. HOVNIANIAN AT LAKE FLORENCE, LLC
K. HOVNIANIAN AT LAKE LECLARE, LLC
K. HOVNIANIAN AT LAKES AT NEW RIVERSIDE, LLC
K. HOVNIANIAN AT LAUREL HILLS CROSSING, LLC
K. HOVNIANIAN AT LAVEEN SPRINGS, LLC
K. HOVNIANIAN AT LENA WOODS, LLC
K. HOVNIANIAN AT LIBERTY HILL FARM, LLC
K. HOVNIANIAN AT LIBERTY WEST, LLC
K. HOVNIANIAN AT LILY ORCHARD, LLC
K. HOVNIANIAN AT LINCOLN PARK, LLC
K. HOVNIANIAN AT LINK CROSSING, LLC
K. HOVNIANIAN AT LITTLE EGG HARBOR TOWNSHIP II, L.L.C.
K. HOVNIANIAN AT LOCKE LANDING, LLC
K. HOVNIANIAN AT LUKE LANDING, LLC
K. HOVNIANIAN AT LUNA VISTA, LLC
K. HOVNIANIAN AT MADISON SQUARE, LLC
K. HOVNIANIAN AT MAGNOLIA PLACE, LLC
K. HOVNIANIAN AT MAIN STREET SQUARE, LLC
K. HOVNIANIAN AT MANALAPAN CROSSING, LLC
K. HOVNIANIAN AT MANALAPAN II, L.L.C.
K. HOVNIANIAN AT MANALAPAN IV, LLC
K. HOVNIANIAN AT MANALAPAN V, LLC
K. HOVNIANIAN AT MAPLE AVENUE, L.L.C.
K. HOVNIANIAN AT MAPLE HILL LLC
K. HOVNIANIAN AT MARLBORO GROVE, LLC
K. HOVNIANIAN AT MARYLAND RIDGE, LLC
K. HOVNIANIAN AT MCCARTNEY RANCH, LLC
K. HOVNIANIAN AT MEADOWRIDGE VILLAS, LLC
K. HOVNIANIAN AT MELANIE MEADOWS, LLC
K. HOVNIANIAN AT MELODY FARM, LLC
K. HOVNIANIAN AT MERIDIAN HILLS, LLC
K. HOVNIANIAN AT MIDDLETOWN III, LLC
K. HOVNIANIAN AT MIDDLETOWN IV, LLC
K. HOVNIANIAN AT MIDDLETOWN RESERVE, LLC
K. HOVNIANIAN AT MIDDLETOWN, LLC
K. HOVNIANIAN AT MILLVILLE II, L.L.C.
K. HOVNIANIAN AT MONARCH GLEN, LLC
K. HOVNIANIAN AT MONROE NJ II, LLC
K. HOVNIANIAN AT MONROE NJ III, LLC

K. HOVNIANIAN AT MONROE NJ, L.L.C.
K. HOVNIANIAN AT MONROE RANCH, LLC
K. HOVNIANIAN AT MONTANA VISTA DOBBINS, LLC
K. HOVNIANIAN AT MONTANA VISTA, LLC
K. HOVNIANIAN AT MONTGOMERY, LLC
K. HOVNIANIAN AT MONTVALE II, LLC
K. HOVNIANIAN AT MORRIS TWP, LLC
K. HOVNIANIAN AT MORRIS WOODS, LLC
K. HOVNIANIAN AT MUIRFIELD, LLC
K. HOVNIANIAN AT NEW POST, LLC
K. HOVNIANIAN AT NICHOLSON, LLC
K. HOVNIANIAN AT NORTH BRUNSWICK VI, L.L.C.
K. HOVNIANIAN AT NORTH CALDWELL III, L.L.C.
K. HOVNIANIAN AT NORTH GROVE CROSSING, LLC
K. HOVNIANIAN AT NORTH HILL, LLC
K. HOVNIANIAN AT NORTH POINTE ESTATES LLC
K. HOVNIANIAN AT NORTH RIDGE, LLC
K. HOVNIANIAN AT NORTH WILDWOOD, L.L.C.
K. HOVNIANIAN AT NORTHAMPTON, L.L.C.
K. HOVNIANIAN AT NORTHRIDGE ESTATES, LLC
K. HOVNIANIAN AT NORTON LAKE LLC
K. HOVNIANIAN AT NOTTINGHAM MEADOWS, LLC
K. HOVNIANIAN AT OAK POINTE, LLC
K. HOVNIANIAN AT OAKLAND, LLC
K. HOVNIANIAN AT OCEAN VIEW BEACH CLUB, LLC
K. HOVNIANIAN AT OLD BRIDGE II, LLC
K. HOVNIANIAN AT OLD BRIDGE, L.L.C.
K. HOVNIANIAN AT OLD CAROLINA, LLC
K. HOVNIANIAN AT ORANGEWOOD RANCH, LLC
K. HOVNIANIAN AT ORCHARD MEADOWS, LLC
K. HOVNIANIAN AT ORCHARD PARK, LLC
K. HOVNIANIAN AT OYSTER COVE, LLC
K. HOVNIANIAN AT PALERMO, LLC
K. HOVNIANIAN AT PALM VALLEY, L.L.C.
K. HOVNIANIAN AT PARK PASEO, LLC
K. HOVNIANIAN AT PARKSIDE, LLC
K. HOVNIANIAN AT PATRIOTS BLUFF, LLC
K. HOVNIANIAN AT PAVILION PARK, LLC
K. HOVNIANIAN AT PICKETT RESERVE, LLC
K. HOVNIANIAN AT PINCKNEY FARM, LLC
K. HOVNIANIAN AT PINE CREST, LLC
K. HOVNIANIAN AT PINNACLE PEAK PATIO, LLC
K. HOVNIANIAN AT PLANTATION LAKES, L.L.C.
K. HOVNIANIAN AT PLEASANTON, LLC
K. HOVNIANIAN AT POINTE 16, LLC
K. HOVNIANIAN AT PORT IMPERIAL URBAN RENEWAL V, L.L.C.
K. HOVNIANIAN AT PORT IMPERIAL URBAN RENEWAL VIII, L.L.C.
K. HOVNIANIAN AT POSITANO, LLC
K. HOVNIANIAN AT POTOMAC TRACE, LLC
K. HOVNIANIAN AT PRAIRIE POINTE, LLC

K. HOVNANIAN AT PRESERVE AT FREEHOLD, LLC
K. HOVNANIAN AT QUAIL CREEK, L.L.C.
K. HOVNANIAN AT RANCHO CABRILLO, LLC
K. HOVNANIAN AT RANCHO EL DORADO, LLC
K. HOVNANIAN AT RANCHO MIRAGE PARCEL 17, LLC
K. HOVNANIAN AT RANCHO MIRAGE PARCEL 23, LLC
K. HOVNANIAN AT RANCOCAS CREEK, LLC
K. HOVNANIAN AT RANDALL HIGHLANDS, LLC
K. HOVNANIAN AT RAYMOND FARM, LLC
K. HOVNANIAN AT RED MILL POND, LLC
K. HOVNANIAN AT REDTAIL, LLC
K. HOVNANIAN AT RESERVES AT WHEATLANDS, LLC
K. HOVNANIAN AT RESERVOIR POINT, LLC
K. HOVNANIAN AT RESIDENCE AT DISCOVERY SQUARE, LLC
K. HOVNANIAN AT RETREAT AT MILLSTONE, LLC
K. HOVNANIAN AT RIDGEMONT, L.L.C.
K. HOVNANIAN AT RIVER HILLS, LLC
K. HOVNANIAN AT RIVERFIELD RESERVE, LLC
K. HOVNANIAN AT ROCKLAND VILLAGE GREEN, LLC
K. HOVNANIAN AT ROCKY RUN VILLAGE, LLC
K. HOVNANIAN AT ROSEMARY LANTANA, L.L.C.
K. HOVNANIAN AT SAGE II HARVEST AT LIMONEIRA, LLC
K. HOVNANIAN AT SAGEBROOK, LLC
K. HOVNANIAN AT SALERNO RESERVE, LLC
K. HOVNANIAN AT SANDPIPER PLACE, LLC
K. HOVNANIAN AT SANTA NELLA, LLC
K. HOVNANIAN AT SANTA ROSA SPRINGS, LLC
K. HOVNANIAN AT SANTANILLA, LLC
K. HOVNANIAN AT SATTERFIELD, LLC
K. HOVNANIAN AT SCOTTSDALE HEIGHTS, LLC
K. HOVNANIAN AT SEABROOK, LLC
K. HOVNANIAN AT SENDERO RANCH, LLC
K. HOVNANIAN AT SHREWSBURY, LLC
K. HOVNANIAN AT SIENNA HILLS, LLC
K. HOVNANIAN AT SIERRA VISTA, LLC
K. HOVNANIAN AT SILVER LEAF, LLC
K. HOVNANIAN AT SILVERSTONE G, LLC
K. HOVNANIAN AT SILVERSTONE, LLC
K. HOVNANIAN AT SILVERWOOD GLEN, LLC
K. HOVNANIAN AT SKYE ISLE, LLC
K. HOVNANIAN AT SKYE ON MCDOWELL, LLC
K. HOVNANIAN AT SMITHVILLE, INC.
K. HOVNANIAN AT SOMERSET, LLC
K. HOVNANIAN AT SOUTH BRUNSWICK II, LLC
K. HOVNANIAN AT SOUTH BRUNSWICK III, LLC
K. HOVNANIAN AT SOUTH BRUNSWICK IV, LLC
K. HOVNANIAN AT SOUTHPOINTE, LLC
K. HOVNANIAN AT SPRING ISLE, LLC
K. HOVNANIAN AT STATION SQUARE, L.L.C.
K. HOVNANIAN AT STERLING VISTAS, LLC

K. HOVNIANIAN AT SUMMERLAKE, LLC
K. HOVNIANIAN AT SUMMIT CROSSING ESTATES, LLC
K. HOVNIANIAN AT SUN CITY WEST, LLC
K. HOVNIANIAN AT SUNRIDGE PARK, LLC
K. HOVNIANIAN AT SUNRISE TRAIL II, LLC
K. HOVNIANIAN AT SUNRISE TRAIL III, LLC
K. HOVNIANIAN AT TAMARACK SOUTH LLC
K. HOVNIANIAN AT TANAGER, LLC
K. HOVNIANIAN AT TANGLEWOOD OAKS, LLC
K. HOVNIANIAN AT TERRA BELLA TWO, LLC
K. HOVNIANIAN AT THE COMMONS AT RICHMOND HILL, LLC
K. HOVNIANIAN AT THE HIGHLANDS AT SUMMERLAKE GROVE, LLC
K. HOVNIANIAN AT THE MEADOWS 9, LLC
K. HOVNIANIAN AT THE MEADOWS, LLC
K. HOVNIANIAN AT THE MONARCH, L.L.C.
K. HOVNIANIAN AT THE PROMENADE AT BEAVER CREEK, LLC
K. HOVNIANIAN AT TORTOSA SOUTH, LLC
K. HOVNIANIAN AT TOWER HILL, LLC
K. HOVNIANIAN AT TOWNES AT COUNTY CENTER, LLC
K. HOVNIANIAN AT TOWNES AT PARKVIEW, LLC
K. HOVNIANIAN AT TOWNES AT WEST LONG BRANCH, LLC
K. HOVNIANIAN AT TOWNSEND FIELDS, LLC
K. HOVNIANIAN AT TRAFFORD PLACE, LLC
K. HOVNIANIAN AT TRAIL RIDGE, LLC
K. HOVNIANIAN AT TRAMORE LLC
K. HOVNIANIAN AT UNION PARK, LLC
K. HOVNIANIAN AT UPPER PROVIDENCE, LLC
K. HOVNIANIAN AT VALLE DEL SOL, LLC
K. HOVNIANIAN AT VALLETTA, LLC
K. HOVNIANIAN AT VENTANA LAKES, LLC
K. HOVNIANIAN AT VERONA ESTATES, LLC
K. HOVNIANIAN AT VERRADO CASCINA, LLC
K. HOVNIANIAN AT VERRADO MARKETSIDE, LLC
K. HOVNIANIAN AT VICTORVILLE, L.L.C.
K. HOVNIANIAN AT VICTORY AT VERRADO, LLC
K. HOVNIANIAN AT VILLAGE CENTER, LLC
K. HOVNIANIAN AT VILLAGES AT COUNTRY VIEW, LLC
K. HOVNIANIAN AT VILLAGO, LLC
K. HOVNIANIAN AT VILLAS AT THE COMMONS, LLC
K. HOVNIANIAN AT VINEYARD HEIGHTS, LLC
K. HOVNIANIAN AT WADE'S GRANT, L.L.C.
K. HOVNIANIAN AT WALDWICK, LLC
K. HOVNIANIAN AT WALKERS GROVE, LLC
K. HOVNIANIAN AT WALL DONATO, LLC
K. HOVNIANIAN AT WALL QUAIL RIDGE, LLC
K. HOVNIANIAN AT WARREN TOWNSHIP II, LLC
K. HOVNIANIAN AT WASHINGTON RIDGE, LLC
K. HOVNIANIAN AT WATERSTONE, LLC
K. HOVNIANIAN AT WAXPOOL CROSSING, LLC
K. HOVNIANIAN AT WELLSPRINGS, LLC

K. HOVNIANIAN AT WEST VIEW ESTATES, L.L.C.
K. HOVNIANIAN AT WESTBROOK, LLC
K. HOVNIANIAN AT WESTSHORE, LLC
K. HOVNIANIAN AT WHEELER RANCH, LLC
K. HOVNIANIAN AT WHEELER WOODS, LLC
K. HOVNIANIAN AT WILDWOOD BAYSIDE, L.L.C.
K. HOVNIANIAN AT WILLOWSFORD GREENS III, LLC
K. HOVNIANIAN AT WOODCREEK WEST, LLC
K. HOVNIANIAN AT WOODFIELD, LLC
K. HOVNIANIAN AT WOOLWICH I, L.L.C.
K. HOVNIANIAN AT WREN HOLLOW, LLC
K. HOVNIANIAN BELDEN POINTE, LLC
K. HOVNIANIAN BELMONT RESERVE, LLC
K. HOVNIANIAN BRITTANY MANOR BORROWER, LLC
K. HOVNIANIAN BUILD ON YOUR LOT DIVISION, LLC
K. HOVNIANIAN CA LAND HOLDINGS, LLC
K. HOVNIANIAN CALIFORNIA OPERATIONS, INC.
K. HOVNIANIAN CALIFORNIA REGION, INC.
K. HOVNIANIAN CAMBRIDGE HOMES, L.L.C.
K. HOVNIANIAN CENTRAL ACQUISITIONS, L.L.C.
K. HOVNIANIAN CHICAGO DIVISION, INC.
K. HOVNIANIAN CLASSICS, L.L.C.
K. HOVNIANIAN CLEVELAND DIVISION, LLC
K. HOVNIANIAN COMMUNITIES, INC.
K. HOVNIANIAN COMPANIES OF ARIZONA, LLC
K. HOVNIANIAN COMPANIES OF FLORIDA, LLC
K. HOVNIANIAN COMPANIES OF NEW YORK, INC.
K. HOVNIANIAN COMPANIES OF SOUTHERN CALIFORNIA, INC.
K. HOVNIANIAN COMPANIES, LLC
K. HOVNIANIAN CORNERSTONE FARMS, LLC
K. HOVNIANIAN CRAFTBUILT HOMES OF SOUTH CAROLINA, L.L.C.
K. HOVNIANIAN CYPRESS CREEK, LLC
K. HOVNIANIAN CYPRESS KEY, LLC
K. HOVNIANIAN DELAWARE DIVISION, INC.
K. HOVNIANIAN DELAWARE OPERATIONS, LLC
K. HOVNIANIAN DEVELOPMENTS OF D.C., INC.
K. HOVNIANIAN DEVELOPMENTS OF GEORGIA, INC.
K. HOVNIANIAN DEVELOPMENTS OF MARYLAND, INC.
K. HOVNIANIAN DEVELOPMENTS OF MINNESOTA, INC.
K. HOVNIANIAN DEVELOPMENTS OF NEW YORK, INC.
K. HOVNIANIAN DEVELOPMENTS OF NORTH CAROLINA, INC.
K. HOVNIANIAN DEVELOPMENTS OF PENNSYLVANIA, INC.
K. HOVNIANIAN DEVELOPMENTS OF TEXAS, INC.
K. HOVNIANIAN DEVELOPMENTS OF VIRGINIA, INC.
K. HOVNIANIAN DEVELOPMENTS OF WEST VIRGINIA, INC.
K. HOVNIANIAN DFW AGAVE RANCH, LLC
K. HOVNIANIAN DFW ASCEND AT CREEKSHAW, LLC
K. HOVNIANIAN DFW ASCEND AT JUSTIN CROSSING, LLC
K. HOVNIANIAN DFW AUBURN FARMS, LLC
K. HOVNIANIAN DFW BAYSIDE, LLC

K. HOVNIANIAN DFW BELMONT, LLC
K. HOVNIANIAN DFW BERKSHIRE II, LLC
K. HOVNIANIAN DFW BERKSHIRE, LLC
K. HOVNIANIAN DFW BLUFF CREEK, LLC
K. HOVNIANIAN DFW CALDWELL LAKES, LLC
K. HOVNIANIAN DFW CALLOWAY TRAILS, LLC
K. HOVNIANIAN DFW CANYON FALLS, LLC
K. HOVNIANIAN DFW CARILLON, LLC
K. HOVNIANIAN DFW COMMODORE AT PRESTON, LLC
K. HOVNIANIAN DFW CREEKSIDE ESTATES II, LLC
K. HOVNIANIAN DFW CREEKSIDE ESTATES, LLC
K. HOVNIANIAN DFW DIAMOND CREEK ESTATES, LLC
K. HOVNIANIAN DFW DIVISION, LLC
K. HOVNIANIAN DFW ELEVON, LLC
K. HOVNIANIAN DFW ENCORE OF LAS COLINAS II, LLC
K. HOVNIANIAN DFW ENCORE OF LAS COLINAS, LLC
K. HOVNIANIAN DFW HARMON FARMS, LLC
K. HOVNIANIAN DFW HERITAGE CROSSING, LLC
K. HOVNIANIAN DFW HERITAGE RANCH, LLC
K. HOVNIANIAN DFW HERON POND, LLC
K. HOVNIANIAN DFW HIGH POINTE, LLC
K. HOVNIANIAN DFW HIGHTOWER, LLC
K. HOVNIANIAN DFW HOMESTEAD, LLC
K. HOVNIANIAN DFW INSPIRATION, LLC
K. HOVNIANIAN DFW KENSINGTON PLACE, LLC
K. HOVNIANIAN DFW LEXINGTON, LLC
K. HOVNIANIAN DFW LIBERTY CROSSING II, LLC
K. HOVNIANIAN DFW LIBERTY CROSSING, LLC
K. HOVNIANIAN DFW LIBERTY, LLC
K. HOVNIANIAN DFW LIGHT FARMS CYPRESS III, LLC
K. HOVNIANIAN DFW LIGHT FARMS II, LLC
K. HOVNIANIAN DFW LIGHT FARMS, LLC
K. HOVNIANIAN DFW LINCOLN POINTE, LLC
K. HOVNIANIAN DFW MIDTOWN PARK, LLC
K. HOVNIANIAN DFW MILRANY RANCH, LLC
K. HOVNIANIAN DFW MONTERRA, LLC
K. HOVNIANIAN DFW MUSTANG LAKES II, LLC
K. HOVNIANIAN DFW MUSTANG LAKES, LLC
K. HOVNIANIAN DFW NOBLE RIDGE, LLC
K. HOVNIANIAN DFW NORTH CREEK, LLC
K. HOVNIANIAN DFW OAKMONT PARK II, LLC
K. HOVNIANIAN DFW OAKMONT PARK, LLC
K. HOVNIANIAN DFW PALISADES, LLC
K. HOVNIANIAN DFW PARKSIDE, LLC
K. HOVNIANIAN DFW PARKVIEW, LLC
K. HOVNIANIAN DFW REUNION, LLC
K. HOVNIANIAN DFW RIDGEVIEW, LLC
K. HOVNIANIAN DFW ROLLING RIDGE, LLC
K. HOVNIANIAN DFW SANFORD PARK, LLC
K. HOVNIANIAN DFW SAPPHIRE BAY, LLC

K. HOVNANIAN DFW SEVENTEEN LAKES, LLC
K. HOVNANIAN DFW SOUTH POINTE, LLC
K. HOVNANIAN DFW THE PARKS AT ROSEHILL, LLC
K. HOVNANIAN DFW TIMBERBROOK, LLC
K. HOVNANIAN DFW TRAILWOOD II, LLC
K. HOVNANIAN DFW TRAILWOOD, LLC
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K. HOVNANIAN DFW VILLAS AT THE STATION, LLC
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K. HOVNANIAN DFW WELLINGTON, LLC
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K. HOVNANIAN DISTRIBUTION SERVICES, INC.
K. HOVNANIAN EAST GROUP, LLC
K. HOVNANIAN EDGEBROOK, LLC
K. HOVNANIAN ESTATES AT REGENCY, L.L.C.
K. HOVNANIAN ESTATES AT WEKIVA, LLC
K. HOVNANIAN FALLS POINTE, LLC
K. HOVNANIAN FIRST HOMES, L.L.C.
K. HOVNANIAN FLORIDA OPERATIONS, LLC
K. HOVNANIAN FLORIDA REALTY, L.L.C.
K. HOVNANIAN FOREST LAKES, LLC
K. HOVNANIAN FOREST VALLEY, LLC
K. HOVNANIAN FOUR SEASONS AT CHESTNUT RIDGE, LLC
K. HOVNANIAN FOUR SEASONS AT HOMESTEAD, LLC
K. HOVNANIAN GEORGIA OPERATIONS, LLC
K. HOVNANIAN GRAND CYPRESS, LLC
K. HOVNANIAN GRANDEFIELD, LLC
K. HOVNANIAN GREAT WESTERN HOMES, LLC
K. HOVNANIAN HIDDEN HOLLOW, LLC
K. HOVNANIAN HIGHLAND RIDGE, LLC
K. HOVNANIAN HOLDINGS NJ, L.L.C.
K. HOVNANIAN HOMES - DFW II, L.L.C.
K. HOVNANIAN HOMES - DFW, L.L.C.
K. HOVNANIAN HOMES AT BROOK MANOR, LLC
K. HOVNANIAN HOMES AT BURKE JUNCTION, LLC
K. HOVNANIAN HOMES AT CREEKSIDE, LLC
K. HOVNANIAN HOMES AT KNOLLAC ACRES, LLC
K. HOVNANIAN HOMES AT LEIGH MILL, LLC
K. HOVNANIAN HOMES AT LIBERTY RUN, LLC
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K. HOVNANIAN HOMES AT PENDER OAKS, LLC
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K. HOVNANIAN HOMES AT SHENANDOAH SPRINGS, LLC
K. HOVNANIAN HOMES AT SUMMIT POINTE, LLC
K. HOVNANIAN HOMES AT THE ABBY, LLC
K. HOVNANIAN HOMES AT THE PADDOCKS, LLC

K. HOVNANIAN HOMES AT THOMPSON'S GRANT, LLC
K. HOVNANIAN HOMES AT WILLOWSFORD GRANGE, LLC
K. HOVNANIAN HOMES AT WILLOWSFORD GRANT II, LLC
K. HOVNANIAN HOMES AT WILLOWSFORD GRANT, LLC
K. HOVNANIAN HOMES AT WILLOWSFORD GREENS, LLC
K. HOVNANIAN HOMES AT WILLOWSFORD NEW, LLC
K. HOVNANIAN HOMES NORTHERN CALIFORNIA, INC.
K. HOVNANIAN HOMES OF D.C., L.L.C.
K. HOVNANIAN HOMES OF DELAWARE I, LLC
K. HOVNANIAN HOMES OF FLORIDA I, LLC
K. HOVNANIAN HOMES OF LONGACRE VILLAGE, L.L.C.
K. HOVNANIAN HOMES OF MARYLAND I, LLC
K. HOVNANIAN HOMES OF MARYLAND II, LLC
K. HOVNANIAN HOMES OF MARYLAND, L.L.C.
K. HOVNANIAN HOMES OF MINNESOTA AT ARBOR CREEK, LLC
K. HOVNANIAN HOMES OF MINNESOTA AT AUTUMN MEADOWS, LLC
K. HOVNANIAN HOMES OF MINNESOTA AT BRYNWOOD, LLC
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K. HOVNANIAN HOMES OF MINNESOTA AT REGENT'S POINT, LLC
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K. HOVNANIAN HOMES OF NORTH CAROLINA, INC.
K. HOVNANIAN HOMES OF PENNSYLVANIA, L.L.C.
K. HOVNANIAN HOUSTON BALMORAL PARK LAKES EAST SECTION 8, LLC
K. HOVNANIAN HOUSTON BALMORAL, LLC
K. HOVNANIAN HOUSTON BAYOU OAKS AT WEST OREM, LLC
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K. HOVNANIAN HOUSTON CITY HEIGHTS, LLC
K. HOVNANIAN HOUSTON CREEK BEND, LLC
K. HOVNANIAN HOUSTON DIVISION, LLC
K. HOVNANIAN HOUSTON DRY CREEK VILLAGE, LLC
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K. HOVNANIAN HOUSTON FAIRCHILD FARMS, LLC
K. HOVNANIAN HOUSTON GREATWOOD LAKE, LLC
K. HOVNANIAN HOUSTON KATY POINTE II, LLC
K. HOVNANIAN HOUSTON KATY POINTE, LLC
K. HOVNANIAN HOUSTON KINGDOM HEIGHTS, LLC
K. HOVNANIAN HOUSTON LAKES OF BELLA TERRA WEST II, LLC
K. HOVNANIAN HOUSTON LAKES OF BELLA TERRA WEST, LLC
K. HOVNANIAN HOUSTON LAUREL GLEN, LLC
K. HOVNANIAN HOUSTON MAGNOLIA CREEK, LLC
K. HOVNANIAN HOUSTON MIDTOWN PARK I, LLC
K. HOVNANIAN HOUSTON PARK LAKES EAST, LLC
K. HOVNANIAN HOUSTON PARKWAY TRAILS, LLC
K. HOVNANIAN HOUSTON RIVER FARMS, LLC
K. HOVNANIAN HOUSTON SUNSET RANCH, LLC
K. HOVNANIAN HOUSTON TERRA DEL SOL, LLC
K. HOVNANIAN HOUSTON THUNDER BAY SUBDIVISION, LLC

K. HOVNIANIAN HOUSTON TRANQUILITY LAKE ESTATES, LLC
K. HOVNIANIAN HOUSTON WESTWOOD, LLC
K. HOVNIANIAN HOUSTON WILLOWPOINT, LLC
K. HOVNIANIAN HOUSTON WOODSHORE, LLC
K. HOVNIANIAN ILLINOIS OPERATIONS, LLC
K. HOVNIANIAN INDIAN TRAILS, LLC
K. HOVNIANIAN IVY TRAIL, LLC
K. HOVNIANIAN JV HOLDINGS, L.L.C.
K. HOVNIANIAN JV SERVICES COMPANY, L.L.C.
K. HOVNIANIAN KINGSTON AT WESTERN RESERVE, LLC
K. HOVNIANIAN LADUE RESERVE, LLC
K. HOVNIANIAN LAKE PARKER, LLC
K. HOVNIANIAN LAKES OF GREEN, LLC
K. HOVNIANIAN LANDINGS 40S, LLC
K. HOVNIANIAN LEGACY AT VIA BELLA, LLC
K. HOVNIANIAN LIBERTY ON BLUFF CREEK, LLC
K. HOVNIANIAN MAGNOLIA AT WESTSIDE, LLC
K. HOVNIANIAN MANALAPAN ACQUISITION, LLC
K. HOVNIANIAN MEADOW LAKES, LLC
K. HOVNIANIAN MEADOW VIEW AT MOUNTAIN HOUSE, LLC
K. HOVNIANIAN MID-ATLANTIC DIVISION, LLC
K. HOVNIANIAN MONARCH GROVE, LLC
K. HOVNIANIAN MONTCLAIRE ESTATES, LLC
K. HOVNIANIAN NEW JERSEY OPERATIONS, LLC
K. HOVNIANIAN NEW YORK OPERATIONS, LLC
K. HOVNIANIAN NORTH CENTRAL ACQUISITIONS, L.L.C.
K. HOVNIANIAN NORTH JERSEY ACQUISITIONS, L.L.C.
K. HOVNIANIAN NORTHEAST DIVISION, INC.
K. HOVNIANIAN NORTHEAST SERVICES, L.L.C.
K. HOVNIANIAN NORTHERN CALIFORNIA DIVISION, LLC
K. HOVNIANIAN NORTHPOINTE 40S, LLC
K. HOVNIANIAN NORTHWEST OHIO, LLC
K. HOVNIANIAN NORTON PLACE, LLC
K. HOVNIANIAN OCOEE LANDINGS, LLC
K. HOVNIANIAN OF HOUSTON II, L.L.C.
K. HOVNIANIAN OF HOUSTON III, L.L.C.
K. HOVNIANIAN OHIO OPERATIONS, LLC
K. HOVNIANIAN OHIO REALTY, L.L.C.
K. HOVNIANIAN OHIO REGION, INC.
K. HOVNIANIAN OPERATIONS COMPANY, INC.
K. HOVNIANIAN ORLANDO DIVISION, LLC
K. HOVNIANIAN PA REAL ESTATE, INC.
K. HOVNIANIAN PARKVIEW AT STERLING MEADOWS, LLC
K. HOVNIANIAN PENNSYLVANIA BUILD ON YOUR LOT DIVISION, LLC
K. HOVNIANIAN PENNSYLVANIA OPERATIONS, LLC
K. HOVNIANIAN PHOENIX DIVISION, INC.
K. HOVNIANIAN PRESERVE AT AVONLEA, LLC
K. HOVNIANIAN PRESERVE AT TURTLE CREEK LLC
K. HOVNIANIAN PROPERTIES OF RED BANK, LLC
K. HOVNIANIAN REDFERN TRAILS, LLC

K. HOVNIANIAN REYNOLDS RANCH, LLC
K. HOVNIANIAN RIVENDALE, LLC
K. HOVNIANIAN RIVERSIDE, LLC
K. HOVNIANIAN RIVINGTON, LLC
K. HOVNIANIAN SAN SEBASTIAN, LLC
K. HOVNIANIAN SCHADY RESERVE, LLC
K. HOVNIANIAN SERENITY WALK AT PLAINSBORO URBAN RENEWAL, LLC
K. HOVNIANIAN SERENO, LLC
K. HOVNIANIAN SHERWOOD AT REGENCY, LLC
K. HOVNIANIAN SOLA VISTA, LLC
K. HOVNIANIAN SOUTH CAROLINA OPERATIONS, LLC
K. HOVNIANIAN SOUTH FORK, LLC
K. HOVNIANIAN SOUTH JERSEY ACQUISITIONS, L.L.C.
K. HOVNIANIAN SOUTHEAST COASTAL DIVISION, INC.
K. HOVNIANIAN SOUTHEAST FLORIDA DIVISION, LLC
K. HOVNIANIAN SOUTHERN CALIFORNIA DIVISION, LLC
K. HOVNIANIAN SOUTHERN NEW JERSEY, L.L.C.
K. HOVNIANIAN STERLING RANCH, LLC
K. HOVNIANIAN SUMMIT HOLDINGS, L.L.C.
K. HOVNIANIAN T&C HOMES AT FLORIDA, L.L.C.
K. HOVNIANIAN T&C HOMES AT ILLINOIS, L.L.C.
K. HOVNIANIAN TERRALARGO, LLC
K. HOVNIANIAN TEXAS OPERATIONS, LLC
K. HOVNIANIAN TIMBRES AT ELM CREEK, LLC
K. HOVNIANIAN UNION PARK, LLC
K. HOVNIANIAN VILLAGE GLEN, LLC
K. HOVNIANIAN VILLAGES AT HAYS MILL CREEK, LLC
K. HOVNIANIAN VIRGINIA OPERATIONS, INC.
K. HOVNIANIAN WATERBURY, LLC
K. HOVNIANIAN WEST GROUP, LLC
K. HOVNIANIAN WEST VIRGINIA BUILD ON YOUR LOT DIVISION, LLC
K. HOVNIANIAN WEST VIRGINIA OPERATIONS, LLC
K. HOVNIANIAN WHITE ROAD, LLC
K. HOVNIANIAN WINDING BAY PRESERVE, LLC
K. HOVNIANIAN WINDWARD HOMES, LLC
K. HOVNIANIAN WOODLAND POINTE, LLC
K. HOVNIANIAN WOODRIDGE PLACE, LLC
K. HOVNIANIAN'S AEGEAN AT ASBURY PARK URBAN RENEWAL, LLC
K. HOVNIANIAN'S ASPIRE AT NEW HAMPSTEAD, LLC
K. HOVNIANIAN'S ASPIRE AT UNION VILLAGE, LLC
K. HOVNIANIAN'S BALTIC AT ASBURY PARK URBAN RENEWAL, LLC
K. HOVNIANIAN'S COVE AT ASBURY PARK URBAN RENEWAL, LLC
K. HOVNIANIAN'S DELTA AT ASBURY PARK, LLC
K. HOVNIANIAN'S ENCLAVE AT OLD TAPPAN, LLC
K. HOVNIANIAN'S FOUR SEASONS AT ADDISON FARMS, LLC
K. HOVNIANIAN'S FOUR SEASONS AT BAKERSFIELD, L.L.C.
K. HOVNIANIAN'S FOUR SEASONS AT BAYMONT FARMS L.L.C.
K. HOVNIANIAN'S FOUR SEASONS AT BEAUMONT, LLC
K. HOVNIANIAN'S FOUR SEASONS AT CANE BAY EXPANSION, LLC
K. HOVNIANIAN'S FOUR SEASONS AT CHARLOTTESVILLE II, LLC

K. HOVNANIAN'S FOUR SEASONS AT COLTS FARM, LLC
K. HOVNANIAN'S FOUR SEASONS AT HATTERAS HILLS, LLC
K. HOVNANIAN'S FOUR SEASONS AT HILTON HEAD LAKES, LLC
K. HOVNANIAN'S FOUR SEASONS AT KENT ISLAND, L.L.C.
K. HOVNANIAN'S FOUR SEASONS AT LAKES OF CANE BAY LLC
K. HOVNANIAN'S FOUR SEASONS AT LOS BANOS, LLC
K. HOVNANIAN'S FOUR SEASONS AT NEW KENT VINEYARDS, L.L.C.
K. HOVNANIAN'S FOUR SEASONS AT RUSH CREEK II, LLC
K. HOVNANIAN'S FOUR SEASONS AT SANDSTONE, LLC
K. HOVNANIAN'S FOUR SEASONS AT SILVER MAPLE FARM, L.L.C.
K. HOVNANIAN'S FOUR SEASONS AT THE MANOR II, LLC
K. HOVNANIAN'S FOUR SEASONS AT THE MANOR, LLC
K. HOVNANIAN'S FOUR SEASONS AT VIRGINIA CROSSING, LLC
K. HOVNANIAN'S FOUR SEASONS AT WYLDER, LLC
K. HOVNANIAN'S LAKES AT NEW RIVERSIDE EXPANSION, LLC
K. HOVNANIAN'S SONATA AT THE PRESERVE, LLC
K. HOVNANIAN'S THE TOWNES AT WEST WINDSOR, LLC
K. HOVNANIAN'S VERANDA AT RIVERPARK II, LLC
K. HOVNANIAN'S VERANDA AT RIVERPARK, LLC
KHH SHELL HALL LOAN ACQUISITION, LLC
KHOV WINDING BAY II, LLC
LANDARAMA, INC.
LINKS AT CALUSA SPRINGS, LLC
M & M AT MONROE WOODS, L.L.C.
M&M AT WEST ORANGE, L.L.C.
MATZEL & MUMFORD AT EGG HARBOR, L.L.C.
MCNJ, INC.
MIDWEST BUILDING PRODUCTS & CONTRACTOR SERVICES OF PENNSYLVANIA, L.L.C.
MIDWEST BUILDING PRODUCTS & CONTRACTOR SERVICES OF WEST VIRGINIA, L.L.C.
MIDWEST BUILDING PRODUCTS & CONTRACTOR SERVICES, L.L.C.
MM-BEACHFRONT NORTH I, LLC
NEW HOME REALTY, LLC
PARK TITLE COMPANY, LLC
RIDGEMORE UTILITY L.L.C.
RIDGEMORE UTILITY OF DELAWARE, LLC
ROUTE 1 AND ROUTE 522, L.L.C.
SHELL HALL CLUB AMENITY ACQUISITION, LLC
SHELL HALL LAND ACQUISITION, LLC
STONEBROOK HOMES, INC.
TERRAPIN REALTY, L.L.C.
THE MATZEL & MUMFORD ORGANIZATION, INC
TRAVERSE PARTNERS, LLC
VISTAS AT SILVERSTONE LLC
WASHINGTON HOMES, INC.
WTC VENTURES, L.L.C.

SCHEDULE II

1. 1.125 Lien Security Agreement, dated as of the Third Amendment Closing Date, made by Holdings, the Borrower and the other grantors party thereto in favor of Wilmington Trust, National Association, in its capacity as Joint First Lien Collateral Agent and in its various other capacities
 2. 1.125 Lien Pledge Agreement, dated as of the Third Amendment Closing Date, made by Holdings, the Borrower and the other grantors party thereto in favor of Wilmington Trust, National Association, in its capacity as Joint First Lien Collateral Agent and in its various other capacities
 3. Trademark Security Agreement, dated as of the Third Amendment Closing Date, given by K. HOV IP, II, Inc. to Wilmington Trust, National Association, in its capacity as Joint First Lien Collateral Agent and in its various other capacities
 4. Joinder No. 3 to the First Lien Intercreditor Agreement and the First Lien Collateral Agency Agreement, dated as of the Third Amendment Closing Date, by and among Wilmington Trust, National Association, in its capacity as Joint First Lien Collateral Agent and in its various other capacities
 5. 1.25 Lien Security Agreement, dated as of the Third Amendment Closing Date, made by Holdings, the Borrower and the other grantors party thereto in favor of Wilmington Trust, National Association, in its capacity as Joint First Lien Collateral Agent and in its various other capacities
 6. 1.25 Lien Pledge Agreement, dated as of the Third Amendment Closing Date, made by Holdings, the Borrower and the other grantors party thereto in favor of Wilmington Trust, National Association, in its capacity as Joint First Lien Collateral Agent and in its various other capacities
 7. Joinder No. 4 to the First Lien Intercreditor Agreement and the Collateral Agency Agreement, dated as of the Third Amendment Closing Date, by and among Wilmington Trust, National Association, in its capacity as Joint First Lien Collateral Agent and in its various other capacities
-

Amended Credit Agreement

[See attached]

\$125,000,000

CREDIT AGREEMENT

Dated as of October 31, 2019,

as amended by the First Amendment to the Credit Agreement, dated as of November 27, 2019,

~~and~~ the Second Amendment to the Credit Agreement, dated as of August 18, 2022,

and the Third Amendment to the Credit Agreement, dated as of September 25, 2023

among

K. HOVNANIAN ENTERPRISES, INC.,
as Borrower

HOVNANIAN ENTERPRISES, INC.,
as Holdings

THE SUBSIDIARIES OF HOLDINGS NAMED HEREIN,
as Subsidiary Guarantors

WILMINGTON TRUST, NATIONAL ASSOCIATION,
as Administrative Agent

and

THE LENDERS PARTY HERETO

TABLE OF CONTENTS

Page

ARTICLE I		
DEFINITIONS AND ACCOUNTING TERMS		
SECTION 1.01	Defined Terms	42
SECTION 1.02	Rules of Construction	50 <u>49</u>
SECTION 1.03	Times of Day	50
SECTION 1.04	Timing of Payment or Performance	50
SECTION 1.05	Benchmark Replacement Setting	50
ARTICLE II		
THE COMMITMENTS AND BORROWINGS		
SECTION 2.01	Commitments and Loans	53 <u>52</u>
SECTION 2.02	Borrowings	53
SECTION 2.03	Prepayments	54
SECTION 2.04	Termination of Commitments	57
SECTION 2.05	Repayment of Loans	58 <u>57</u>
SECTION 2.06	Interest	58 <u>57</u>
SECTION 2.07	Fees	59
SECTION 2.08	Computation of Interest and Fees	59
SECTION 2.09	Evidence of Indebtedness	60 <u>59</u>
SECTION 2.10	Payments Generally	60
SECTION 2.11	Sharing of Payments	62 <u>61</u>
SECTION 2.12	Conversions and Continuations	62
SECTION 2.13	Extensions of Loans	63
SECTION 2.14	Replacement and Refinancing Facilities	65 <u>64</u>
SECTION 2.15	Defaulting Lenders	68 <u>67</u>
SECTION 2.16	Notice of Certain Costs	69 <u>68</u>
ARTICLE III		
TAXES, INCREASED COSTS, PROTECTION AND ILLEGALITY		
SECTION 3.01	Taxes	69
SECTION 3.02	[Reserved]	72
SECTION 3.03	[Reserved]	73 <u>72</u>
SECTION 3.04	Capital Adequacy	73 <u>72</u>

SECTION 3.05	[Reserved]	75 <u>74</u>
SECTION 3.06	Matters Applicable to All Requests for Compensation	75
SECTION 3.07	Replacement of Lenders Under Certain Circumstances	75
SECTION 3.08	Survival	76
ARTICLE IV		
CONDITIONS PRECEDENT		
SECTION 4.01	[Reserved]	76
SECTION 4.02	Conditions to Effectiveness	76
SECTION 4.03	Conditions to All Credit Extensions After the Closing Date	77
ARTICLE V		
REPRESENTATIONS AND WARRANTIES OF HOLDINGS AND THE BORROWER		
SECTION 5.01	Good Standing of the Borrower, Holdings and its Subsidiaries	78
SECTION 5.02	Loan Documents	78
SECTION 5.03	Absence of Defaults and Conflicts	79 <u>78</u>
SECTION 5.04	Authorization of this Agreement	79
SECTION 5.05	Environmental Laws and ERISA	79
SECTION 5.06	Litigation	79
SECTION 5.07	Financial Statements	79
SECTION 5.08	Investment Company Act	80 <u>79</u>
SECTION 5.09	Solvency	80 <u>79</u>
SECTION 5.10	Regulations T, U, X	80
SECTION 5.11	Sanctions	80
SECTION 5.12	Taxes	81
SECTION 5.13	Compliance with Laws	81
SECTION 5.14	Capital Stock	81
SECTION 5.15	Title to Properties	82 <u>81</u>
SECTION 5.16	Possession of Licenses and Permits	82 <u>81</u>
SECTION 5.17	Insurance	82
SECTION 5.18	No Material Adverse Change in Business	82
SECTION 5.19	Collateral	82
ARTICLE VI		
COVENANTS		
SECTION 6.01	Existence	83 <u>82</u>
SECTION 6.02	Payment of Taxes	83 <u>82</u>

SECTION 6.03	Limitations on Indebtedness	83 <u>82</u>
SECTION 6.04	Limitations on Restricted Payments	85
SECTION 6.05	Limitations on Liens	89
SECTION 6.06	Limitations on Restrictions Affecting Restricted Subsidiaries	89
SECTION 6.07	Limitations on Dispositions of Assets	91
SECTION 6.08	Guarantees by Restricted Subsidiaries	92
SECTION 6.09	[Reserved]	92
SECTION 6.10	Limitations on Transactions with Affiliates	92
SECTION 6.11	Limitations on Mergers, Consolidations and Sales of Assets	94
SECTION 6.12	Reports to Lenders	95
SECTION 6.13	Notice of Other Defaults	96
SECTION 6.14	Collateral Requirement; Further Assurances; Costs	96
SECTION 6.15	[Reserved]	98 <u>99</u>
SECTION 6.16	Change of Control Offers	98 <u>99</u>
SECTION 6.17	Maintenance of Properties	99
SECTION 6.18	Insurance	99 <u>100</u>
SECTION 6.19	Use of Proceeds	100
SECTION 6.20	Limitation of <u>on</u> Prepayment of Existing Junior Lien Indebtedness and Existing Unsecured Indebtedness	100

ARTICLE VII

EVENTS OF DEFAULT AND REMEDIES

SECTION 7.01	Events of Default	101
SECTION 7.02	[Reserved]	104 <u>105</u>
SECTION 7.03	Application of Funds	104 <u>105</u>

ARTICLE VIII

ADMINISTRATIVE AGENT AND OTHER AGENTS

SECTION 8.01	Appointment and Authority	105
SECTION 8.02	Rights as a Lender	106
SECTION 8.03	Exculpatory Provisions	106 <u>107</u>
SECTION 8.04	Reliance by Administrative Agent	108 <u>109</u>
SECTION 8.05	Delegation of Duties	108 <u>109</u>
SECTION 8.06	Resignation of Administrative Agent: Appointment of Successor	109 <u>110</u>
SECTION 8.07	Non-Reliance on Administrative Agent and Other Lenders	110 <u>111</u>
SECTION 8.08	Collateral and Guarantee Matters	110 <u>111</u>
SECTION 8.09	[Reserved]	112 <u>113</u>

SECTION 8.10	Appointment of Supplemental Administrative Agents	112 <u>113</u>
SECTION 8.11	Administrative Agent May File Proofs of Claim	113 <u>114</u>
SECTION 8.12	Indemnification of Administrative Agent	114 <u>115</u>
SECTION 8.13	Agency for Perfection	114 <u>115</u>

ARTICLE IX

MISCELLANEOUS

SECTION 9.01	Amendments, Etc	114 <u>115</u>
SECTION 9.02	Notices and Other Communications; Facsimile Copies	117 <u>118</u>
SECTION 9.03	No Waiver; Cumulative Remedies	118 <u>119</u>
SECTION 9.04	Expenses	118 <u>119</u>
SECTION 9.05	Indemnification by the Borrower	118 <u>119</u>
SECTION 9.06	Marshalling; Payments Set Aside	120 <u>121</u>
SECTION 9.07	Successors and Assigns	120 <u>121</u>
SECTION 9.08	[Reserved]	123 <u>124</u>
SECTION 9.09	Setoff	123 <u>124</u>
SECTION 9.10	Interest Rate Limitation	124
SECTION 9.11	Counterparts	124 <u>125</u>
SECTION 9.12	Integration	124 <u>125</u>
SECTION 9.13	Survival	124 <u>125</u>
SECTION 9.14	Severability	124 <u>125</u>
SECTION 9.15	GOVERNING LAW	125
SECTION 9.16	WAIVER OF RIGHT TO TRIAL BY JURY	125 <u>126</u>
SECTION 9.17	Binding Effect	125 <u>126</u>
SECTION 9.18	U.S.A PATRIOT Act Notice	125 <u>126</u>
SECTION 9.19	No Advisory or Fiduciary Relationship	126

ARTICLE X

GUARANTEES; RELEASE OF GUARANTOR

SECTION 10.01	Guarantee	126 <u>127</u>
SECTION 10.02	Obligations of each Guarantor Unconditional	127
SECTION 10.03	Release of a Guarantor	127 <u>128</u>
SECTION 10.04	Execution and Delivery of Guarantee	127 <u>128</u>
SECTION 10.05	Limitation on Guarantor Liability	128
SECTION 10.06	Article X not to Prevent Events of Default	128 <u>129</u>
SECTION 10.07	Waiver by the Guarantors	128 <u>129</u>
SECTION 10.08	Subrogation and Contribution	128 <u>129</u>
SECTION 10.09	Stay of Acceleration	128 <u>129</u>

SCHEDULES

1.01	Unrestricted Subsidiaries
2.01	Initial Commitments
9.02	Administrative Agent's Office, Certain Addresses for Notices

EXHIBITS

A-1	Form of Loan Notice
A-2	Form of Prepayment Notice
B	Form of Note
C	Form of Assignment and Assumption
D	Form of Administrative Questionnaire
E-1	U.S. Tax Certificate (For Non-U.S. Lenders that are not Partnerships For U.S. Federal Income Tax Purposes)
E-2	U.S. Tax Certificate (For Non-U.S. Lenders that are Partnerships For U.S. Federal Income Tax Purposes)
E-3	U.S. Tax Certificate (For Non-U.S. Participants that are not Partnerships For U.S. Federal Income Tax Purposes)
E-4	U.S. Tax Certificate (For Non-U.S. Participants that are Partnerships For U.S. Federal Income Tax Purposes)
F	[Reserved]
G-1	[Reserved]
G-2	[Reserved]
H-1	Form of Certificate of Responsible Officer
H-2	Form of Perfection Certificate
H-3	Form of Solvency Certificate
I-1	[Reserved]
I-2	[Reserved]
J-1	Form of Security Agreement
J-2	Form of Pledge Agreement
K	Form of Supplemental Guarantee

CREDIT AGREEMENT

This CREDIT AGREEMENT (as amended, restated, amended and restated, supplemented, replaced, refinanced or otherwise modified from time to time, this "Agreement") is entered into as of October 31, 2019 among HOVNANIAN ENTERPRISES, INC., a Delaware corporation ("Holdings"), K. HOVNANIAN ENTERPRISES, INC., a California corporation (the "Borrower"), the Subsidiaries of Holdings from time to time party hereto (each a "Subsidiary Guarantor" and collectively, together with Holdings, the "Guarantors"), each lender from time to time party hereto (collectively, the "Lenders" and individually, each a "Lender") and WILMINGTON TRUST, NATIONAL ASSOCIATION, as Administrative Agent (as defined herein).

PRELIMINARY STATEMENTS

The Borrower has requested that the Lenders provide the Borrower with a secured credit facility pursuant to which the Borrower may, from time to time during the Commitment Period, borrow revolving loans in an aggregate principal amount not to exceed \$125,000,000 at any time outstanding and which outstanding principal amount shall become due on the Maturity Date, subject to any extension of maturity or acceleration of such amounts pursuant to the terms of this Agreement.

The proceeds of any Loans made on or at any time after the Closing Date will be used (i) to finance the ongoing working capital requirements of the Borrower and its Subsidiaries, (ii) for general corporate purposes of the Borrower and its Subsidiaries, including capital expenditures, Restricted Payments, permitted acquisitions and any other Investments permitted hereunder and debt repayments or repurchases permitted hereunder and (iii) for any other purpose not prohibited by the Loan Documents.

The Loan Parties have agreed pursuant to this Agreement, the Security Agreement and the other Collateral Documents to secure all of the Loan Obligations on and after the Closing Date by granting to the Administrative Agent, for the benefit of the Secured Parties, senior secured first priority Liens (subject only to Permitted Liens) on all property and assets of the Loan Parties, whether now owned or hereafter acquired, that constitute Collateral.

The Guarantors have agreed to guarantee the Loan Obligations of the Borrower hereunder pursuant to the Guarantee.

The Lenders have agreed to provide the Loans and other credit extensions contemplated hereunder on the terms, and subject to the conditions set forth in, this Agreement and the other Loan Documents.

In consideration of the mutual covenants and agreements contained in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto covenant and agree as follows:

ARTICLE I

DEFINITIONS AND ACCOUNTING TERMS

SECTION 1.01 Defined Terms. As used in this Agreement, the following terms shall have the meanings set forth below:

“1.125 Lien Collateral Agent” means Wilmington Trust, National Association until such time, if any, a successor replaces such party in accordance with the applicable provisions of the 1.125 Lien Notes Indenture and thereafter means the successor serving thereunder.

“1.125 Lien Notes” means the Borrower’s 8.0% Senior Secured 1.125 Lien Notes due 2028 issued pursuant to the 1.125 Lien Notes Indenture.

“1.125 Lien Notes Indenture” means the Indenture, dated as of ~~the Closing Date (October 5, 2023,~~ as amended; or supplemented, ~~amended and restated or otherwise modified~~ from time to time), ~~by and~~ among the Borrower, ~~Holdings, each of the other~~ the guarantors party thereto and the 1.125 Lien Trustee and the 1.125 Lien Collateral Agent.

“1.125 Lien Trustee” means Wilmington Trust, National Association, ~~as trustee and collateral agent governing the Borrower’s 7.75% Senior Secured 1.125 Lien Notes due 2026~~ until such time, if any, a successor replaces such party in accordance with the applicable provisions of the 1.125 Lien Notes Indenture and thereafter means the successor serving thereunder.

~~“1.125 Lien Guarantees” means the guarantee of the 1.125 Lien Notes by each guarantor under the 1.125 Lien Indenture.~~

“1.25 Lien Collateral Agent” means Wilmington Trust, National Association until such time, if any, a successor replaces such party in accordance with the applicable provisions of the 1.25 Lien Notes Indenture and thereafter means the successor serving thereunder.

~~“1.125 1.25 Lien Notes” means the 7.75% Borrower’s 11.75% Senior Secured 1.125 1.25 Lien Notes due 2026; 2029 issued by~~ pursuant to the Borrower under the 1.125 1.25 Lien Notes Indenture.

“1.25 Lien Notes Indenture” means the Indenture, dated as of ~~the Closing Date (October 5, 2023,~~ as amended; or supplemented, ~~amended and restated or otherwise modified~~ from time to time), ~~by and~~ among the Borrower, ~~Holdings, each of the other~~ the guarantors party thereto and ~~Wilmington Trust, National Association, as trustee and collateral agent, governing the Borrower’s 10.5% Senior Secured 1.25 Lien Notes due 2026~~ the 1.25 Lien Trustee and the 1.25 Lien Collateral Agent.

~~“1.25 Lien Guarantees” means the guarantee~~ Trustee” means Wilmington Trust, National Association until such time, if any, a successor replaces such party in accordance with the applicable provisions of the 1.25 Lien Notes ~~by each guarantor under the 1.25 Lien~~ Indenture and thereafter means the successor serving thereunder.

~~“1.25 1.75 Lien Notes” means the 10.5% Borrower’s 10.000% Senior Secured 1.25 1.75 Lien Notes due 2026; 2025 issued by~~ pursuant to the ~~Borrower~~ under the 1.25 1.75 Lien Notes Indenture.

~~“1.5 1.75 Lien Notes Indenture” means the Indenture, dated as of ~~the Closing Date (December 10, 2019,~~ as amended; or supplemented, ~~amended and restated or otherwise modified~~ from time to time), ~~by and~~ among the Borrower, ~~Holdings, each of the other~~ the guarantors party thereto and Wilmington Trust, National Association, as trustee and collateral agent, ~~governing the Borrower’s 11.25% Senior Secured 1.5 Lien Notes due 2026.~~~~

~~“1.51.75 Lien Guarantees Obligations” means (a) the guarantee of the 1.51.75 Lien Notes by each guarantor under and (b) the 1.51.75 Lien Indenture Term Loan.~~

~~“1.5 Lien Notes” means the 11.25% Senior Secured 1.5 Lien Notes due 2026, issued by the Borrower under the 1.5 Lien Indenture.~~

~~“1.5 Lien Obligations” means (a) the 1.5 Lien Notes and (b) all other Indebtedness of the Borrower, Holdings or any Restricted Subsidiary secured by Liens on the Collateral that are equal in priority to the Liens on the Collateral securing the 1.5 Lien Notes and guarantees thereof on a 1.5-lien basis, including all Obligations in respect thereof.~~

~~“10.000% Notes” shall have the meaning assigned to such term in the definition of “Existing Secured Notes”:~~

~~“10.500% Notes” shall have the meaning assigned to such term in the definition of “Existing Secured Notes”:~~

“1.75 Lien Term Loan” means the term loan under the Borrower’s \$81,498,000 Credit Agreement, dated as of December 10, 2019, as amended or supplemented from time to time, among the Borrower, the guarantors party thereto, the lenders party thereto and Wilmington Trust, National Association, as administrative agent.

“1.75 Lien Trustee” means Wilmington Trust, National Association until such time, if any, a successor replaces such party in accordance with the applicable provisions of the 1.75 Lien Notes Indenture and thereafter means the successor serving thereunder.

“1.75 Pari Passu Lien Collateral Agent” means Wilmington Trust, National Association, in its capacity as 1.75 Pari Passu Lien Collateral Agent as appointed under the 1.75 Lien Security Agreement, dated as of December 10, 2019, among the Borrower and the guarantors party thereto, in favor of the 1.75 Pari Passu Lien Collateral Agent, as amended, restated, supplemented or otherwise modified from time to time.

“5.0% Senior Notes” means the Borrower’s 5.0% Senior Notes due 2040 issued pursuant to the Indenture, dated as of February 1, 2018, as amended or supplemented from time to time, among the Borrower, the guarantors party thereto and Wilmington Trust, National Association, as trustee.

“8.000% Senior Notes” means the Borrower’s 8.000% Senior Notes due 2027 issued pursuant to the Indenture, dated as of November 5, 2014, as amended or supplemented from time to time, among the Borrower, the guarantors party thereto and Wilmington Trust, National Association, as trustee.

“ABR” shall mean for any day a fluctuating rate per annum equal to the highest of (i) the Federal Funds Effective Rate *plus* 1/2 of 1%, (ii) the prime commercial lending rate last quoted by The Wall Street Journal (or another national publication reasonably selected by the Administrative Agent (at the direction of the Required Lenders)) as the U.S. “Prime Rate” and (iii) Term SOFR (which rate shall be calculated based on an Interest Period of one month as of such date) *plus* 1.00% per annum. Any change in the ABR due to a change in such rate determined by the Administrative Agent (at the direction of the Required Lenders) or in the Federal Funds Effective Rate or Term SOFR shall take effect at the opening of business on the day of such change.

“ABR Loan” shall mean each Loan bearing interest based on the ABR.

“Acquired Indebtedness” means (a) with respect to any Person that becomes a Restricted Subsidiary (or is merged into Holdings, the Borrower or any Restricted Subsidiary) after the Third Amendment Closing Date, Indebtedness of such Person or any of its Subsidiaries existing at the time such Person becomes a Restricted Subsidiary (or is merged into Holdings, the Borrower or any Restricted Subsidiary) that was not incurred in connection with, or in contemplation of, such Person becoming a Restricted Subsidiary (or being merged into Holdings, the Borrower or any Restricted Subsidiary) and (b) with respect to Holdings, the Borrower or any Restricted Subsidiary, any Indebtedness expressly assumed by Holdings, the Borrower or any Restricted Subsidiary in connection with the acquisition of any assets from another Person (other than Holdings, the Borrower or any Restricted Subsidiary), which Indebtedness was not incurred by such other Person in connection with or in contemplation of such acquisition. Indebtedness incurred in connection with or in contemplation of any transaction described in clause (a) or (b) of the preceding sentence shall be deemed to have been incurred by Holdings or a Restricted Subsidiary, as the case may be, at the time such Person becomes a Restricted Subsidiary (or is merged into Holdings, the Borrower or any Restricted Subsidiary) in the case of clause (a) or at the time of the acquisition of such assets in the case of clause (b), but shall not be deemed Acquired Indebtedness.

“Additional 1.25 Lien Notes Amount” means (a) \$150.0 million minus (b) the sum of (x) the aggregate principal amount of 1.25 Lien Notes incurred after the Third Amendment Closing Date pursuant to clause (a)(ii)(v) of the definition of “Permitted Indebtedness” and (y) the aggregate amount of Prepayments made after the Third Amendment Closing Date pursuant to, and in accordance with, Section 6.20(a)(iii).

“Administrative Agent” means (a) on the date hereof, Wilmington Trust, National Association in its capacity as administrative agent or collateral agent, as the case may be, under any of the Loan Documents or (b) at any time after the date hereof, any permitted successor administrative agent or collateral agent, as the case may be, appointed in accordance with the terms hereof.

“Administrative Agent’s Office” means the Administrative Agent’s address and, as appropriate, account as set forth on Schedule 9.02, or such other address or account as the Administrative Agent may from time to time notify in writing to the Borrower and the Lenders.

“Administrative Questionnaire” means an Administrative Questionnaire substantially in the form of Exhibit D.

“Affiliate” means, when used with reference to a specified Person, any Person directly or indirectly controlling, or controlled by or under direct or indirect common control with, the Person specified.

“Affiliate Transaction” has the meaning specified in Section 6.10.

“Agent Fee Letter” means that certain letter, dated as of the date hereof, by and among the Borrower and the Administrative Agent.

“Agent-Related Person” means the Administrative Agent, together with its Affiliates, and the officers, directors, employees, agents and attorneys-in-fact of such Persons and Affiliates.

“Agents” means, collectively, the Administrative Agent and the Supplemental Administrative Agents (if any).

“Aggregate Commitments” means, the Commitments of all the Lenders.

“Aggregate Exposure” means, with respect to a Lender at any time, an amount equal to such Lender’s Total Outstandings at such time *plus* the amount of such Lender’s unfunded Commitment then in effect (if any).

“Aggregate Exposure Percentage” means, with respect to a Lender at any time, the ratio (expressed as a percentage) of such Lender’s (a) Aggregate Exposure at such time to (b) the sum of the Aggregate Exposures of all Lenders at such time.

“Agreement” has the meaning specified in the introductory paragraph.

“Anti-Money Laundering Laws” has the meaning specified in Section 5.11(b).

“Applicable Debt” means all Indebtedness of Holdings, the Borrower or any other Loan Party (a) under Credit Facilities or (b) for borrowed money.

“Applicable Margin” shall mean a percentage per annum equal to (i) for Term Benchmark Loans that are Initial Loans, 4.50% and (ii) for ABR Loans that are Initial Loans, 3.50%

Notwithstanding the foregoing, (a) the Applicable Margin in respect of any Class of Extended Loans shall be the applicable percentages per annum set forth in the relevant Extension Offer, (b) the Applicable Margin in respect of any Class of Replacement Loans shall be the applicable percentages per annum set forth in the relevant Replacement Amendment (c) the Applicable Margin in respect of any Class of Refinancing Loans shall be the applicable percentages per annum set forth in the relevant Refinancing Loan Amendment.

“Appropriate Lender” means, at any time, with respect to Loans of any Class, the Lenders of such Class.

“Approved Fund” means any Fund that is administered, advised or managed by (a) a Lender, (b) an Affiliate of a Lender or (c) an entity or an Affiliate of an entity that administers, advises or manages a Lender.

“Asset Acquisition” means (a) an Investment by Holdings, the Borrower or any Restricted Subsidiary in any other Person if, as a result of such Investment, such Person shall become a Restricted Subsidiary or shall be consolidated or merged with or into Holdings, the Borrower or any Restricted Subsidiary or (b) the acquisition by Holdings, the Borrower or any Restricted Subsidiary of the assets of any Person, which constitute all or substantially all of the assets or of an operating unit or line of business of such Person or which is otherwise outside the ordinary course of business.

“Asset Disposition” means any sale, transfer, conveyance, lease or other disposition (including by way of merger, consolidation or sale and leaseback or sale of shares of Capital Stock in any Subsidiary) (each, a “transaction”) by Holdings, the Borrower or any Restricted Subsidiary to any Person of any Property having a Fair Market Value in any transaction or series of related transactions of at least \$10.0 million; provided that such de minimis amount shall not apply to any Land Banking Transactions (and with respect to Land Banking Transactions, the proviso in clause (b) below shall apply). The term “Asset Disposition” shall not include:

- (a) a transaction between Holdings, the Borrower and any Subsidiary Guarantor or a transaction between Subsidiary Guarantors,

(b) a transaction in the ordinary course of business, including sales (directly or indirectly), sales subject to repurchase options, dedications and other donations to governmental authorities, leases and sales and leasebacks of (i) homes, improved land and unimproved land and (ii) real estate (including related amenities and improvements); provided that in the case of any Land Banking Transaction involving sales of Collateral (other than Collateral acquired by Holdings, the Borrower or any Restricted Subsidiary within 180 days prior to the entering into of a definitive agreement for such Land Banking Transaction) ("Land Banking Collateral Sales") this exception (b) to the definition of "Asset Disposition" shall only apply if (x) on a pro forma basis after giving effect to any such Land Banking Collateral Sales, the Collateral Ratio would not be less than 150% or (y) if the Collateral Ratio is not at least 150% after giving pro forma effect thereto, any Land Banking Collateral Sales do not in the aggregate exceed a GAAP book value for all such Collateral of (i) \$50.0 million in the fiscal quarter ending October 31, 2023 plus (ii) an additional \$10.0 million during any fiscal quarter beginning with the fiscal quarter ended July ending January 31, 20162024 (with any unused amounts in any fiscal quarter ~~aggregating inclusive of the fiscal quarter ended July 31, 2016~~ being carried over to subsequent fiscal quarters subject to a maximum GAAP book value of ~~\$50.0~~75.0 million in any fiscal quarter),

(c) a transaction involving the sale of Capital Stock of, or the disposition of assets in, an Unrestricted Subsidiary (other than a JV Holding Company or Permitted Joint Venture, except a sale or a disposition to a Restricted Subsidiary),

(d) any exchange or swap of assets of Holdings, the Borrower or any Restricted Subsidiary for assets (including Capital Stock of any Person that is or will be a Restricted Subsidiary following receipt thereof) that (i) are to be used by Holdings, the Borrower or any Restricted Subsidiary in the ordinary course of its Real Estate Business and (ii) have a Fair Market Value not less than the Fair Market Value of the assets exchanged or swapped (provided that (except as permitted by clause (c) under the definition of "Permitted Investment") to the extent that the assets exchanged or swapped were Collateral, the assets received are pledged as Collateral under the Collateral Documents substantially simultaneously with such exchange or swap, with the Lien on such assets received being of the same priority with respect to Loans as the Lien on the assets disposed of),

(e) any sale, transfer, conveyance, lease or other disposition of assets and properties that is governed by Section 6.11 hereof,

(f) dispositions of mortgage loans and related assets and mortgage-backed securities in the ordinary course of a mortgage lending business,

(g) the creation of a Permitted Lien and dispositions in connection with Permitted Liens,

(h) any sale, transfer, conveyance, lease or other disposition that constitutes a Restricted Payment or Permitted Investment,

(i) sales, transfers and other dispositions of Investments in joint ventures to the extent required by, or made pursuant to, customary buy/sell arrangements between the joint venture parties set forth in joint venture arrangements and similar binding arrangements,

(j) the unwinding of any Hedging Obligations,

(k) foreclosures, condemnation, eminent domain or any similar action on assets,

(l) any financing transaction with respect to property built or acquired by Holdings or any Restricted Subsidiary after the Closing Date,

(m) any surrender or waiver of contractual rights or the settlement, release or surrender of contractual rights or other litigation claims in the ordinary course of business, and

(n) the issuance of directors' qualifying shares and shares issued to foreign nationals or other third parties as required by applicable law.

“Assignment and Assumption” means an Assignment and Assumption substantially in the form of Exhibit C or in another form reasonably acceptable to the Administrative Agent.

“Attorney Costs” means and includes all reasonable and documented out-of-pocket fees, expenses and disbursements of any law firm or other external counsel.

“Attributable Debt” means, with respect to any Financing Lease Obligations, the capitalized amount thereof determined in accordance with GAAP.

“Authorization” has the meaning specified in Section 5.03.

“Available Tenor” shall mean, as of any date of determination and with respect to the then-current Benchmark, (x) if the then-current Benchmark is a term rate, any tenor for such Benchmark or (y) otherwise, any payment period for interest calculated with reference to such Benchmark, as applicable, that is or may be used for determining the length of an Interest Period pursuant to this Agreement as of such date and for the avoidance of doubt, shall exclude any tenor for such Benchmark that is then-removed from the definition of “Interest Period” pursuant to Section 1.05(d); provided that “Available Tenor” shall be determined on an individual basis in respect of each then-current Benchmark.

“Bankruptcy Law” means Title 11 of the United States Code, as amended, or any similar federal or state law for the relief of debtors.

“Benchmark” shall mean, initially, each Relevant Rate; provided that if a Benchmark Transition Event and its related Benchmark Replacement Date have occurred with respect to a Relevant Rate or the then-current Benchmark, then “Benchmark” shall mean the applicable Benchmark Replacement to the extent that such Benchmark Replacement has replaced such prior benchmark rate pursuant to Section 1.05(a); provided further that “Benchmark” shall be determined on an individual basis in respect of each Relevant Rate and/or Benchmark Replacement in respect thereof.

“Benchmark Replacement” shall mean, for any Available Tenor:

(1) in the case of any Loan denominated in Dollars, the first alternative set forth in the order below that can be determined by the Administrative Agent (at the direction of the Required Lenders who shall consult with the Borrower) for the applicable Benchmark Replacement Date:

(A) the sum of: (a) Daily Simple SOFR and (b) the related Benchmark Replacement Adjustment; and

(B) the sum of: (a) the alternate benchmark rate that has been selected by the Administrative Agent (at the direction of the Required Lenders who shall consult with the Borrower) giving due consideration to (i) any selection or recommendation of a replacement benchmark rate or the mechanism for determining such a rate by the Relevant Governmental Body or (ii) any evolving or then-prevailing market convention for determining a benchmark rate as a replacement for the then-current Benchmark for Dollar-denominated syndicated credit facilities that are substantially similar to the credit facilities under this Agreement at such time and (b) the related Benchmark Replacement Adjustment; provided that, in the case of clause (b) above, such adjustment shall not be in the form of an increase of the Applicable Margin.

If the Benchmark Replacement as determined pursuant to clause (1) above would be less than the Floor, the Benchmark Replacement will be deemed to be the Floor for the purposes of this Agreement and the other Loan Documents.

“Benchmark Replacement Adjustment” shall mean, with respect to any replacement of a then-current Benchmark with an Unadjusted Benchmark Replacement for any applicable Interest Period and Available Tenor for any setting of such Unadjusted Benchmark Replacement, the spread adjustment, or method for calculating or determining such spread adjustment, (which may be a positive or negative value or zero) that has been selected by the Administrative Agent (at the direction of the Required Lenders who shall consult with the Borrower) giving due consideration to (i) any selection or recommendation of a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such Available Tenor of such Benchmark with the applicable Unadjusted Benchmark Replacement by the Relevant Governmental Body on the applicable Benchmark Replacement Date or (ii) any evolving or then-prevailing market convention for determining a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such Available Tenor of such Benchmark with the applicable Unadjusted Benchmark Replacement for syndicated credit facilities that are substantially similar to the credit facilities under this Agreement.

“Benchmark Replacement Conforming Changes” shall mean, with respect to any Benchmark Replacement, any technical, administrative or operational changes (including changes to the definition of “ABR,” the definition of “Business Day,” the definition of “U.S. Government Securities Business Day,” the definition of “Interest Period,” timing and frequency of determining rates and making payments of interest, timing of borrowing requests or prepayment, conversion or continuation notices, length of lookback periods, the applicability of breakage provisions, and other technical, administrative or operational matters) that the Administrative Agent (at the direction of the Required Lenders who shall consult with the Borrower) decides may be appropriate to reflect the adoption and implementation of such Benchmark Replacement and to permit the administration thereof in a manner substantially consistent with market practice (or, if the Administrative Agent (in consultation with the Borrower) decides that adoption of any portion of such market practice is not administratively feasible or if the Administrative Agent determines (in consultation with the Borrower) that no market practice for the administration of such Benchmark Replacement exists, in such other manner of administration as the Administrative Agent decides (at the direction of the Required Lenders who shall consult with the Borrower) is reasonably necessary in connection with the administration of this Agreement and the other Loan Documents).

“Benchmark Replacement Date” shall mean the earliest to occur of the following events with respect to a then-current Benchmark:

(1) in the case of clause (1) or (2) of the definition of “Benchmark Transition Event,” the later of (a) the date of the public statement or publication of information referenced therein and (b) the date on which the administrator of such Benchmark (or the published component used in the calculation thereof) permanently or indefinitely ceases to provide all Available Tenors of such Benchmark (or such component thereof); or

(2) in the case of clause (3) of the definition of “Benchmark Transition Event,” the date of the public statement or publication of information referenced therein;

For the avoidance of doubt, (i) if the event giving rise to the Benchmark Replacement Date occurs on the same day as, but earlier than, the Reference Time in respect of any determination, the Benchmark Replacement Date will be deemed to have occurred prior to the Reference Time for such determination and (ii) the “Benchmark Replacement Date” will be deemed to have occurred in the case of clause (1) or (2) with respect to any Benchmark upon the occurrence of the applicable event or events set forth therein with respect to all then-current Available Tenors of such Benchmark (or the published component used in the calculation thereof).

“Benchmark Transition Event” shall mean the occurrence of one or more of the following events with respect to a then-current Benchmark:

(1) a public statement or publication of information by or on behalf of the administrator of such Benchmark (or the published component used in the calculation thereof) announcing that such administrator has ceased or will cease to provide all Available Tenors of such Benchmark (or such component thereof), permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide any Available Tenor of such Benchmark (or such component thereof);

(2) a public statement or publication of information by the regulatory supervisor for the administrator of such Benchmark (or the published component used in the calculation thereof), the Board of Governors of the Federal Reserve System, the Federal Reserve Bank of New York, an insolvency official with jurisdiction over the administrator for such Benchmark (or such component), a resolution authority with jurisdiction over the administrator for such Benchmark (or such component) or a court or an entity with similar insolvency or resolution authority over the administrator for such Benchmark (or such component), which states that the administrator of such Benchmark (or such component) has ceased or will cease to provide all Available Tenors of such Benchmark (or such component thereof) permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide any Available Tenor of such Benchmark (or such component thereof); or

(3) a public statement or publication of information by the regulatory supervisor for the administrator of such Benchmark (or the published component used in the calculation thereof) announcing that all Available Tenors of such Benchmark (or such component thereof) are no longer representative.

For the avoidance of doubt, a “Benchmark Transition Event” will be deemed to have occurred with respect to each applicable Benchmark if a public statement or publication of information set forth above has occurred with respect to each then-current Available Tenor of such Benchmark (or the published component used in the calculation thereof).

“Benchmark Unavailability Period” shall mean, with respect to each applicable Benchmark, the period (if any) (x) beginning at the time that a Benchmark Replacement Date pursuant to clause (1) or (2) of that definition has occurred if, at such time, no Benchmark Replacement has replaced the applicable then-current Benchmark for all purposes hereunder and under any Loan Document in accordance with Section 1.05 and (y) ending at the time that a Benchmark Replacement has replaced the then-current Benchmark for all purposes hereunder and under any Loan Document in accordance with Section 1.05.

“Board” shall mean the Board of Governors of the Federal Reserve System of the United States (or any successor).

“Board of Directors” means, when used with reference to the Borrower or Holdings, as the case may be, the board of directors or any duly authorized committee of that board or any director or directors and/or officer or officers to whom that board or committee shall have duly delegated its authority.

“Borrower” has the meaning specified in the introductory paragraph to this Agreement.

“Borrower’s Office” means the Borrower’s address and, as appropriate, account as set forth on Schedule 9.02, or such other address or account as the Borrower may from time to time notify in writing to the Administrative Agent and the Lenders.

“Borrowing” means a borrowing consisting of simultaneous Loans of the same Class made by each of the Lenders pursuant to Section 2.01.

“Business Day” means any day that is not a Saturday, Sunday or other day on which commercial banks in New York City are authorized or required by law to remain closed; provided that, when used in connection with a Term SOFR Loan or a Daily Simple SOFR Loan and any interest rate settings, fundings, disbursements, settlements or payments of any such Loans, or any other dealings in respect of any Loans referencing Term SOFR or Daily Simple SOFR, the term “Business Day” shall also exclude any day that is not a US Government Securities Business Day.

“Capital Stock” means, with respect to any Person, any and all shares, interests, participations or other equivalents (however designated) of or in such Person’s capital stock or other equity interests, and options, rights or warrants to purchase such capital stock or other equity interests, whether now outstanding or issued after the Closing Date, including all Disqualified Stock and Preferred Stock, but excluding any debt security that is convertible into, or exchangeable for, Capital Stock.

“Cash Equivalents” means:

(a) U.S. dollars, Canadian dollars, euros, pounds sterling, any national currency of any participating member state in the European Union or local currencies held from time to time in the ordinary course of business;

(b) securities issued or directly and fully guaranteed or insured by the U.S. government or any country that is a member state of the European Union or any agency or instrumentality thereof having maturities of one year or less from the date of acquisition;

(c) certificates of deposit, time deposits, eurodollar time deposits, overnight bank deposits or bankers’ acceptances with maturities of one year or less from the date of acquisition, in each case with any domestic commercial bank having capital and surplus in excess of \$500.0 million;

(d) marketable general obligations issued by any state of the United States of America or any political subdivision of any such state or any public instrumentality thereof maturing within one year from the date of acquisition and, at the time of acquisition, having a credit rating of at least “A” or the equivalent thereof by S&P or Moody’s, or carrying an equivalent rating by a nationally recognized Rating Agency, if both of the two named Rating Agencies cease publishing ratings of investments;

(e) repurchase obligations for underlying securities of the types described in clauses (b), (c) and (d) of this definition entered into with any financial institution meeting the qualifications specified in clause (c) of this definition;

(f) commercial paper rated P-1, A-1 or the equivalent thereof by Moody’s or S&P, respectively, and in each case maturing within one year after the date of acquisition;

(g) investments with average maturities of one year or less from the date of acquisition in money market funds rated AAA- (or the equivalent thereof) or better by S&P or Aaa3 (or the equivalent thereof) or better by Moody’s; and

(h) investments in investment companies or money market funds substantially all of the assets of which consist of securities described in the foregoing clauses (a) through (g) of this definition.

Notwithstanding the foregoing, Cash Equivalents shall include amounts denominated in currencies other than those set forth in clause (a) above; provided that such amounts are converted into any currency listed in clause (a) as promptly as practicable and in any event within ten (10) Business Days following the receipt of such amounts.

“Cash Management Services” means any of the following to the extent not constituting a line of credit (other than an overnight overdraft facility that is not in default): ACH transactions, treasury and/or cash management services, including controlled disbursement services, overdraft facilities, foreign exchange facilities, deposit and other accounts and merchant services.

“Casualty Event” means any event that gives rise to the receipt by Holdings, the Borrower or any Restricted Subsidiary of any insurance proceeds or condemnation awards in respect of any equipment, fixed assets or real property (including any improvements thereon) to replace or repair any such equipment, fixed assets or real property.

“Change in Law” shall mean (i) the adoption of any law, treaty, order, policy, rule, or regulation after the Closing Date, (ii) any change in any law, treaty, order, policy, rule, or regulation or in the interpretation or application thereof by any Governmental Authority after the Closing Date or (iii) compliance by any Lender with any guideline, request, directive, or order issued or made after the Closing Date by any central bank or other governmental or quasi-governmental authority (whether or not having the force of law), including, for avoidance of doubt, any such adoption, change or compliance in respect of (a) the Dodd Frank Wall Street Reform and Consumer Protection Act and all requests, rules, regulations, guidelines, or directives thereunder or issued in connection therewith and (b) all requests, rules, guidelines, requirements, or directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority), or the United States or foreign regulatory authorities pursuant to Basel III, in each case regardless of the date enacted, adopted or issued.

“Change of Control” means:

(a) any sale, lease or other transfer (in one transaction or a series of transactions) of all or substantially all of the consolidated assets of Holdings and its Restricted Subsidiaries to any Person (other than a Restricted Subsidiary); provided, however, that a transaction where the holders of all classes of Common Equity of Holdings immediately prior to such transaction own, directly or indirectly, more than 50% of all classes of Common Equity of such Person immediately after such transaction shall not be a Change of Control;

(b) a “person” or “group” (within the meaning of Section 13(d) of the Exchange Act (other than (x) Holdings or (y) the Permitted Hovnanian Holders)) becomes the “beneficial owner” (as defined in Rule 13d-3 under the Exchange Act) of Common Equity of Holdings representing more than 50% of the voting power of the Common Equity of Holdings; or

(c) the stockholders of Holdings approve any plan or proposal for the liquidation or dissolution of Holdings; provided, however, that a liquidation or dissolution of Holdings which is part of a transaction that does not constitute a Change of Control under the proviso contained in clause (a) of this definition shall not constitute a Change of Control.

“Change of Control Offer” has the meaning specified in Section 6.16.

“Change of Control Repurchase Date” has the meaning specified in Section 6.16.

“Class” (a) when used with respect to Lenders, refers to whether such Lenders are Initial Lenders, Replacement Lenders, Refinancing Lenders, Extending Lenders, with Loans or Commitments hereunder with identical terms, (b) when used with respect to Commitments, refers to whether such Commitments are Initial Commitments, Extended Commitments, Replacement Commitments, Refinancing Commitments or Commitments in respect of Loans with identical terms and (c) when used with respect to Loans or a Borrowing, refers to whether such Loans, or the Loans comprising such Borrowing, are the Initial Loans, Refinancing Loans, Replacement Loans, Extended Loans, in each case, with identical terms, in the case of each of clauses (a), (b) and (c), under this Agreement as originally in effect or as amended or otherwise modified pursuant to Section 2.13, Section 2.14 or 9.01, of which such Loan, Borrowing or Commitment shall be a part.

“Closing Date” means the first date all the conditions precedent in Section 4.02 are satisfied or waived in accordance with Section 4.02, which ~~is~~was October 31, 2019.

“Code” means the U.S. Internal Revenue Code of 1986, as amended from time to time, and rules and regulations related thereto.

“Collateral” means all property or assets of the Borrower and the Guarantors (whether now owned or hereafter arising or acquired) that secure the Obligations with respect to the Loan Obligations under the Collateral Documents.

“Collateral Documents” means, collectively, the First Lien Intercreditor Agreement, the Junior Lien Intercreditor Agreement, the First Lien Collateral Agency Agreement, the First Lien Joinder, the Security Agreement, the Pledge Agreement, the Intellectual Property Security Agreements and any collateral agency agreement related to any of the foregoing, in each case, if any, and each of the other agreements, instruments or documents that creates, perfects or evidences, or purports to create, perfect or evidence, a Lien on any Collateral in favor of the Administrative Agent for the benefit of the Secured Parties as security for the Loan Obligations, in each case, to be entered on or after the Closing Date.

“Collateral Ratio” means the ratio of the aggregate fair market value of the Collateral (to the extent the Liens securing such Collateral have been perfected) (as determined in good faith by Holdings’ chief financial officer) to the aggregate principal amount of Collateralized Debt as of such date of determination.

“Collateralized Debt” means (i) the aggregate principal amount of all outstanding Indebtedness and all letters of credit secured by Liens on the Collateral, plus (ii) the aggregate amount of all unfunded commitments under all revolving credit facilities or revolving lines of credit secured by Liens on the Collateral, plus (iii) without duplication, the aggregate principal amount of Indebtedness that at the time of determination would be permitted to be incurred under this Agreement and secured by Liens on the Collateral pursuant to clause (i)(a) under the definition of “Permitted Liens,” but excluding any such principal amount of potential Indebtedness to the extent any outstanding debt instrument of Holdings or the Borrower would prohibit the incurrence of a Lien in respect thereof at such time, but in each case, excluding Indebtedness, letters of credit and unfunded commitments secured by Liens on the Collateral that rank junior to the Liens on the Collateral securing the Loans.

“Commission” means the U.S. Securities and Exchange Commission.

“Commitment” means an Initial Commitment, a Replacement Commitment or a commitment in respect of Extended Loans.

“Commitment Period” means the period from and including the Closing Date to but not including the Maturity Date or any earlier date on which the Commitments shall terminate as provided herein.

“Common Equity” of any Person means Capital Stock of such Person that is generally entitled to (a) vote in the election of directors of such Person or (b) if such Person is not a corporation, vote or otherwise participate in the selection of the governing body, partners, managers or others that will control the management or policies of such Person.

“Compensation Period” has the meaning specified in Section 2.10(b)(ii).

“Competitors” means those Persons identified in writing to the Administrative Agent and the Initial Lenders on or prior to the Closing Date as competitors or who are clearly identifiable Affiliates of such Persons solely by similarity of such Affiliate’s name.

“Consolidated Cash Flow Available for Fixed Charges” means, for any period, Consolidated Net Income for such period plus (each to the extent deducted in calculating such Consolidated Net Income and determined in accordance with GAAP) the sum for such period, without duplication, of:

(a) provision for taxes based on income or profits or capital gains, including U.S. federal, state, non-U.S., franchise, excise, value added and similar taxes and foreign withholding taxes of such Person paid or accrued during such period, including any penalties and interest relating to such taxes or arising from any tax examinations,

(b) Consolidated Interest Expense,

(c) depreciation and amortization expenses and other non-cash charges to earnings,

(d) any fees, expenses, charges or losses (other than depreciation or amortization expense) related to any Equity Offering, Permitted Investment, acquisition, disposition, recapitalization or the incurrence of Indebtedness permitted to be incurred by this Agreement (including a refinancing thereof) (whether or not successful), including (i) such fees, expenses or charges related to the making of Loans hereunder and (ii) any amendment or other modification of the Loans hereunder or other Indebtedness,

(e) any other non-cash charges, including any write-offs, write-downs, expenses, losses or items, excluding any such charge that represents an accrual or reserve for a cash expenditure for a future period,

(f) costs of surety bonds incurred in such period in connection with financing activities,

(g) any costs or expense incurred by Holdings, the Borrower or a Restricted Subsidiary pursuant to any management equity plan or stock option plan or any other management or employee benefit plan or agreement or any stock subscription or shareholder agreement, to the extent that such cost or expenses are funded with cash proceeds contributed to the capital of Holdings or net cash proceeds of an issuance of Qualified Stock solely to the extent that such net cash proceeds are excluded from the calculation set forth in clause (iii) of Section 6.04(a),

(h) effects of adjustments (including the effects of such adjustments pushed down to Holdings and its Restricted Subsidiaries) in any line item in such Person’s consolidated financial statements in accordance with GAAP resulting from the application of purchase accounting, or the amortization or write-off of any amounts thereof, net of taxes,

(i) any impairment charge, asset write-off or write-down pursuant to ASC 350 and ASC 360 (formerly Financial Accounting Standards Board Statement Nos. 142 and 144, respectively) and the amortization of intangibles arising pursuant to ASC 805 (formerly Financial Accounting Standards Board Statement No. 141), and

(j) cash receipts (or any netting arrangements resulting in reduced cash expenses) not included in Consolidated Cash Flow Available for Fixed Charges in any period to the extent non-cash gains relating to such receipts were deducted in the calculation of Consolidated Cash Flow Available for Fixed Charges pursuant to clause (k) below for any previous period and not added back, *minus*

(k) non-cash gains increasing Consolidated Net Income for such period, excluding any non-cash gains which represent the reversal of any accrual of, or cash reserve for, anticipated cash charges that reduced Consolidated Cash Flow Available for Fixed Charges in any prior period; provided that, to the extent non-cash gains are deducted pursuant to this clause (k) for any previous period and not otherwise added back to Consolidated Cash Flow Available for Fixed Charges, Consolidated Cash Flow Available for Fixed Charges shall be increased by the amount of any cash receipts (or any netting arrangements resulting in reduced cash expenses) in respect of such non-cash gains received in subsequent periods to the extent not already included therein, and *plus* or *minus* (as applicable and without duplication) to eliminate the following items to the extent reflected in Consolidated Net Income,

(l) (i) any net gain or loss resulting in such period from currency gains or losses related to Indebtedness, intercompany balances and other balance sheet items, and (ii) any unrealized net gain or loss resulting in such period from Hedging Obligations, and the application of Financial Accounting Standards Codification No. 815—Derivatives and Hedging (formerly Financing Accounting Standards Board Statement No. 133), and its related pronouncements and interpretations (or any successor provision).

“Consolidated Fixed Charge Coverage Ratio” means, with respect to any determination date, the ratio of (x) Consolidated Cash Flow Available for Fixed Charges for the prior four full fiscal quarters (the “Four Quarter Period”) for which financial results have been reported immediately preceding the determination date (the “Transaction Date”), to (y) the aggregate Consolidated Interest Incurred for the Four Quarter Period. For purposes of this definition, “Consolidated Cash Flow Available for Fixed Charges” and “Consolidated Interest Incurred” shall be calculated after giving effect on a *pro forma* basis for the period of such calculation to:

(a) the incurrence or the repayment, repurchase, redemption, retirement, defeasance or other discharge or the assumption by another Person that is not an Affiliate (collectively, “repayment”) of any Indebtedness of Holdings, the Borrower or any Restricted Subsidiary (and the application of the proceeds thereof) giving rise to the need to make such calculation, and any incurrence or repayment of other Indebtedness (and the application of the proceeds thereof), at any time on or after the first day of the Four Quarter Period and on or prior to the Transaction Date, as if such incurrence or repayment, as the case may be (and the application of the proceeds thereof), occurred on the first day of the Four Quarter Period, except that Indebtedness under revolving credit facilities shall be deemed to be the average daily balance of such Indebtedness during the Four Quarter Period (as reduced on such *pro forma* basis by the application of any proceeds of the incurrence of Indebtedness giving rise to the need to make such calculation);

(b) any Asset Disposition, Asset Acquisition (including any Asset Acquisition giving rise to the need to make such calculation as a result of Holdings, the Borrower or any Restricted Subsidiary (including any Person that becomes a Restricted Subsidiary as a result of any such Asset Acquisition) incurring Acquired Indebtedness at any time on or after the first day of the Four Quarter Period and on or prior to the Transaction Date), Investment, merger or consolidation as if such Asset Disposition, Asset Acquisition (including the incurrence or repayment of any such Indebtedness), Investment, merger or consolidation and the inclusion, notwithstanding clause (b) of the definition of “Consolidated Net Income,” of any Consolidated Cash Flow Available for Fixed Charges associated with such Asset Acquisition or other transaction ~~as if it~~ occurred on the first day of the Four Quarter Period; provided, however, that the Consolidated Cash Flow Available for Fixed Charges associated with any Asset Acquisition or other transaction shall not be included to the extent the net income so associated would be excluded pursuant to the definition of “Consolidated Net Income,” other than clause (b) thereof, as if it applied to the Person or assets involved before they were acquired; and

(c) the Consolidated Cash Flow Available for Fixed Charges and the Consolidated Interest Incurred attributable to discontinued operations, as determined in accordance with GAAP, shall be excluded.

Furthermore, in calculating “Consolidated Cash Flow Available for Fixed Charges” for purposes of determining the denominator (but not the numerator) of this “Consolidated Fixed Charge Coverage Ratio,”

(a) interest on Indebtedness in respect of which a *pro forma* calculation is required that is determined on a fluctuating basis as of the Transaction Date (including Indebtedness actually incurred on the Transaction Date) and which will continue to be so determined thereafter shall be deemed to have accrued at a fixed rate per annum equal to the rate of interest on such Indebtedness in effect on the Transaction Date, and

(b) notwithstanding the immediately preceding clause (a), interest on such Indebtedness determined on a fluctuating basis, to the extent such interest is covered by agreements relating to Interest Protection Agreements, shall be deemed to accrue at the rate per annum resulting after giving effect to the operation of such agreements.

“Consolidated Interest Expense” of Holdings for any period means the Interest Expense of Holdings, the Borrower and the Restricted Subsidiaries for such period, determined on a consolidated basis in accordance with GAAP.

“Consolidated Interest Incurred” for any period means the Interest Incurred of Holdings, the Borrower and the Restricted Subsidiaries for such period, determined on a consolidated basis in accordance with GAAP.

“Consolidated Net Income” for any period means the aggregate net income (or loss) of Holdings and its Subsidiaries for such period, determined on a consolidated basis in accordance with GAAP; provided, that there will be excluded from such net income (loss) (to the extent otherwise included therein), without duplication:

(a) the net income (or loss) of (x) any Unrestricted Subsidiary (other than a Mortgage Subsidiary) or (y) any Person (other than a Restricted Subsidiary or a Mortgage Subsidiary) that is accounted for by the equity method of accounting, except, in each case, to the extent that any such income has actually been received by Holdings, the Borrower or any Restricted Subsidiary in the form of cash dividends or similar cash distributions during such period,

(b) except to the extent includable in Consolidated Net Income pursuant to clause (a) of this definition, the net income (or loss) of any Person that accrued prior to the date that (i) such Person becomes a Restricted Subsidiary or is merged with or into or consolidated with Holdings, the Borrower or any of its Restricted Subsidiaries (except, in the case of an Unrestricted Subsidiary that is redesignated a Restricted Subsidiary during such period, to the extent of its retained earnings from the beginning of such period to the date of such redesignation) or (ii) the assets of such Person are acquired by Holdings or any Restricted Subsidiary,

(c) solely for the purpose of determining the amount available for Restricted Payments under clause (iii) of Section 6.04(a), the net income of any Restricted Subsidiary that is not a Loan Party to the extent that (but only so long as) the declaration or payment of dividends or similar distributions by such Restricted Subsidiary of that income is not permitted by operation of the terms of its charter or any agreement, instrument, judgment, decree, order, statute, rule or governmental regulation applicable to that Restricted Subsidiary during such period, except, the net income of any such Restricted Subsidiary for such period will be included in such Consolidated Net Income up to the aggregate amount of cash that could have been distributed by such Restricted Subsidiary during such period to Holdings or another Restricted Subsidiary as a dividend,

(d) the gains or losses, together with any related provision for taxes, realized during such period by Holdings, the Borrower or any Restricted Subsidiary resulting from (i) the acquisition of securities, or extinguishment of Indebtedness or Hedging Obligations or other derivative instruments (including deferred financing costs written off and premiums paid), of Holdings or any Restricted Subsidiary, (ii) any Asset Disposition by Holdings or any Restricted Subsidiary, (iii) any non-cash income (or loss) related to currency gains or losses related to Indebtedness, intercompany balances and other balance sheet items and to Hedging Obligations pursuant to Financial Accounting Standards Codification No. 815—Derivatives and Hedging (formerly Financing Accounting Standards Board Statement No. 133) and its related pronouncements and interpretations (or any successor provision) and (iv) any non-cash expense, income or loss attributable to the movement in mark-to-market valuation of foreign currencies, Indebtedness or derivative instruments pursuant to GAAP,

(e) any ~~extraordinary~~, unusual and infrequent or non-recurring gain or loss (but excluding any impairment charges), in each case, less all fees and expenses relating thereto and any expenses, severance, relocation costs, curtailments or modifications to pension and post-retirement employee benefits plans, integration and other restructuring and business optimization costs, charges, reserves or expenses (including relating to acquisitions after the Third Amendment Closing Date), and one-time compensation charges together with any related provision for taxes, realized by Holdings, the Borrower or any Restricted Subsidiary,

(f) the cumulative effect of a change in accounting principles and changes as a result of adoption or modification of accounting policies during such period,

(g) any net after-tax gains or losses on disposal of disposed, abandoned, transferred, closed or discontinued operations,

(h) any after-tax effect of gains or losses (less all fees and expenses relating thereto) attributable to asset dispositions or abandonments other than in the ordinary course of business, as determined in good faith by Holdings,

(i) (A) any non-cash compensation expense recorded from grants of stock appreciation or similar rights, phantom equity, stock options, restricted stock, units or other rights to officers, directors, managers or employees and (B) non-cash income (loss) attributable to deferred compensation plans or trusts,

(j) any fees and expenses incurred during such period, or any amortization thereof for such period, in connection with any acquisition, Investment, recapitalization, Asset Disposition, issuance or repayment of Indebtedness, issuance of Capital Stock, refinancing transaction or amendment or modification of any debt instrument (in each case, including any such transaction consummated prior to the [Third Amendment](#) Closing Date and any such transaction undertaken but not completed) and any charges or non-recurring merger costs incurred during such period as a result of any such transaction, and

(k) to the extent covered by insurance or indemnification and actually reimbursed, or, so long as the Borrower has made a determination that there exists reasonable evidence that such amount will in fact be reimbursed by the insurer or indemnifying party and only to the extent that such amount is (i) not denied by the applicable carrier or indemnifying party in writing within 180 days and (ii) in fact reimbursed within 365 days of the date of such evidence (with a deduction for any amount so added back to the extent not so reimbursed within 365 days), losses and expenses with respect to liability or casualty events or business interruption shall be excluded;

provided, further, that for purposes of calculating Consolidated Net Income solely as it relates to [clause \(iii\)](#) of [Section 6.04\(a\)](#), [clauses \(d\)\(ii\)](#) and [\(h\)](#) above shall not be applicable.

“[Consolidated Tangible Assets](#)” of Holdings as of any date means the total amount of assets of Holdings and its Restricted Subsidiaries (less applicable reserves) on a consolidated basis at the end of the fiscal quarter for which financial results have been reported immediately preceding such date, as determined in accordance with GAAP, less: (a) non-recourse mortgages secured by inventory, net of debt issuance costs, (b) liabilities from inventory not owned, net of debt issuance costs, (c) any deferred tax assets and any valuation allowance recorded with respect thereto, (d) Intangible Assets and (e) appropriate adjustments on account of minority interests of other Persons holding equity investments in Restricted Subsidiaries, in the case of each of [clauses \(a\)](#) through [\(e\)](#) above, as reflected on the consolidated balance sheet of Holdings and its Restricted Subsidiaries as of the end of the fiscal quarter immediately preceding such date, with such *pro forma* adjustments to Consolidated Tangible Assets as are appropriate and consistent with the *pro forma* adjustment provisions set forth in the definition of “Consolidated Fixed Charge Coverage Ratio.”

“[Consolidated Total Debt](#)” of Holdings means, on any date of determination, the aggregate amount of Indebtedness of Holdings, the Borrower and Restricted Subsidiaries incurred under (without duplication): (x) [Section 6.03\(a\)](#) plus (y) [Sections 6.03\(b\)\(ii\)](#) and [6.03\(b\)\(iii\)](#) plus (z) [clauses \(a\)](#), [\(b\)](#), [\(c\)](#), [\(g\)](#), [\(k\)](#), [\(n\)](#) and [\(u\)](#) of the definition of “Permitted Indebtedness” outstanding on the applicable date of determination. For purposes of calculating the Secured Debt Leverage Ratio, all amounts committed but not yet incurred under this Agreement [or the Reserved Indebtedness Amount](#) shall be deemed to have been incurred.

“[control](#)” when used with respect to any Person, means the power to direct the management and policies of such Person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise; and the terms “controlling” and “controlled” have meanings correlative to the foregoing.

“Credit Facilities” means, with respect to Holdings, the Borrower or any of its Restricted Subsidiaries, one or more debt facilities or other financing arrangements (including commercial paper facilities or indentures) providing for revolving credit loans, bonds, term loans, letters of credit or other long-term indebtedness, including any notes, mortgages, guarantees, collateral documents, instruments and agreements executed in connection therewith, and any amendments, supplements, modifications, extensions, renewals, restatements or refundings thereof and any indentures or credit facilities or commercial paper facilities that exchange, replace, refund, refinance, extend, renew, restate, amend, supplement or modify any part of the loans, notes, other credit facilities or commitments thereunder, including any such exchanged, replacement, refunding, refinancing, extended, renewed, restated, amended, supplemented or modified facility or indenture that increases the amount permitted to be borrowed thereunder or alters the maturity thereof (provided that such increase in borrowings is permitted under Section 6.03) or adds Holdings, the Borrower or Restricted Subsidiaries as additional borrowers or guarantors thereunder and whether by the same or any other agent, trustee, lender, holder, beneficial owners or group of lenders, holders or beneficial owners.

“Currency Agreement” of any Person means any foreign exchange contract, currency swap agreement or other similar agreement or arrangement designed to protect such Person or any of its Subsidiaries against fluctuations in currency values. For the avoidance of doubt, any Permitted Convertible Indebtedness Call Transaction will not constitute a Currency Agreement.

“Custodian” means any receiver, trustee, assignee, liquidator or similar official under any Bankruptcy Law.

“Daily Simple SOFR” means, for any day (a “SOFR Rate Day”), a rate per annum equal to SOFR for the day (such day “SOFR Determination Date”) that is five (5) U.S. Government Securities Business Days prior to (i) if such SOFR Rate Day is a U.S. Government Securities Business Day, such SOFR Rate Day or (ii) if such SOFR Rate Day is not a U.S. Government Securities Business Day, the U.S. Government Securities Business Day immediately preceding such SOFR Rate Day, in each case, as such SOFR is published by the SOFR Administrator on the SOFR Administrator’s Website. Any change in Daily Simple SOFR due to a change in SOFR shall be effective from and including the effective date of such change in SOFR without notice to the Borrower; provided, further, that with respect to the Loans, if Daily Simple SOFR determined as provided above shall ever be less than ~~1.00~~3.00%, then Daily Simple SOFR shall be deemed to be ~~1.00~~3.00%.

“Debtor Relief Laws” means Title 11 of the United States Code, and all other liquidation, conservatorship, bankruptcy, general assignment for the benefit of creditors, moratorium, rearrangement, receivership, examinership, insolvency, reorganization, or similar debtor relief Laws of the United States or other applicable jurisdictions from time to time in effect and affecting the rights of creditors generally.

“Declined Proceeds” has the meaning specified in Section 2.03(b)(iii).

“Default” means any event, act or condition that is, or after notice or the passage of time or both would be, an Event of Default.

“Default Rate” means, with respect to any overdue Loan or interest, an interest rate equal to 2.00% per annum in excess of the interest rate otherwise applicable to such overdue Loan (or the Loan to which such overdue interest relates).

“Defaulting Lender” means, at any time, a Lender as to which the Administrative Agent has notified the Borrower that (a) such Lender has failed for two (2) or more Business Days to comply with its obligations under this Agreement to make a Loan (a “Lender Funding Obligation”) required to be funded hereunder, (b) such Lender has notified the Administrative Agent or Borrower in writing, that it will not comply with any such Lender Funding Obligation hereunder, or has defaulted on its Lender Funding Obligations under other loan agreements, credit agreements or other similar agreements in which it commits to extend credit generally or (c) such Lender has, for three (3) or more Business Days, failed to confirm in writing to the Borrower, in response to a written request of the Borrower (based on the reasonable belief that it may not fulfill its Lender Funding Obligations), that it will comply with its Lender Funding Obligations hereunder; provided, that any such Lender shall cease to be a Defaulting Lender under this clause (c) upon receipt of such confirmation by the Borrower. The Administrative Agent or Borrower will promptly send to all parties hereto a copy of any notice to the Borrower or Administrative Agent, as applicable, provided for in this definition.

“Designation Amount” has the meaning specified under the definition of “Unrestricted Subsidiary.”

“Determination Day” has the meaning specified in the definition of “Term SOFR”.

“Direct Lending Consent Date” means, the date upon which each Lender hereunder shall have provided irrevocable written notice to the Administrative Agent and the Borrower of its willingness to disburse Loans in accordance with Section 2.02(b)(ii) of this Agreement.

“Disqualified Stock” means any Capital Stock that, by its terms (or by the terms of any security into which it is convertible or for which it is exchangeable), or upon the happening of any event, (a) matures or is mandatorily redeemable, pursuant to a sinking fund obligation or otherwise, or is redeemable at the option of the holder thereof, in whole or in part, on or prior to the Latest Maturity Date on the date of determination or (b) is convertible into or exchangeable or exercisable for (whether at the option of the issuer or the holder thereof) (i) debt securities or (ii) any Capital Stock referred to in (a) above, in each case, at any time prior to the Latest Maturity Date on the date of determination; provided, however, that any Capital Stock that would not constitute Disqualified Stock but for provisions thereof giving holders thereof (or the holders of any security into or for which such Capital Stock is convertible, exchangeable or exercisable) the right to require Holdings to repurchase or redeem such Capital Stock upon the occurrence of a change in control or asset disposition occurring prior to the Latest Maturity Date on the date of determination shall not constitute Disqualified Stock if the change in control or asset disposition provision applicable to such Capital Stock are no more favorable to such holders than the provisions of Section 6.07 or Section 6.09 (as applicable) and such Capital Stock specifically provides that Holdings will not repurchase or redeem any such Capital Stock pursuant to such provisions prior to Holdings’ repurchase of the Loans as are required pursuant to the provisions of Section 6.07 or Section 6.09 hereof (as applicable).

“Dollar” and “\$” mean lawful money of the United States.

“Eligible Assignee” means (a) a Lender; (b) an Affiliate of a Lender; (c) an Approved Fund; and (d) any other Person that meets the requirements to be an assignee under Section 9.07(b), provided, that under no circumstances shall (i) any Competitor be an assignee without the prior written consent of the Borrower and, (ii) Holdings, the Borrower or any Affiliate thereof or a natural person, be an Eligible Assignee.

“Environmental Laws” has the meaning specified in Section 5.05.

“Equity Offering” means any public or private sale, after the Closing Date, of Qualified Stock of Holdings, other than (a) an issuance by or to any Subsidiary, (b) public offerings registered on Form S-4 or S-8 or any successor form thereto or (c) any issuance pursuant to employee benefit plans or otherwise in compensation to officers, directors or employees.

“ERISA” means the Employee Retirement Income Security Act of 1974, as amended from time to time.

“Event of Default” has the meaning specified in Section 7.01.

~~“Exchange” means the exchange by holders of Exchanged 10.000%/10.500% Notes for the Exchange Notes and cash pursuant to the Exchange Agreement.~~

“Exchange Act” means the United States Securities Exchange Act of 1934, as amended.

~~“Exchange Agreement” means that certain Exchange Agreement, dated on or about the Closing Date, among the Borrower, Holdings, the other guarantors named therein and the holders named therein, relating to the Exchange.~~

~~“Exchange Documentation” means, collectively, the Exchange Agreement, the Consent (as defined therein) and all definitive documentation governing, or related to, the Exchange, the Exchange Notes and the Exchanged 10.000%/10.500% Notes, including all exchange agreements, consent agreements, indentures, security agreements, pledge agreements, certificates, instruments and other agreements.~~

~~“Exchange Notes” means (i) \$350,000,000 aggregate principal amount of the 1.125 Lien Notes and (ii) \$103,141,000 aggregate principal amount of the 1.5 Lien Notes.~~

~~“Exchanged 10.000%/10.500% Notes” means (i) \$221,006,000 aggregate principal amount of the 10.000% Notes and (ii) \$213,609,000 aggregate principal amount of the 10.500% Notes.~~

“Excluded Property” means (a) [reserved], (b) up to \$50.0 million of assets received in connection with Asset Dispositions and asset swaps or exchanges as permitted by clause (c) of the definition of “Permitted Investment”; provided that such assets are not of a character that would be Collateral and Holdings is not able to obtain a Lien on such assets in favor of the Administrative Agent for the benefit of the Secured Parties after the use of reasonable efforts, (c) personal property where the cost of obtaining a security interest or perfection thereof exceeds its benefits (as reasonably determined by Holdings’ Board of Directors in a board resolution delivered to the Administrative Agent), (d) assets securing Purchase Money Indebtedness, Non-Recourse Indebtedness and Refinancing Non-Recourse Indebtedness to the extent the terms of such Indebtedness prohibit the incurrence of any other Liens thereon; provided that Holdings uses reasonable efforts to obtain Liens on the assets securing such Indebtedness, in favor of the Administrative Agent for the benefit of the Secured Parties, that is junior to the Liens securing such Indebtedness and otherwise consistent with priorities set forth in the First Lien Intercreditor Agreement, (e) real property located outside the United States, (f) Unentitled Land, (g) equity interests in Unrestricted Subsidiaries, except for JV Holding Companies, (h) any property in a community under development with a dollar amount of investment as of the most recent month-end (as determined in accordance with GAAP) of less than \$2.0 million or with less than 10 lots remaining, (i) any assets or property excluded from the Collateral pursuant to clause (ii) of the proviso of Article 2 of the Security Agreement and (j) up to \$25.0 million of cash or cash equivalents that are pledged to secure obligations permitted to be secured pursuant to clause (d) of the definition of “Permitted Liens” if, after the use of reasonable efforts by Holdings to obtain a Lien on such cash or cash equivalents in favor of the Administrative Agent for the benefit of the Secured Parties, the holders of the obligations secured by such cash and cash equivalents do not consent to the granting of such Liens.

“Excluded Subsidiary” means (a) each non-wholly owned Subsidiary and (b) each Subsidiary of Holdings (other than the Borrower) that has a book value of less than \$2.0 million, measured at the end of the most recently completed fiscal year for which financial statements have been provided as set forth under Section 6.12 (or if acquired or created subsequent to such delivery, measured at the most recent practicable date (or estimated in the reasonable judgment of Holdings)); provided that in each case, such Subsidiary has not guaranteed any other Applicable Debt of Holdings or the Borrower; provided, further, that in no event shall Excluded Subsidiaries comprise in the aggregate more than 2.0% of the Consolidated Tangible Assets, measured at the end of the most recently completed fiscal year for which financial statements have been provided as set forth under Section 6.12 hereof.

“Excluded Taxes” means any of the following Taxes imposed on or with respect to any Agent or Lender or required to be withheld or deducted from a payment to any Lender or an Agent, (a) Taxes imposed on or measured by net income (however denominated), franchise Taxes, and branch profits Taxes, in each case, (i) imposed as a result of such Lender or Agent being organized under the laws of, or having its principal office or, in the case of any Lender, its applicable lending office located in, the jurisdiction imposing such Tax (or any political subdivision thereof) or (ii) that are Other Connection Taxes, (b) in the case of a Lender, United States federal withholding Taxes imposed on amounts payable to or for the account of such Lender with respect to an applicable interest in a Loan or Commitment pursuant to a law in effect on the date on which (i) such Lender acquires such interest in the Loan or Commitment (other than pursuant to an assignment request by the Borrower under Section 3.07) or (ii) such Lender changes its Lending Office, except in each case to the extent that, pursuant to Section 3.01, amounts with respect to such Taxes were payable either to such Lender’s assignor immediately before such Lender acquired the applicable interest in a Loan or Commitment or to such Lender immediately before it changed its Lending Office, (c) Taxes attributable to such Lender’s or Agent’s failure to comply with Section 3.01(f) and (d) any withholding Taxes imposed under FATCA.

“Existing Jurisdiction” shall have the meaning assigned to such term in Section 6.14(c).

~~“Existing 8.000% Unsecured Notes” means the Borrower’s 8.000% Senior Notes due 2019 issued pursuant to the Existing 8.000% Unsecured Notes Indenture:~~

~~“Existing 8.000% Unsecured Notes Indenture” means the Indenture, dated as of November 5, 2014, among the Borrower, the guarantors party thereto and Wilmington Trust, National Association, as trustee (as amended or supplemented prior to the Closing Date):~~

~~“Existing 13.5%/5.0% Unsecured Notes” means the Borrower’s 13.5% Senior Notes due 2026 and 5.0% Senior Notes due 2040, each issued pursuant to the Existing 13.5%/5.0% Unsecured Notes Indenture:~~

~~“Existing 13.5%/5.0% Unsecured Notes Indenture” means the Indenture, dated as of February 1, 2018, among the Borrower, the guarantors named therein and Wilmington Trust, National Association, as trustee, governing the Existing 13.5%/5.0% Unsecured Notes (as amended or supplemented prior to the Closing Date):~~

~~“Existing Debt Amendment Documents” means (i) that certain supplemental indenture, dated as of the date of the Closing Date, among the Borrower, the guarantors named therein and Wilmington Trust, National Association, as trustee and as collateral agent, to the Existing Second Lien Notes Indenture, (ii) the Amended and Restated Existing Second Lien Security Documents, (iii) that certain supplemental indenture, dated as of the date of the Closing Date, among the Borrower, the guarantors named therein and Wilmington Trust, National Association, as trustee, to the Existing 13.5%/5.0% Unsecured Notes Indenture, (iv) that certain supplemental indenture, dated as of the date of the Closing Date, among the Borrower, the guarantors named therein and Wilmington Trust, National Association, as trustee, to the Existing 8.000% Unsecured Notes Indenture and (v) that certain amendment agreement, dated as of the date of the Closing Date, among the Borrower, the guarantors named therein, the lenders party thereto and Wilmington Trust, National Association, as administrative agent, to the Existing Term Loan Agreement, in each case, including the requisite consents of the holders and/or lenders of the applicable debt instrument that is required to effectuate the amendments to such debt instruments to permit the transactions contemplated by the transaction documents.~~

~~“Existing New Group 2%/5% Secured Notes” means, collectively, the Borrower’s 2.00% Senior Secured Notes due 2021 and 5.00% Senior Secured Notes due 2021, each issued pursuant to the Existing New Group 2%/5% Secured Notes Indenture.~~

~~“Existing New Group 2%/5% Secured Notes Indenture” means the Indenture, dated as of November 1, 2011, among the Borrower, the guarantors named therein and Wilmington Trust, National Association, as trustee and as collateral agent, governing the Existing New Group 2%/5% Secured Notes (as amended or supplemented prior to the Closing Date).~~

~~“Existing New Group 9.5% Secured Notes” means the Borrower’s 9.5% Senior Secured Notes due 2020, issued pursuant to the Existing New Group 9.5% Secured Notes Indenture.~~

~~“Existing New Group 9.5% Secured Notes Indenture” means the Indenture, dated as of September 8, 2016, among the Borrower, the guarantors named therein and Wilmington Trust, National Association, as trustee and as collateral agent, governing the Existing New Group 9.5% Secured Notes (as amended or supplemented prior to the Closing Date).~~

~~“Existing New Group Secured Indentures” means, collectively, the Existing New Group 2%/5% Secured Notes Indenture and the Existing New Group 9.5% Secured Notes Indenture.~~

~~“Existing New Group Secured Notes” means, collectively, the Existing New Group 2%/5% Secured Notes and the Existing New Group 9.5% Secured Notes.~~

“Existing Revolving Credit Agreement” means that certain \$125,000,000 Credit Agreement, dated as of January 29, 2018, as amended by the First Amendment dated as of May 14, 2018, and as further amended, restatement, supplemented or modified from time to time, among the Borrower, Holdings, the other guarantors party thereto, the lenders party thereto and Wilmington Trust, National Association, as administrative agent.

~~“Existing Secured Notes” means the Borrower’s 10.000% Senior Secured Notes due 2022 (the “10.000% Notes”) and the Borrower’s 10.500% Senior Secured Notes due 2024 (the “10.500% Notes”), issued under the Existing Secured Notes Indenture.~~

~~“Existing Secured Notes Indenture” means the Indenture, dated as of July 27, 2017, among the Borrower, Holdings and the guarantors party thereto and Wilmington Trust, National Association, as trustee and the collateral agent named therein, in each case as amended and supplemented as of the date hereof and as further amended or supplemented from time to time hereafter.~~

“Existing Term Loan Agreement” means that certain \$212,500,000 Credit Agreement, dated as of January 29, 2018, as amended by the First Amendment dated as of May 14, 2018, as further amended, restated, supplemented or otherwise modified from time to time, among the Borrower, Holdings, the guarantors party thereto, the lenders party thereto and Wilmington Trust, National Association, as administrative agent.

“Existing Unsecured Indebtedness” means (i) the ~~Existing 13.5%/5.0% Unsecured Notes~~Borrower’s 13.5% Senior Notes due 2026 and 5.0% Senior Notes, each issued pursuant to an indenture dated as of February 1, 2018, as amended or supplemented from time to time, among the Borrower, the guarantors party thereto and Wilmington Trust, National Association, as trustee, (ii) the obligations under the Existing Term Loan Agreement and (iii) the ~~Existing 8.000% Unsecured~~Senior Notes.

“Extended Loans” shall have the meaning assigned to such term in Section 2.13(a)(ii).

“Extending Lender” shall have the meaning assigned to such term in Section 2.13(a)(ii).

“Extension” shall have the meaning specified in Section 2.13(a).

“Extension Offer” shall have the meaning specified in Section 2.13(a).

“Facility” means, at any time, the aggregate amount of the Lenders’ unfunded Commitments of a given Class at such time and the Loans made thereunder outstanding at such time.

“Fair Market Value” means, with respect to any asset, the price (after taking into account any liabilities relating to such assets) that would be negotiated in an arm’s-length transaction for cash between a willing seller and a willing and able buyer, neither of which is under any compulsion to complete the transaction, as such price is determined in good faith by the Board of Directors of Holdings or a duly authorized committee thereof, as evidenced by a resolution of such Board of Directors or committee.

“FATCA” means Sections 1471 through 1474 of the Code, as of the date of this Agreement (or any amended or successor version that is substantively comparable and not materially more onerous to comply with), any current or future regulations with respect thereto or official administrative interpretations thereof, any agreements entered into pursuant to Section 1471(b)(1) of the Code (or any amended or successor version described above), any intergovernmental agreements entered into to implement such Sections of the Code, and any laws, fiscal or regulatory legislation, rules, guidance notes and practices implementing the foregoing.

“Federal Funds Effective Rate” shall mean, for any day, the weighted average of the per annum rates on overnight federal funds transactions as published on the next succeeding Business Day by the Federal Reserve Bank of New York; provided that (i) if such day is not a Business Day, the Federal Funds Effective Rate for such day shall be such rate on such transactions on the next preceding Business Day as so published on the next succeeding Business Day, and (ii) if no such rate is so published on such next succeeding Business Day, the Federal Funds Effective Rate for such day shall be the average rate quoted to the Administrative Agent by three major banks of recognized standing (as selected by the Administrative Agent (at the direction of the Required Lenders)) on such day on such transactions as determined by the Administrative Agent (at the direction of the Required Lenders); provided further that if the Federal Funds Effective Rate would otherwise be negative, it shall be deemed to be 0.00% per annum.

“Financing Lease Obligations” of any Person means the obligations of such Person that is required to be accounted for as a financing or capital lease (and, for the avoidance of doubt, not a straight-line or operating lease) on both the balance sheet and income statement for financial reporting purposes in accordance with GAAP. At the time any determination thereof is to be made, the amount of the liability in respect of a financing or capital lease would be the amount required to be reflected as a liability on such balance sheet (excluding the footnotes thereto) in accordance with GAAP.

“First Lien Collateral Agency Agreement” means the First Lien Collateral Agency Agreement dated as of the Closing Date, as amended, restated, supplemented or otherwise modified as of the Third Amendment Closing Date (including by the First Lien Joinder), among the Borrower, Holdings and certain of their Subsidiaries, the Administrative Agent, the 1.125 Lien Collateral Agent ~~(as defined therein)~~, the 1.25 Lien Collateral Agent ~~(as defined therein)~~, the ~~1.5~~1.75 Pari Passu Lien Collateral Agent ~~(as defined therein)~~; and the Joint First Lien Collateral Agent and any other representative of the holders of any other Obligations permitted to be incurred and secured under this Agreement, as may be further amended, restated, supplemented or otherwise modified from time to time (including by any other joinders thereto).

“First Lien Intercreditor Agreement” means the First Lien Intercreditor Agreement, dated as of the Closing Date, as amended, restated, supplemented or otherwise modified as of the Third Amendment Closing Date (including by the First Lien Joinder), among the Borrower, ~~Holdings and certain of their Subsidiaries, the First~~the Guarantors, Wilmington Trust, National Association, in its capacity as Collateral Agent hereunder, the 1.125 Lien Trustee, the 1.125 Lien Collateral Agents (as defined therein), the First~~1.25 Lien~~Representatives (as defined therein), Trustee, the 1.25 Lien Collateral Agent, the 1.75 Lien Trustee, the 1.75 Pari Passu Lien Collateral Agent and the Joint First Lien Collateral Agent and any other representative of the holders of any other Obligations permitted to be incurred and secured under this Agreement, as such agreement may be further amended, restated, supplemented or otherwise modified from time to time ~~including by~~ including by any other joinders thereto).

“First Lien Joinder” means the Joinder, dated as of the Third Amendment Closing Date, to the First Lien Collateral Agency Agreement and the First Lien Intercreditor Agreement, among Wilmington Trust, National Association, in its capacities as trustee and collateral agent, with receipt acknowledged by the other first lien representatives and first lien collateral agents parties to the First Lien Collateral Agency Agreement and the First Lien Intercreditor Agreement.

“Floor” shall mean the benchmark rate floor, if any, provided in this Agreement initially (as of the execution of this Agreement, the modification, amendment or renewal of this Agreement or otherwise) with respect to Term SOFR or Daily Simple SOFR, as applicable. For the avoidance of doubt, the initial Floor for each of Term SOFR or Daily Simple SOFR is ~~1.00~~3.00%.

“Four Quarter Period” has the meaning specified in the definition of “Consolidated Fixed Charge Coverage Ratio.”

“Fund” means any Person (other than a natural person) that is engaged in making, purchasing, holding or otherwise investing in commercial loans and similar extensions of credit in the ordinary course.

“GAAP” means generally accepted accounting principles set forth in the opinions and pronouncements of the Accounting Principles Board of the American Institute of Certified Public Accountants and statements and pronouncements of the Financial Accounting Standards Board or in such other statements by such other entity as may be approved by a significant segment of the accounting profession of the United States, as in effect from time to time.

“Governmental Authority” means any nation or government, any state or other political subdivision thereof, any agency, authority, instrumentality, regulatory body, court, administrative tribunal, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government (including any supra-national body exercising such powers or functions).

“Guarantee” means the guarantee of the Loan Obligations by each Guarantor under this Agreement.

“guarantee” means any obligation, contingent or otherwise, of any Person directly or indirectly guaranteeing any Indebtedness of any other Person and, without limiting the generality of the foregoing, any obligation, direct or indirect, contingent or otherwise, of such Person: (a) to purchase or pay (or advance or supply funds for the purchase or payment of) such Indebtedness of such other Person (whether arising by virtue of partnership arrangements, or by agreement to keep-well, to purchase assets, goods, securities or services, to take-or-pay, or to maintain financial statement conditions or otherwise) or (b) entered into for purposes of assuring in any other manner the obligee of such Indebtedness of the payment thereof or to protect such obligee against loss in respect thereof, in whole or in part; provided, that the term “guarantee” does not include endorsements for collection or deposit in the ordinary course of business. The term “guarantee” used as a verb has a corresponding meaning.

“Guarantors” has the meaning specified in the introductory paragraph to this Agreement.

“Hedging Obligations” means, with respect to any Person, the obligations of such Person under any Interest Protection Agreement, commodity swap agreement, commodity cap agreement, commodity collar agreement, Currency Agreement or similar agreement providing for the transfer or mitigation of interest rate, commodity price or currency risks either generally or under specific contingencies.

“Historical Financial Statements” has the meaning specified in Section 5.07.

“Holdings” has the meaning specified in the introductory paragraph to this Agreement.

“Impacted Loans” has the meaning specified in Section 3.04(a).

“incurrence” has the meaning specified in Section 6.03(a) hereof.

“Indebtedness” of any Person means, without duplication,

(a) any liability of such Person (i) for borrowed money or under any reimbursement obligation relating to a letter of credit or other similar instruments (other than standby letters of credit or similar instruments issued for the benefit of, or surety, performance, completion or payment bonds, earnest money notes or similar purpose undertakings or indemnifications issued by, such Person in the ordinary course of business), (ii) evidenced by a bond, note, debenture or similar instrument (including a purchase money obligation) given in connection with the acquisition of any businesses, properties or assets of any kind or with services incurred in connection with capital expenditures (other than any obligation to pay a contingent purchase price which, as of the date of incurrence thereof, is not required to be recorded as a liability in accordance with GAAP), or (iii) in respect of Financing Lease Obligations (to the extent of the Attributable Debt in respect thereof),

(b) any Indebtedness of others that such Person has guaranteed to the extent of the guarantee; provided, however, that Indebtedness of Holdings and its Restricted Subsidiaries will not include the obligations of Holdings or a Restricted Subsidiary under warehouse lines of credit of Mortgage Subsidiaries to repurchase mortgages at prices no greater than 98% of the principal amount thereof, and upon any such purchase the excess, if any, of the purchase price thereof over the Fair Market Value of the mortgages acquired, will constitute Restricted Payments subject to Section 6.04 hereof,

(c) to the extent not otherwise included, the obligations of such Person under Hedging Obligations to the extent recorded as liabilities not constituting Interest Incurred, net of amounts recorded as assets in respect of such obligations, in accordance with GAAP, and

(d) all Indebtedness of others secured by a Lien on any asset of such Person, whether or not such Indebtedness is assumed by such Person;

provided, that Indebtedness shall not include accounts payable, liabilities to trade creditors of such Person or other accrued expenses arising in the ordinary course of business or completion guarantees entered into in the ordinary course of business. The amount of Indebtedness of any Person at any date shall be (i) the outstanding balance at such date of all unconditional obligations as described above, net of any unamortized discount to be accounted for as Interest Expense, in accordance with GAAP, (ii) the maximum liability of such Person for any contingent obligations under clause (a) of this definition at such date, net of an unamortized discount to be accounted for as Interest Expense in accordance with GAAP, (iii) in the case of clause (c) above, zero if permitted under clause (f) of the definition of “Permitted Indebtedness” or, otherwise, the net termination amount payable in respect thereof, and (iv) in the case of clause (d) above, the lesser of (x) the fair market value of any asset subject to a Lien securing the Indebtedness of others on the date that the Lien attaches and (y) the amount of the Indebtedness secured.

For the avoidance of doubt, obligations of any Person under a Permitted Bond Hedge transaction or a Permitted Warrant transaction shall be deemed not to constitute Indebtedness.

~~“Indentures” means, collectively, (a) the 1.125 Lien Indenture, (b) the 1.25 Lien Indenture and (c) the 1.5 Lien Indenture.~~

“Indemnified Liabilities” has the meaning specified in Section 9.05.

“Indemnified Taxes” means (a) Taxes, other than Excluded Taxes, imposed on or with respect to any payment made by or on account of any obligation of any Loan Party under any Loan Document and (b) to the extent not otherwise described in (a), Other Taxes.

“Indemnitees” has the meaning specified in Section 9.05.

“Initial Commitment” means, as to each Initial Lender, its obligation to make one or more Initial Loans to the Borrower pursuant to Section 2.01 in an aggregate principal amount not to exceed the amount set forth opposite such Lender’s name on Schedule 2.01 under the caption “Initial Commitment” or in the Assignment and Assumption pursuant to which such Initial Lender purchased Commitments and became an Initial Lender under this Agreement, as applicable, as such amount may be reduced or increased from time to time in accordance with this Agreement (including pursuant to assignments made in accordance with the provisions of Section 9.07). The aggregate amount of the Initial Commitments of the Initial Lenders as of the Closing Date is \$125,000,000.

“Initial Facility” means, at any time, the aggregate amount of the Initial Lenders’ unfunded Initial Commitments at such time and the Initial Loans made thereunder outstanding at such time.

“Initial Lenders” means the Lenders listed on Schedule 2.01.

“Initial Loan” has the meaning specified in Section 2.01.

“Intangible Assets” of Holdings means all unamortized debt discount and expense, unamortized deferred charges, goodwill, patents, trademarks, service marks, trade names, copyrights and all other items (other than any deferred tax assets) which would be treated as intangibles on the consolidated balance sheet of Holdings and its Restricted Subsidiaries prepared in accordance with GAAP.

“Intellectual Property Security Agreements” has the meaning set forth in the Security Agreement.

“Intercreditor Agreements” means, collectively (a) the First Lien Intercreditor Agreement and (b) the Junior Lien Intercreditor Agreement.

“Interest Expense” of any Person for any period means, without duplication, the aggregate amount of (a) interest which, in conformity with GAAP, would be set opposite the caption “interest expense” or any like caption on an income statement for such Person (including imputed interest included in Financing Lease Obligations, all commissions, discounts and other fees and charges owed with respect to letters of credit and bankers’ acceptance financing, the net costs (but reduced by net gains) associated with Currency Agreements and Interest Protection Agreements, amortization of other financing fees and expenses, the interest portion of any deferred payment obligation, amortization of discount or premium, if any, and all other noncash interest expense (other than interest and other charges amortized to cost of sales)), and (b) all interest actually paid by Holdings or a Restricted Subsidiary under any guarantee of Indebtedness (including a guarantee of principal, interest or any combination thereof) of any Person other than Holdings, the Borrower or any Restricted Subsidiary during such period; provided, that Interest Expense shall exclude any expense associated with the complete write-off of financing fees and expenses in connection with the repayment of any Indebtedness.

“Interest Incurred” of any Person for any period means, without duplication, the aggregate amount of (a) Interest Expense and (b) all capitalized interest and amortized debt issuance costs.

“Interest Period” shall mean, with respect to any Loan, the interest period applicable thereto, as determined pursuant to Section 2.06(h).

“Interest Protection Agreement” of any Person means any interest rate swap agreement, interest rate collar agreement, option or futures contract or other similar agreement or arrangement designed to protect such Person or any of its Subsidiaries against fluctuations in interest rates with respect to Indebtedness permitted to be incurred under this Agreement. For the avoidance of doubt, any Permitted Convertible Indebtedness Call Transaction will not constitute an Interest Protection Agreement.

“Investment Company Act” means the Investment Company Act of 1940, as amended.

“Investments” of any Person means (a) all investments by such Person in any other Person in the form of loans, advances or capital contributions, (b) all guarantees of Indebtedness of any other Person by such Person, (c) all purchases (or other acquisitions for consideration) by such Person of Indebtedness, Capital Stock or other securities of any other Person and (d) all other items that would be classified as investments in any other Person (including purchases of assets outside the ordinary course of business) on a balance sheet of such Person prepared in accordance with GAAP.

“IRS” means the United States Internal Revenue Service.

“Joint First Lien Collateral Agent” means Wilmington Trust, National Association, in its capacity as Joint First Lien Collateral Agent under the First Lien Collateral Agency Agreement.

“Junior Lien Indebtedness” has the meaning specified in Section 6.20.

“Junior Lien Intercreditor Agreement” means ~~the Second Amended and Restated~~any intercreditor agreement setting forth the relative priority of Liens securing the Obligations subject to the First Lien Intercreditor Agreement, ~~dated as of the Closing Date, among the Borrower, Holdings, the other grantors party from time to time thereto, the Administrative Agent, the other Senior Representatives, the Senior Collateral Agents, the Junior Representatives, the Junior Collateral Agents, the Mortgage Tax on the one hand, and the Second Lien Obligations, on the other hand, which shall be on substantially the same terms as the First Lien Intercreditor Agreement (with the Loan Obligations being treated as senior priority obligations under such intercreditor agreement), including with respect to the release of Guarantees and Collateral (or on terms not materially less favorable to the Lenders as established by the Officer’s Certificate delivered pursuant to the terms of Section 8.08(d)), in a form reasonably satisfactory to the Borrower, the Guarantors and Wilmington Trust, National Association, in its capacities as the trustee and the collateral agent under the 1.125 Lien Notes Indenture and as the Joint First Lien Collateral Agent ~~(in each case to the extent not defined herein, as defined therein) and the other parties thereto, as may be further amended, restated, supplemented or otherwise modified from time to time (including by joinders thereto).~~~~

“JV Holding Company” means a Subsidiary of JV Holdings, the only material asset of which constitutes Capital Stock of one or more joint ventures owned on the Third Amendment Closing Date or Permitted Joint Ventures in existence on the Third Amendment Closing Date or acquired or formed after the Third Amendment Closing Date; provided that neither JV Holdings nor K. Hovnanian JV Services Company, L.L.C. shall be deemed a JV Holding Company.

“JV Holdings” means K. Hovnanian JV Holdings, L.L.C.

“L/C Collateral” means cash and cash equivalents that secure obligations permitted to be secured pursuant to clause (d) of the definition of “Permitted Liens”.

“Land Banking Collateral Sales” has the meaning specified in the definition of “Asset Disposition”.

“Land Banking Transaction” means an arrangement relating to Property now owned or hereafter acquired whereby Holdings, the Borrower or a Restricted Subsidiary sells such Property to a Person (other than Holdings, the Borrower or a Restricted Subsidiary) and Holdings, the Borrower or a Restricted Subsidiary, as applicable, has an option to purchase such Property back on a specified schedule.

“Latest Maturity Date” means, at any date of determination, the latest Maturity Date or expiration date applicable to any Loan or Commitment hereunder at such time, as extended in accordance with this Agreement from time to time.

“Laws” means, collectively, all applicable international, foreign, Federal, state, commonwealth and local statutes, treaties, rules, guidelines, regulations, ordinances, codes and administrative or judicial precedents or authorities, including the interpretation or administration thereof by any Governmental Authority charged with the enforcement, interpretation or administration thereof, and all applicable administrative orders, directed duties, requests, licenses, authorizations and permits of, and agreements with, any Governmental Authority, in each case whether or not having the force of law.

“Lender” has the meaning specified in the introductory paragraph of this Agreement.

“Lender Funding Obligation” has the meaning specified in the definition of “Defaulting Lender.”

“Lending Office” means, as to any Lender, the office or offices of such Lender described as such in such Lender’s Administrative Questionnaire, or such other office or offices as a Lender may from time to time notify the Borrower and the Administrative Agent.

“Lien” means, with respect to any Property, any mortgage, lien, pledge, charge, security interest or encumbrance of any kind in respect of such Property. For purposes of this definition, a Person shall be deemed to own, subject to a Lien, any Property which it has acquired or holds subject to the interest of a vendor or lessor under any conditional sale agreement, capital lease or other title retention agreement relating to such Property.

“Loan Documents” means, collectively, (a) this Agreement, (b) the Notes, (c) the Collateral Documents, (d) the Agent Fee Letter (for purposes of Section 9.05 only), (e) each other document, instrument or agreement entered into by a Loan Party for the benefit of any Agent or any Lender in connection with the foregoing and (f) any amendment, waiver, supplement or other modification to any of the foregoing.

“Loan Notice” means a notice of a Borrowing delivered pursuant to Section 2.02(a), which, if in writing, shall be substantially in the form of Exhibit A-1.

“Loan Obligations” means all advances to, and debts, liabilities, obligations, covenants and duties of, any Loan Party arising under any Loan Document or otherwise with respect to any Loan, whether direct or indirect (including those acquired by assumption), absolute or contingent, due or to become due, now existing or hereafter arising and including interest and fees that accrue after the commencement by or against any Loan Party of any proceeding under any Debtor Relief Laws naming such Person as the debtor in such proceeding, regardless of whether such interest and fees are allowed claims in such proceeding. Without limiting the generality of the foregoing, the Loan Obligations of the Loan Parties under the Loan Documents include the obligation to pay principal, interest, charges, expenses, fees, Attorney Costs, indemnities and other amounts payable by any Loan Party under any Loan Document.

“Loan Parties” means, collectively, Holdings, the Borrower and each Subsidiary Guarantor.

“Loans” means an extension of credit by a Lender to the Borrower in the form of Initial Loans, Replacement Loans or Extended Loans.

“Marketable Securities” means (a) equity securities that are listed on ~~a national securities~~ the New York Stock Exchange, the NYSE MKT or The Nasdaq Stock Market and (b) debt securities that are rated by a nationally recognized rating agency, listed on ~~a national securities~~ the New York Stock Exchange, the NYSE MKT or covered by at least two reputable market makers.

“Material Adverse Effect” has the meaning specified in Section 5.01.

“Maturity Date” means with respect to the Initial Facility, June 30, ~~2024~~ 2026; provided that the reference to Maturity Date (i) with respect to Replacement Loans shall be the final maturity date as specified in the applicable Replacement Amendment and (ii) with respect to Extended Loans shall be the final maturity date as specified in the applicable Extension Offer.

“Maximum Rate” has the meaning specified in Section 9.10.

“Minimum Borrowing Amount” shall have the meaning specified in Section 2.02(a).

“Minimum Extension Condition” shall have the meaning specified in Section 2.13(b).

“Moody’s” means Moody’s Investors Service, Inc. or any successor to its debt rating business.

“Mortgage” means the mortgages, deeds of trust, deed to secure debts, or similar instruments in favor of the Collateral Agent, granting liens and security interests in the real property owned by Holdings, the Borrower or any Guarantor to secure the Indebtedness and related Obligations under this Agreement and the Guarantees, as each may be amended, restated, supplemented, or otherwise modified from time to time.

“Mortgage Subsidiary” means any Subsidiary of Holdings substantially all of whose operations consist of the mortgage lending business.

“Most Recent Fiscal Quarter” means the most recently completed fiscal quarter for which financial statements have been provided pursuant to Section 6.12 hereof.

“Net Cash Proceeds” means

i) with respect to an Asset Disposition or Casualty Event, payments received in cash (including any such payments received by way of deferred payment of principal pursuant to a note or installment receivable or otherwise (including any cash received upon sale or disposition of such note or receivable), but only as and when received), excluding any other consideration received in the form of assumption by the acquiring Person of Indebtedness or other obligations relating to the Property disposed of in such Asset Disposition, or received in any other non-cash form unless and until such non-cash consideration is converted into cash therefrom, in each case, net of all legal, title and recording tax expenses, commissions and other fees and expenses incurred, and all federal, state and local taxes required to be accrued as a liability under GAAP as a consequence of such Asset Disposition or Casualty Event, and in each case net of a reasonable reserve for the after-tax cost of any indemnification or other payments (fixed and contingent) attributable to the seller’s indemnities or other obligations to the purchaser undertaken by Holdings, the Borrower or any of its Restricted Subsidiaries in connection with such Asset Disposition or Casualty Event, and net of all payments made on any Indebtedness which is secured by or relates to such Property (other than Indebtedness secured by Liens on the Collateral) in accordance with the terms of any Lien or agreement upon or with respect to such Property or which such Indebtedness must by its terms or by applicable Law be repaid out of the proceeds from such Asset Disposition or Casualty Event, and net of all contractually required distributions and payments made to minority interest holders in Restricted Subsidiaries or joint ventures as a result of such Asset Disposition or Casualty Event; and

ii) with respect to the incurrence or issuance of any Indebtedness by Holdings, the Borrower or any Restricted Subsidiary meeting the definition of Other Prepayment Event, the excess, if any, of (i) the sum of cash and Cash Equivalents received in connection with such incurrence or issuance over (ii) all taxes paid or reasonably estimated to be payable, and all fees, commissions, costs and other out-of-pocket expenses and other customary expenses incurred, in each case by the applicable party in connection with such incurrence or issuance.

“New Secured Notes” means, collectively, the 1.125 Lien Notes; and the 1.25 Lien Notes ~~and the 1.5 Lien Notes~~.

“Non-Defaulting Lender” means, at any time, a Lender that is not a Defaulting Lender.

“Non-Recourse Indebtedness” with respect to any Person means Indebtedness of such Person for which (a) the sole legal recourse for collection of principal and interest on such Indebtedness is against the specific property, including for the avoidance of doubt, assets directly related thereto or derived therefrom, identified in the instruments evidencing or securing such Indebtedness or other property of such Person financed pursuant to the Credit Facility of such Person under which such Indebtedness was incurred (provided that the aggregate principal amount of the total Indebtedness shall not exceed the purchase price or cost (including financing costs) of the properties financed thereby), (b) such properties were acquired (directly or indirectly, including through the purchase of Capital Stock of the Person owning such property), constructed or improved with the proceeds of such Indebtedness or such Indebtedness was incurred within 365 days after the acquisition (directly or indirectly, including through the purchase of Capital Stock of the Person owning such property) or completion of such construction or improvement and (c) no other assets of such Person may be realized upon in collection of principal or interest on such Indebtedness. Indebtedness which is otherwise Non-Recourse Indebtedness will not lose its character as Non-Recourse Indebtedness because there is recourse to the borrower, any guarantor or any other Person for (i) environmental warranties, covenants and indemnities, (ii) indemnities for and liabilities arising from fraud, misrepresentation, misapplication or non-payment of rents, profits, deposits, insurance and condemnation proceeds and other sums actually received by the borrower from secured assets to be paid to the lender, waste and mechanics’ liens, breach of separateness covenants, and other customary exceptions, (iii) in the case of the borrower thereof only, other obligations in respect of such Indebtedness that are payable solely as a result of a voluntary or collusive non-voluntary bankruptcy filing (or similar filing or action) by such borrower or (iv) similar customary “bad-boy” guarantees.

“Non-Recourse Indebtedness Amount” shall have the meaning specified in Section 6.03(b).

“Non-U.S. Lender” means a Lender that is not a U.S. Person.

“Note” means a promissory note of the Borrower payable to any Lender or its registered assigns, in substantially the form of Exhibit B hereto, evidencing the aggregate indebtedness of the Borrower to such Lender resulting from the Loans made by such Lender to the Borrower.

“Note Purchase Agreement” means, the Note Purchase Agreements dated as of the ~~Closing~~Third Amendment Effective Date, among Holdings, the Borrower, the Subsidiary Guarantors and the purchasers party thereto, pursuant to which, collectively, the Borrower will sell to purchasers certain of the New Secured Notes.

“Notice of Conversion or Continuation” shall have the meaning set forth in Section 2.12(a).

“Obligations” means with respect to any Indebtedness, all obligations (whether in existence on the Closing Date or arising afterwards, absolute or contingent, direct or indirect) for or in respect of principal (when due, upon acceleration, upon redemption, upon mandatory repayment or repurchase pursuant to a mandatory offer to purchase, or otherwise), premium, interest, penalties, fees, indemnification, reimbursement and other amounts payable and liabilities with respect to such Indebtedness, including all interest accrued or accruing after the commencement of any bankruptcy, insolvency or reorganization or similar case or proceeding at the contract rate (including any contract rate applicable upon default) specified in the relevant documentation, whether or not the claim for such interest is allowed as a claim in such case or proceeding.

“OFAC” has the meaning specified in Section 5.11.

“Officer’s Certificate,” when used with respect to the Borrower or Holdings, means a certificate signed by the chairman of the Board of Directors, the president, chief executive officer, any vice president, the chief financial officer, the treasurer, any assistant treasurer, the controller, any assistant controller, the secretary or any assistant secretary of the Borrower or Holdings, as the case may be.

“Opinion of Counsel” means a written opinion signed by legal counsel of the Borrower or Holdings, who may be an employee of, or counsel to, the Borrower or Holdings, and who shall be reasonably satisfactory to the Administrative Agent.

“Other Connection Taxes” means, with respect to any Lender or Agent, Taxes imposed as a result of a present or former connection between such Lender or Agent and the jurisdiction imposing such Tax (other than connections arising from such Lender or Agent having executed, delivered, become a party to, performed its obligations under, received payments under, received or perfected a security interest under, engaged in any other transaction pursuant to or enforced any Loan Document, or sold or assigned an interest in any Loan or Loan Document).

“Other Prepayment Event” means the incurrence by the Borrower or any of its Restricted Subsidiaries of any Indebtedness, other than Indebtedness permitted under Section 6.03 (other than Refinancing Loans or any Refinancing Indebtedness which Refinances the Loans, or permitted by the Required Lenders pursuant to Section 9.02).

“Other Taxes” means all present or future stamp, court, or documentary, intangible, recording, filing or similar Taxes that arise from any payment made under, from the execution, delivery, performance, enforcement or registration of, from the receipt or perfection of a security interest under, or otherwise with respect to, any Loan Document, except any such Taxes that are Other Connection Taxes imposed with respect to an assignment (other than an assignment made pursuant to Section 3.07).

“Outstanding Amount” means, with respect to any Loans on any date of determination, the aggregate outstanding principal amount thereof on such date, after giving effect to any Borrowings, prepayments or repayments of Loans, as the case may be, occurring on such date.

“Participant” has the meaning specified in Section 9.07(e).

“Participant Register” has the meaning specified in Section 9.07(e).

“PATRIOT Act” means the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001 (Title III of Pub. L. No. 107-56 (signed into Law October 26, 2001)).

“Perfection Certificate” has the meaning set forth in the Security Agreement.

“Permitted Bond Hedge” means any call or capped call option (or substantively equivalent derivative transaction) on Holdings’ Capital Stock purchased by Holdings, the Borrower or any Restricted Subsidiary in connection with the issuance of any Permitted Convertible Indebtedness; provided that the purchase price for such Permitted Bond Hedge, less the proceeds received by Holdings, the Borrower or the Restricted Subsidiaries from the sale of any related Permitted Warrant, does not exceed the net proceeds received by Holdings, the Borrower or the Restricted Subsidiaries from the sale of such Permitted Convertible Indebtedness issued in connection with the Permitted Bond Hedge.

“Permitted Convertible Indebtedness” means Indebtedness of Holdings, the Borrower or any Restricted Subsidiary permitted to be incurred under the terms of this Agreement that is either (a) convertible or exchangeable into Capital Stock of Holdings (and cash in lieu of fractional shares) and/or cash (in an amount determined by reference to the price of such Capital Stock) or (b) sold as units with call options, warrants or rights to purchase (or substantially equivalent derivative transactions) that are exercisable for Capital Stock of Holdings and/or cash (in an amount determined by reference to the price of such Capital Stock).

“Permitted Convertible Indebtedness Call Transaction” means any Permitted Bond Hedge and any Permitted Warrant.

“Permitted Hovnanian Holders” means, collectively, Ara K. Hovnanian, the members of his immediate family and the members of the immediate family of the late Kevork S. Hovnanian, the respective estates, spouses, heirs, ancestors, lineal descendants, legatees and legal representatives of any of the foregoing and the trustee of any *bona fide* trust of which one or more of the foregoing are the sole beneficiaries or the grantors thereof, or any entity of which any of the foregoing, individually or collectively, beneficially own more than 50% of the Common Equity. Any Person or group whose acquisition of beneficial ownership constitutes a Change of Control in respect of which a Change of Control Offer is made in accordance with the requirements of this Agreement (or would result in a Change of Control Offer in the absence of the waiver of such requirement by Lenders in accordance with this Agreement) will thereafter constitute Permitted Hovnanian Holders.

“Permitted Indebtedness” means:

(a) Indebtedness under:

(i) this Agreement and the other Loan Documents,

(ii) ~~(x) the 1.125 Lien Notes and the 1.125 Lien Guarantees and (y) to the extent the 1.125 Lien Notes are no longer outstanding,~~ Indebtedness under any Credit Facilities, in an aggregate principal amount outstanding at any one time (including for the purposes of determining amounts outstanding under this clause (a)(ii), the 1.25 Lien Notes (and the guarantees thereof) and any Refinancing Indebtedness in respect of Indebtedness incurred or deemed incurred under this clause (a)(ii) (and any subsequently incurred Refinancing Indebtedness with respect to Refinancing Indebtedness included in this clause (a)(ii) for purposes of determining amounts outstanding under this clause (a)(ii))) not to exceed ~~(x) \$350.0 million (less any amounts of 1.125 Lien Notes repaid or repurchased pursuant to the mandatory prepayment provisions set forth in Sections 4.10 and 4.12 of the 1.125 Lien Indenture or similar provisions with respect to any (A) Refinancing Indebtedness in respect thereof or (B) any such Credit Facilities);~~ 430.0 million plus (y) “additional notes” issued under the 1.25 Lien Notes Indenture to Specified Persons in an aggregate principal amount not to exceed the Additional 1.25 Lien Notes Amount,

~~(iii) (x) the 1.25 Lien Notes and the 1.25 Lien Guarantees and (y) to the extent the 1.25 Lien Notes are no longer outstanding, Credit Facilities, in an aggregate principal amount outstanding at any one time (including for the purposes of determining amounts outstanding under this clause (a)(iii), any Refinancing Indebtedness in respect of Indebtedness incurred or deemed incurred under this clause (a)(iii) (and any subsequently incurred Refinancing Indebtedness with respect to Refinancing Indebtedness included in this clause (a)(iii) for purposes of determining amounts outstanding under this clause (a)(iii))) not to exceed \$282.4 million (less any amounts of 1.25 Lien Notes repaid or repurchased pursuant to the mandatory prepayment provisions set forth in Sections 4.10 and 4.12 of the 1.25 Lien Indenture or similar provisions with respect to (A) any Refinancing Indebtedness in respect thereof or (B) any such Credit Facilities), and~~

(iii) _____ [reserved], and

(iv) ~~(x) the 1.5 Lien Obligations and the 1.5 Lien Guarantees and (y) to the extent the 1.5 Lien Obligations are no longer outstanding,~~ Indebtedness incurred under any Credit Facilities in an aggregate principal amount outstanding at any one time (including for the purposes of determining amounts outstanding under this clause (a)(iv), the 1.125 Lien Notes (and the guarantees thereof) and any Refinancing Indebtedness in respect of Indebtedness incurred or deemed incurred under this clause (a)(iv) (and any subsequently incurred Refinancing Indebtedness with respect to Refinancing Indebtedness included in this clause (a)(iv) for purposes of determining amounts outstanding under this clause (a)(iv))) not to exceed ~~\$168.0 million (less any amounts of 1.5 Lien Notes repaid or repurchased pursuant to the mandatory prepayment provisions set forth in Sections 4.10 and 4.12 of the 1.5 Lien Indenture, the mandatory prepayment provisions similar to those set forth in Sections 4.10 and 4.12 of the Indentures of the indenture(s) governing the 1.5 Lien Obligations or similar provisions with respect to (A) any Refinancing Indebtedness in respect thereof or (B) any such Credit Facilities);~~ 225.0 million;

(b) ~~[reserved]~~ prior to November 20, 2023, Indebtedness incurred under the 1.75 Lien Notes not to exceed \$159.0 million (and the guarantees thereof);

(c) Indebtedness outstanding on the Third Amendment Closing Date, excluding Indebtedness constituting Permitted Indebtedness pursuant to clauses (a), (d) through (hb), (jd) through (s), and (u) of this definition, which shall be deemed to be incurred pursuant to such clauses;

(d) Indebtedness in respect of obligations of Holdings and its Subsidiaries to the trustees under indentures for debt securities;

(e) intercompany debt obligations of (i) Holdings to the Borrower, (ii) the Borrower to Holdings, (iii) Holdings or the Borrower to any Subsidiary Guarantor and (iv) any Subsidiary Guarantor to Holdings or the Borrower or any other Subsidiary Guarantor; provided, however, that any Indebtedness of any Subsidiary Guarantor or the Borrower or Holdings owed to any Subsidiary Guarantor or the Borrower that ceases to be a Subsidiary Guarantor shall be deemed to be incurred and shall be treated as an incurrence for purposes of Section 6.03 at the time the Subsidiary Guarantor in question ceases to be a Subsidiary Guarantor;

(f) Indebtedness of Holdings or the Borrower or any Subsidiary Guarantor under Hedging Obligations, in the case of any Currency Agreements or Interest Protection Agreements in a notional amount no greater than the payments due (at the time the related Currency Agreement or Interest Protection Agreement is entered into) with respect to the Indebtedness or currency being hedged, to the extent entered into in the ordinary course of business and not for speculative purposes;

(g) Purchase Money Indebtedness and Financing Lease Obligations entered into in the ordinary course of business in an aggregate principal amount (including for purposes of determining amounts outstanding under this clause (g), any Refinancing Indebtedness in respect thereof (and any subsequently incurred Refinancing Indebtedness with respect to Refinancing Indebtedness included in this clause (g) for purposes of determining amounts outstanding under this clause (g))) at any one time outstanding not to exceed \$30.0 million;

(h) obligations for, pledge of assets in respect of, and guaranties of, bond financings of political subdivisions or enterprises thereof in the ordinary course of business;

(i) [reserved];

(j) Indebtedness under warehouse lines of credit, repurchase agreements and Indebtedness secured only by mortgage loans and related assets of mortgage lending Subsidiaries in the ordinary course of a mortgage lending business;

(k) Indebtedness under ~~(x) Existing Unsecured Indebtedness (and guaranties thereof) and (y) to the extent the Existing Unsecured Indebtedness is no longer outstanding,~~any Credit Facilities, in an aggregate principal amount outstanding under this clause (k) at any one time (including for purposes of determining amounts outstanding under this clause (k), the Existing Unsecured Indebtedness (and guaranties thereof) and any Refinancing Indebtedness in respect of Indebtedness incurred or deemed incurred under this clause (k) (and any subsequently incurred Refinancing Indebtedness with respect to Refinancing Indebtedness included in this clause (k) for purposes of determining amounts outstanding under this clause (k))) not to exceed ~~\$410.0~~247.0 million;

(l) obligations in respect of self-insurance, performance, bid, appeal and surety bonds and completion guarantees and similar obligations provided by Holdings or any Restricted Subsidiary or obligations in respect of letters of credit, bank guarantees or similar instruments related thereto, in each case, in the ordinary course of business;

(m) [reserved];

(n) Indebtedness under ~~(x) the Second Lien Obligations (and guarantees thereof) and (y) to the extent the Second Lien Obligations are no longer outstanding;~~ any Credit Facilities, in an aggregate principal amount under this clause (n) outstanding at any one time (including for purposes of determining amounts outstanding under this clause (n), the 1.75 Lien Term Loan (and the guarantees thereof) and any Refinancing Indebtedness in respect of Indebtedness incurred or deemed incurred under this clause (n) (and any subsequently incurred Refinancing Indebtedness with respect to Refinancing Indebtedness included in this clause (n) for purposes of determining amounts outstanding under this clause (n))) not to exceed \$~~431.0~~400.0 million;

(o) Indebtedness arising from the honoring by a bank or other financial institution of a check, draft or similar instrument drawn against insufficient funds in the ordinary course of business;

(p) Indebtedness of Holdings or any Restricted Subsidiary supported by a letter of credit (which letter of credit is incurred pursuant to another clause hereof (other than clause (l) of this definition)), in a principal amount not in excess of the stated amount of such letter of credit;

(q) Indebtedness of Holdings or any Restricted Subsidiary consisting of (i) the financing of insurance premiums or (ii) take or pay obligations contained in supply arrangements, in each case incurred in the ordinary course of business;

(r) Indebtedness of Holdings or any of its Restricted Subsidiaries in respect of Cash Management Services;

(s) obligations (other than Indebtedness for borrowed money) of Holdings or any of its Restricted Subsidiaries under an agreement with any governmental authority, quasi-governmental entity, utility, adjoining (or common master plan) landowner or seller of real property, in each case entered into in the ordinary course of business in connection with the acquisition of real property, to entitle, develop or construct infrastructure thereupon;

(t) the incurrence by Holdings or any Restricted Subsidiary of Indebtedness deemed to exist pursuant to the terms of a joint venture agreement as a result of a failure of Holdings or such Restricted Subsidiary to make a required capital contribution therein; provided that the only recourse on such Indebtedness is limited to Holdings' or such Restricted Subsidiary's equity interests in the related joint venture; and

(u) Indebtedness of Holdings, the Borrower or a Subsidiary Guarantor which, together with all other Indebtedness under this clause (u), does not exceed \$75.0 million aggregate principal amount outstanding at any one time (including for purposes of determining amounts outstanding under this clause (u), any Refinancing Indebtedness in respect thereof (or of such Refinancing Indebtedness), which Refinancing Indebtedness shall be deemed to have been incurred under this clause (u)).

"Permitted Investment" means:

(a) Cash Equivalents;

(b) any Investment in Holdings, the Borrower or any Subsidiary Guarantor or any Person that becomes a Subsidiary Guarantor as a result of such Investment or that is consolidated or merged with or into, or transfers all or substantially all of the assets of it or an operating unit or line of business to, Holdings or a Subsidiary Guarantor;

(c) any receivables, loans or other consideration taken by Holdings, the Borrower or any Restricted Subsidiary in connection with any asset sale otherwise permitted by this Agreement; provided that non-cash consideration received in an Asset Disposition or an exchange or swap of assets shall be pledged as Collateral under the Collateral Documents to the extent the assets subject to such Asset Disposition or exchange or swap of assets constituted Collateral, with the Lien on such Collateral securing the Loans being of the same priority with respect to the Loans as the Lien on the assets disposed of; provided, further, that notwithstanding the foregoing clause, if such assets are not of a character that would be Collateral and Holdings is not able to obtain a Lien on such assets in favor of the Administrative Agent for the benefit of the Secured Parties after the use of reasonable efforts, up to an aggregate of \$50.0 million of (i) non-cash consideration and consideration received as referred to in Section 6.07(b), (ii) assets invested pursuant to Section 2.03(a)(vi) and (iii) assets received pursuant to clause (d) under the definition of "Asset Disposition" may be designated by Holdings or the Borrower as Excluded Property not required to be pledged as Collateral;

(d) Investments received in connection with any bankruptcy or reorganization proceeding, or as a result of foreclosure, perfection or enforcement of any Lien or any judgment or settlement of any Person in exchange for or satisfaction of Indebtedness or other obligations or other property received from such Person, or for other liabilities or obligations of such Person created, in accordance with the terms of this Agreement;

(e) Investments in Hedging Obligations described in the definition of "Permitted Indebtedness";

(f) any loan or advance to an executive officer, director or employee of Holdings or any Restricted Subsidiary made in the ordinary course of business or in accordance with past practice; provided, however, that any such loan or advance exceeding \$1.0 million shall have been approved by the Board of Directors of Holdings or a committee thereof consisting of disinterested members;

(g) Investments in interests in issuances of collateralized mortgage obligations, mortgages, mortgage loan servicing, or other mortgage related assets;

(h) obligations of Holdings or a Restricted Subsidiary under warehouse lines of credit of Mortgage Subsidiaries to repurchase mortgages;

(i) Investments in an aggregate amount at any time outstanding not to exceed the greater of (i) \$20.0 million and (ii) 1.4% of Consolidated Tangible Assets (measured at the time made and without giving effect to subsequent changes in value);

(j) Guarantees issued in accordance with Section 6.03;

(k) Investments in existence on the Third Amendment Closing Date (other than Restricted Payments described in Section 6.04(b) (xii)) not otherwise constituting Permitted Investments pursuant to clause (b) above;

(l) Permitted Bond Hedges which constitute Investments;

(m) extensions of trade credit and credit in connection with the sale of land owned by Holdings or a Restricted Subsidiary which is zoned by the applicable governmental authority having jurisdiction for construction and use as a detached or attached (including town homes or condominium) single-family house (but excluding mobile homes), or the sale of a detached or attached (including town homes or condominium) single-family house (but excluding mobile homes) owned by Holdings or a Restricted Subsidiary which is completed or for which there has been a start of construction and which has been or is being constructed on any such land;

(n) obligations (but not payments thereon) with respect to homeowners association obligations, community facility district bonds, metro district bonds, mello-roos bonds and subdivision improvement bonds and similar bonding requirements arising in the ordinary course of business of a homebuilder;

(o) guarantee obligations, including completion guarantee or indemnification obligations (other than for the payment of borrowed money) entered into in the ordinary course of business and incurred for the benefit of any adjoining landowner, lender, seller of real property or municipal government authority (or enterprises thereof) in connection with the acquisition, construction, subdivision, entitlement and development of real property;

(p) Investments the payment for which consists of Qualified Stock of Holdings; provided that such Qualified Stock will not increase the amount available for Restricted Payments under clause (iii) of Section 6.04(a);

(q) advances, loans or extensions of trade credit in the ordinary course of business by Holdings or any of the Restricted Subsidiaries;

(r) intercompany current liabilities owed by or to Unrestricted Subsidiaries or joint ventures incurred in the ordinary course of business in connection with the cash management operations of Holdings and its Subsidiaries; and

(s) insurance, lease, utility and workers' compensation, performance and other similar deposits made in the ordinary course of business.

"Permitted Joint Venture" means any joint venture between the Borrower, Holdings or any of its Subsidiaries, on the one hand, and any other person that is not an affiliate of Holdings, on the other; provided that (i) such joint venture is solely engaged in the business of the development, construction and sale of homes and has no assets, liabilities or operations other than those reasonably related to such business, and (ii) such Person owns no Capital Stock or other equity interests in, ~~or Indebtedness of, Holdings~~ the Borrower or any of its Restricted Subsidiaries and owns no Indebtedness (except in the case of Holdings, any Applicable Debt that constitutes "capital markets" or bank lending Indebtedness) and makes no Investments in Holdings or any of its Restricted Subsidiaries.

"Permitted Liens" means

(a) Liens for taxes, assessments or governmental or quasi-governmental charges or claims that (i) are not yet delinquent for a period of more than 30 days, (ii) are being contested in good faith by appropriate proceedings and as to which appropriate reserves have been established or other provisions have been made in accordance with GAAP, if required, or (iii) encumber solely property abandoned or in the process of being abandoned;

(b) statutory Liens of landlords and carriers', warehousemen's, mechanics', suppliers', materialmen's, repairmen's or other Liens imposed by law and arising in the ordinary course of business and with respect to amounts that, to the extent applicable, either (i) are not yet delinquent for a period of more than 30 days or (ii) are being contested in good faith by appropriate proceedings and as to which appropriate reserves have been established or other provisions have been made in accordance with GAAP, if required;

(c) Liens (other than any Lien imposed under ERISA, as amended) incurred or deposits made in the ordinary course of business in connection with workers' compensation, unemployment insurance and other types of social security or similar legislation or other insurance related obligations (including, but not limited to, in respect of deductibles, self-insured retention amounts and premiums and adjustments thereto) or indemnification obligations of (including obligations in respect of letters of credit or bank guarantees for the benefit of) insurance carriers providing property, casualty or liability insurance, or good faith deposits in connection with bids, tenders, contracts (other than for the payment of Indebtedness) or leases to which such Person is a party, or deposits to secure public or statutory obligations of such Person or deposits of cash or U.S. government bonds to secure surety, stay, customs or appeal bonds to which such Person is a party, or deposits as security for contested taxes or import duties or for the payment of rent, performance and return-of-money bonds and other similar obligations (including letters of credit issued in lieu of any such bonds or to support the issuance thereof and including those to secure health, safety and environmental obligations);

(d) Liens incurred or deposits made to secure the performance of tenders, bids, leases, statutory obligations, surety and appeal bonds, development obligations, progress payments, government contracts, utility services, developer's or other obligations to make on-site or off-site improvements and other obligations of like nature (exclusive of obligations for the payment of borrowed money but including the items referred to in the parenthetical in clause (a)(i) of the definition of "Indebtedness"), in each case incurred in the ordinary course of business of Holdings, the Borrower and the Restricted Subsidiaries;

(e) attachment or judgment Liens not giving rise to a Default or an Event of Default;

(f) easements, dedications, assessment district or similar Liens in connection with municipal or special district financing, rights-of-way, restrictions, reservations and other similar charges, burdens, and other similar charges or encumbrances not materially interfering with the ordinary course of business of Holdings, the Borrower and the Restricted Subsidiaries;

(g) zoning restrictions, licenses, restrictions on the use of real property or minor irregularities in title thereto, which do not materially impair the use of such real property in the ordinary course of business of Holdings, the Borrower and the Restricted Subsidiaries;

(h) Liens securing Indebtedness incurred pursuant to clause (j) of the definition of "Permitted Indebtedness";

(i) Liens on the Collateral securing:

(a) Indebtedness under clause (a)(i) of the definition of "Permitted Indebtedness";

(b) [Reserved];

(c) (i) Indebtedness incurred or deemed incurred under clause (a)(ii), (a)(~~iii~~iv) or (a)(~~iv~~v) of the definition of “Permitted Indebtedness” and (ii) any Refinancing Indebtedness in respect thereof (and any subsequently incurred Refinancing Indebtedness in respect of any such Refinancing Indebtedness), provided that the Liens incurred pursuant to this clause (c) shall rank junior to the Liens securing the Loan Obligations pursuant to the terms of the First Lien Intercreditor Agreement, the Junior Lien Intercreditor Agreement or other intercreditor agreement that is substantially similar to such intercreditor agreements (with the Loan Obligations treated as senior priority obligations thereunder), as applicable;

(d) (i) Indebtedness incurred or deemed incurred under clause (n) of the definition of “Permitted Indebtedness” and (ii) any Refinancing Indebtedness in respect thereof (and any subsequently incurred Refinancing Indebtedness in respect of any such Refinancing Indebtedness), provided that the Liens incurred pursuant to this clause (d) shall rank junior to the Liens securing the Loan Obligations pursuant to the terms of the First Lien Intercreditor Agreement, the Junior Lien Intercreditor Agreement or other intercreditor agreement that is substantially similar to such intercreditor agreements (with the Loan Obligations treated as senior priority obligations thereunder), as applicable;

(e) [Reserved];

(f) [Reserved]; and

(g) any other Indebtedness (including Refinancing Indebtedness) permitted to be incurred under this Agreement in an aggregate amount at any time outstanding not to exceed \$~~410.0~~100.0 million; provided that the Liens securing any such Indebtedness incurred pursuant to this clause (g) shall rank junior to the Liens on the Collateral securing the ~~1.5 Lien Notes (or if no longer outstanding, junior to the Liens securing the~~ Loan Obligations) pursuant to the terms of the First Lien Intercreditor Agreement, the Junior Lien Intercreditor Agreement or other intercreditor agreement that is substantially similar to such intercreditor agreements (with the Loan Obligations treated as senior priority obligations thereunder), as applicable;

(j) Liens securing Non-Recourse Indebtedness and Refinancing Non-Recourse Indebtedness of Holdings, the Borrower or any Restricted Subsidiary; provided, that such Liens apply only to (i) the property financed, constructed or improved ~~out of~~with the ~~net~~ proceeds of ~~the~~such Non-Recourse Indebtedness ~~within 365 days after the incurrence of the Non-Recourse Indebtedness~~, and, including for the avoidance of doubt, assets directly related thereto or derived therefrom or other property of Holdings, the Borrower or any Restricted Subsidiary financed pursuant to the Credit Facility of such person under which the Non-Recourse Indebtedness or Refinancing Non-Recourse Indebtedness was incurred, or (ii) licenses, permits, authorizations, consent forms or contracts related to the acquisition, development, use or improvement of such property; provided, that Holdings uses reasonable efforts to obtain Liens on the assets securing such Indebtedness, in favor of the Administrative Agent for the benefit of the Secured Parties, that is junior to the Liens securing such Indebtedness and otherwise consistent with priorities set forth in the First Lien Intercreditor Agreement;

(k) Liens securing Purchase Money Indebtedness; provided, that such Liens apply only to (i) the property financed, designed, installed, constructed, leased or improved with the proceeds ~~of such Purchase Money Indebtedness within 365 days after the incurrence~~ of such Purchase Money Indebtedness, and, including for the avoidance of doubt, assets directly related thereto or derived therefrom or other property of Holdings, the Borrower or any Restricted Subsidiary financed pursuant to the Credit Facility of such person under which the Purchase Money Indebtedness was incurred, or (ii) licenses, permits, authorizations, consent forms or contracts related to the acquisition, development, use or improvement of such property;

(l) Liens on property or assets of Holdings, the Borrower or any Subsidiary Guarantor securing Indebtedness of Holdings, the Borrower or any Subsidiary Guarantor owing to Holdings, the Borrower or one or more Subsidiary Guarantors;

(m) leases, subleases, licenses or sublicenses (including of intellectual property) granted to others not materially interfering with the ordinary course of business of Holdings and the Restricted Subsidiaries;

(n) Financing Lease Obligations; provided, that such Liens apply only to the Property acquired and the related Indebtedness is incurred within 365 days after the acquisition of such Property;

(o) any right of first refusal, right of first offer, option, contract or other agreement to sell an asset; provided that such sale is not otherwise prohibited under this Agreement;

(p) any right of a lender or lenders to which Holdings, the Borrower or a Restricted Subsidiary may be indebted to offset against, or appropriate and apply to the payment of such, Indebtedness and any and all balances, credits, deposits, accounts or money of Holdings, the Borrower or a Restricted Subsidiary with or held by such lender or lenders or its Affiliates;

(q) any pledge or deposit of cash or property in conjunction with obtaining surety, performance, completion or payment bonds and letters of credit or other similar instruments or providing earnest money obligations, escrows or similar purpose undertakings or indemnifications in the ordinary course of business of Holdings, the Borrower and the Restricted Subsidiaries;

(r) Liens for homeowner, condominium, property owner association developments and similar fees, assessments and other payments;

(s) Liens securing Refinancing Indebtedness (except Liens securing Refinancing Indebtedness in respect of Indebtedness secured pursuant to clause (i) under this definition); provided, that such Liens extend only to the assets securing the Indebtedness being refinanced and have the same or junior priority as the initial Liens;

(t) Liens incurred in the ordinary course of business as security for the obligations of Holdings, the Borrower and the Restricted Subsidiaries with respect to indemnification in respect of title insurance providers;

(u) Liens on property of a Person existing at the time such Person is merged with or into or consolidated with Holdings or any Subsidiary of Holdings or becomes a Subsidiary of Holdings; provided, that such Liens were in existence prior to the contemplation of such merger or consolidation or acquisition and do not extend to any assets other than those of the Person merged into or consolidated with Holdings or the Subsidiary or acquired by Holdings or its Subsidiaries;

(v) Liens on property existing at the time of acquisition thereof by Holdings or any Subsidiary of Holdings, provided, that such Liens were in existence prior to the contemplation of such acquisition;

(w) Liens existing on the [Third Amendment](#) Closing Date (other than Liens securing Obligations under Indebtedness secured pursuant to clause (i) under this definition) and any extensions, renewals, refinancings or replacements thereof;

(x) Liens on specific items of inventory or other goods and proceeds of any Person securing such Person's obligations in respect of bankers' acceptances issued or created for the account of such Person to facilitate the purchase, shipment or storage of such inventory or other goods;

(y) pledges, deposits and other Liens existing under, or required to be made in connection with, (i) earnest money obligations, escrows or similar purpose undertakings or indemnifications in connection with any purchase and sale agreement, (ii) development agreements or other contracts entered into with governmental authorities (or an entity sponsored by a governmental authority) in connection with the entitlement of real property or (iii) agreements for the funding of infrastructure, including in respect of the issuance of community facility district bonds, metro district bonds, subdivision improvement bonds and similar bonding requirements arising in the ordinary course of business of a homebuilder;

(z) Liens securing obligations of Holdings or any Restricted Subsidiary to any third party in connection with any option, repurchase right or right of first refusal to purchase real property granted to the master developer or the seller of real property that arises as a result of the non-use or non-development of such real property by Holdings or any Restricted Subsidiary and joint development agreements with third parties to perform and/or pay for or reimburse the costs of construction and/or development related to or benefiting property (and additions, accessions, improvements and replacements and customary deposits in connection therewith and proceeds and products therefrom) of Holdings or any Restricted Subsidiary and property belonging to such third parties, in each case entered into in the ordinary course of business; provided that such Liens do not at any time encumber any property, other than the property (and additions, accessions, improvements and replacements and customary deposits in connection therewith and proceeds and products therefrom) financed by such Indebtedness and the proceeds and products thereof;

(aa) Liens securing Hedging Obligations and Cash Management Services permitted to be incurred under this Agreement, so long as the related Indebtedness is, and is permitted under this Agreement to be, secured by a Lien on the same property securing such Hedging Obligations or Cash Management Services;

(bb) Liens arising from Uniform Commercial Code (or equivalent statute) financing statement filings regarding operating leases or consignments entered into by Holdings or any Restricted Subsidiary in the ordinary course of business;

(cc) Liens in favor of the Borrower or any other Loan Party;

(dd) deposits made or other security provided to secure liabilities to insurance carriers under insurance or self-insurance arrangements in the ordinary course of business;

(ee) Liens in favor of customs and revenue authorities arising as a matter of law to secure payment of customs duties in connection with the importation of goods in the ordinary course of business;

(ff) Liens (i) of a collection bank arising under Section 4-210 of the Uniform Commercial Code or any comparable or successor provision on items in the course of collection, and (ii) in favor of banking or other financial institutions or electronic payment service providers arising as a matter of law encumbering deposits (including the right of set-off) and which are within the general parameters customary in the banking or finance industry;

(gg) the rights reserved or vested in any Person by the terms of any lease, license, grant or permit held by Holdings or any of its Restricted Subsidiaries or by a statutory provision, to terminate any such lease, license, grant or permit, or to require annual or periodic payments as a condition to the continuance thereof;

(hh) restrictive covenants affecting the use to which real property may be put; provided that the covenants are complied with;

(ii) security given to a public utility or any municipality or governmental authority when required by such utility or authority in connection with the operations of that Person in the ordinary course of business;

(jj) zoning by-laws and other land use restrictions, including site plan agreements, development agreements and contract zoning agreements;

(kk) Liens arising out of conditional sale, title retention, consignment or similar arrangements for sale of goods entered into by Holdings or any Restricted Subsidiary in the ordinary course of business;

(ll) Liens on the equity interests of a Mortgage Subsidiary securing Indebtedness of the type set forth under clause (j) of the definition of "Permitted Indebtedness";

(mm) [Reserved];

(nn) any encumbrance or restriction (including put and call arrangements) with respect to capital stock of any joint venture or similar arrangement pursuant to any joint venture or similar agreement, to the extent that such encumbrance or restriction does not secure Indebtedness;

(oo) Liens on property or assets used to defease or to irrevocably satisfy and discharge Indebtedness; provided that such defeasance or satisfaction and discharge is not prohibited by this Agreement;

(pp) easements, rights-of-way, dedications, covenants, conditions, restrictions, reservations and assessment district or similar Liens in connection with municipal or special district financing, agreements with adjoining landowners or state or local government authorities, quasi-governmental entities or utilities and other similar charges or encumbrances incurred in the ordinary course of business and which do not, in the aggregate, materially interfere with the ordinary course of business of Holdings and its Subsidiaries; and

(qq) Liens securing obligations not to exceed \$25.0 million at any one time outstanding; provided that any Liens on the Collateral securing any Indebtedness (or Obligations in respect thereof) incurred pursuant to this clause (qq) shall rank junior to the Liens securing the Loan Obligations pursuant to the terms of the First Lien Intercreditor Agreement, the Junior Lien Intercreditor Agreement or other intercreditor agreement that is substantially similar to such intercreditor agreements (with the Loan Obligations being treated as senior priority obligations thereunder), as applicable.

For purposes of determining compliance with this definition of “Permitted Liens”, (x) a Lien need not be incurred solely by reference to one category of Permitted Liens described in this definition but may be incurred under any combination of such categories (including in part under one such category and in part under any other such category) and (y) in the event that a Lien (or any portion thereof) meets the criteria of one or more of such categories of Permitted Liens, the Borrower shall, in its sole discretion, classify or reclassify such Lien (or any portion thereof) in any manner that complies with this definition.

“Permitted Warrant” means any call option on, warrant or right to purchase (or substantively equivalent derivative transaction) Holdings’ Capital Stock sold by Holdings, the Borrower or any Restricted Subsidiary substantially concurrently with any purchase by Holdings, the Borrower or any Restricted Subsidiary of a related Permitted Bond Hedge.

“Person” means any individual, corporation, partnership, limited liability company, joint venture, incorporated or unincorporated association, joint stock company, trust, unincorporated organization or government or any agency or political subdivision thereof.

“Pledge” has the meaning specified in Section 9.07(i).

“Pledge Agreement” means the Pledge Agreement among the Borrower, the other Grantors named therein and the Administrative Agent, dated as of the Closing Date, which shall be substantially in the form of Exhibit J-2.

“Pledgee” has the meaning specified in Section 9.07(i).

“Pledging Lender” has the meaning specified in Section 9.07(i).

“Preferred Stock” of any Person means all Capital Stock of such Person which has a preference in liquidation or with respect to the payment of dividends.

“Prepay”, “Prepaid” and “Prepayment” have the meanings specified in Section 6.20 hereof.

“Prepayment Indebtedness” has the meaning specified in Section 6.20 hereof.

“Prepayment Notice” has the meaning specified in Section 2.03(a), which shall be substantially in the form of Exhibit A-2.

“Pro Rata Share” means, with respect to each Lender at any time, a fraction (expressed as a percentage, carried out to the ninth decimal place), the numerator of which is the amount of the Commitments of such Lender under the applicable Facility or Facilities or the Outstanding Amount of such Lender’s Loans under such Facility at such time and the denominator of which is the amount of the Aggregate Commitments under the applicable Facility or Facilities or the aggregate Outstanding Amount of all Loans under such Facility at such time.

“Property” of any Person means all types of real, personal, tangible, intangible or mixed property owned by such Person, whether or not included in the most recent consolidated balance sheet of such Person and its Subsidiaries under GAAP.

“Public Filings” means Holding’s annual report on Form 10-K for the fiscal year ended October 31, ~~2021~~2022, each subsequently filed quarterly report on Form 10-Q and current report on Form 8-K (other than Items 2.02 and 7.01) and all other documents filed by Holdings with the Securities and Exchange Commission since November 1, ~~2021~~2022 under Section 13(a), 13(c), 14 and 15(d) of the Exchange Act on or prior to the ~~Second~~Third Amendment Effective Date (other than Items 2.02 and 7.01 of a Form 8-K).

“Purchase Money Indebtedness” means Indebtedness of Holdings, the Borrower or any Restricted Subsidiary incurred for the purpose of financing all or any part of the purchase price, or the cost of design, installation, construction, lease or improvement, of any property to be used in the business of Holdings, the Borrower and the Restricted Subsidiaries; provided, however, that (a) the aggregate principal amount of such Indebtedness shall not exceed such purchase price or cost (including financing costs) and (b) such Indebtedness shall be incurred no later than 365 days after the acquisition of such property or completion of such design, installation, construction, lease or improvement.

“Qualified Stock” means Capital Stock of Holdings other than Disqualified Stock.

“Rating Agency” means a statistical rating agency or agencies, as the case may be, nationally recognized in the United States and selected by Holdings (as certified by a resolution of the Board of Directors of Holdings) which shall be substituted for S&P or Moody’s, or both, as the case may be.

“Real Estate Business” means homebuilding, housing construction, real estate development or construction and the sale of homes and related real estate activities, including the provision of mortgage financing or title insurance.

“Reference Time” with respect to any setting of the then-current Benchmark means (1) if such Benchmark is Term SOFR, 5:00 p.m. (New York City time) on the day that is two Business Days preceding the date of such setting and (2) if such Benchmark is not Term SOFR, the time determined by the Administrative Agent (at the direction of the Required Lenders).

“Refinancing Indebtedness” means Indebtedness that refunds, refinances or extends any Indebtedness of Holdings, the Borrower or any Restricted Subsidiary (excluding Non-Recourse Indebtedness or Permitted Indebtedness described under clauses (b), (d), (e), (f), (h), (j), (l), and (o) through (t) of the definition thereof), but only to the extent that:

(a) the Refinancing Indebtedness is subordinated, if at all, to the Loans or the Guarantees, as the case may be, to the same extent as the Indebtedness being refunded, refinanced or extended;

(b) the Refinancing Indebtedness is scheduled to mature either (x) no earlier than the Indebtedness being refunded, refinanced or extended or (y) no earlier than 91 days after the Maturity Date of the Loans;

(c) the portion, if any, of the Refinancing Indebtedness that is scheduled to mature on or prior to the Maturity Date of the Loans has a Weighted Average Life to Maturity at the time such Refinancing Indebtedness is incurred that is equal to or greater than the Weighted Average Life to Maturity of the portion of the Indebtedness being refunded, refinanced or extended that is scheduled to mature on or prior to the Maturity Date of the Loans;

(d) such Refinancing Indebtedness is in an aggregate principal amount that is equal to or less than the aggregate principal amount then outstanding under the Indebtedness being refunded, refinanced or extended (plus all accrued interest thereon and the amount of any premiums (including tender premiums) and fees, costs and expenses incurred in connection with the refinancing thereof);

(e) such Refinancing Indebtedness, if secured, is (x) secured only by Permitted Liens at the time of such refinancing, refunding or ~~replacement~~extension (it being understood that secured Indebtedness may be refinanced with unsecured Indebtedness and unsecured Indebtedness may be refinanced with secured Indebtedness) and (y) to the extent the Indebtedness being refunded, refinanced or extended was not secured by any assets other than the Collateral, such Refinancing Indebtedness is not secured by any assets other than the Collateral; and

(f) such Refinancing Indebtedness may not be incurred or guaranteed by any Person that is not the Borrower or a Guarantor hereunder;

provided, that for purposes of determining the principal amount outstanding under clauses (a), (g), (k), (n) and (u) of “Permitted Indebtedness” and clauses (i) and (gg) of “Permitted Liens”, the principal amount referred to in such clauses shall be calculated excluding any principal amount that was incurred in respect of amounts set forth in the parenthetical in clause (d) of this definition and such principal amount shall nonetheless be permitted under such clauses.

“Refinancing Lender” has the meaning specified in Section 2.14(b).

“Refinancing Loan Amendment” has the meaning specified in Section 2.14(b).

“Refinancing Loan Series” has the meaning specified in Section 2.14(b).

“Refinancing Loans” has the meaning specified in Section 2.14(b).

“Refinancing Non-Recourse Indebtedness” has the meaning specified in Section 6.03(b)(iii).

“Register” has the meaning specified in Section 9.07(c).

“Related Indemnitee” has the meaning specified in Section 9.05.

“Related Parties” means, with respect to any Person, such Person’s Affiliates and the partners, directors, officers, employees, agents and advisors of such Person and of such Person’s Affiliates.

“Release” means any release, spill, emission, discharge, deposit, disposal, leaking, pumping, pouring, dumping, emptying, injection or leaching into the environment, or into, from or through any structure or facility.

“Relevant Governmental Body” shall mean with respect to a Benchmark Replacement in respect of Loans denominated in Dollars, the Board of Governors of the Federal Reserve System or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Board of Governors of the Federal Reserve System or the Federal Reserve Bank of New York, or any successor thereto.

“Relevant Rate” shall mean with respect to any Loan denominated in Dollars, Term SOFR.

“repayment” has the meaning specified in the definition of “Consolidated Fixed Charge Coverage Ratio.”

“Replacement Amendment” has the meaning specified in Section 2.14(a).

“Replacement Commitment Series” has the meaning specified in Section 2.14(a).

“Replacement Commitments” has the meaning specified in Section 2.14(a).

“Replacement Commitments” has the meaning specified in Section 2.14(a).

“Replacement Effective Date” has the meaning specified in Section 2.14(a).

“Replacement Lender” has the meaning specified in Section 2.14(a).

“Replacement Loans” has the meaning specified in Section 2.14(a).

“Required Lenders” means, as of any date of determination, Lenders having more than 50% of the Aggregate Exposure of all Lenders on such date; provided, that the Aggregate Exposure of any Defaulting Lender shall be excluded for purposes of making a determination of Required Lenders.

“Reserved Indebtedness Amount” has the meaning specified in Section 6.03(k).

“Responsible Officer” means the chief executive officer, president, executive vice president, vice president, chief financial officer, chief accounting officer, treasurer, assistant treasurer, controller or other similar officer of a Loan Party or, in the case of any foreign Subsidiary, any duly appointed authorized signatory or any director or managing member of such Person and, as to any document delivered on the Closing Date, any secretary or assistant secretary. Any document delivered hereunder that is signed by a Responsible Officer of a Loan Party shall be conclusively presumed to have been authorized by all necessary corporate, partnership and/or other action on the part of such Loan Party, and such Responsible Officer shall be conclusively presumed to have acted on behalf of such Loan Party.

“Restricted Investment” means any Investment other than a Permitted Investment.

“Restricted Payment” means any of the following:

(a) the declaration or payment of any dividend or any other distribution on Capital Stock of Holdings, the Borrower or any Restricted Subsidiary or any payment made to the direct or indirect holders (in their capacities as such) of Capital Stock of Holdings, the Borrower or any Restricted Subsidiary (other than (i) dividends or distributions payable solely in Qualified Stock and (ii) in the case of the Borrower or Restricted Subsidiaries, dividends or distributions payable to Holdings, the Borrower or a Restricted Subsidiary);

(b) the purchase, redemption or other acquisition or retirement for value of any Capital Stock of Holdings, the Borrower or any Restricted Subsidiary (other than a payment made to Holdings, the Borrower or any Restricted Subsidiary); and

(c) any Investment (other than any Permitted Investment), including any Investment in an Unrestricted Subsidiary (including by the designation of a Subsidiary of Holdings as an Unrestricted Subsidiary).

“Restricted Subsidiary” means any Subsidiary of Holdings which is not an Unrestricted Subsidiary.

“Rule 144A” means Rule 144A under the Securities Act.

“S&P” means S&P Global Ratings, a division of S&P Global, Inc., and its successors.

“Sanctioned Territory” has the meaning specified in Section 5.11(a).

“Sanctions” has the meaning specified in Section 5.11(a).

“SDN List” has the meaning specified in Section 5.11(a).

“Second Amendment” means the Second Amendment to Credit Agreement, dated as of August 18, 2022, by and among Holdings, the Borrower, the Subsidiary Guarantors party thereto, the Lenders party thereto and the Administrative Agent.

“Second Amendment Effective Date” has the meaning assigned to such term in the Second Amendment.

“Second Lien Indebtedness” means ~~(a) the Existing Secured Notes and (b) all other~~ all Indebtedness of Holdings, the Borrower or any Restricted Subsidiary secured by Liens on the Collateral that are equal junior in priority to the Liens on the Collateral securing the ~~Existing Secured Notes and guarantees thereof on a second-lien basis~~ Loans pursuant to the terms of the Junior Lien Intercreditor Agreement.

“Second Lien Obligations” means the Second Lien Indebtedness and all Obligations in respect thereof.

“Secured Debt Leverage Ratio” means, as of any date of determination, the ratio of (x) Consolidated Total Debt that is secured by a Lien (which shall include Non-Recourse Indebtedness regardless of whether such Non-Recourse Indebtedness is secured by a Lien) to (y) Consolidated Cash Flow Available for Fixed Charges for the Four Quarter Period for which financial results have been reported immediately preceding the determination date, with such pro forma adjustments to Consolidated Total Debt and Consolidated Cash Flow Available for Fixed Charges as are appropriate and consistent with the pro forma adjustment provisions set forth in the definition of “Consolidated Fixed Charge Coverage Ratio.”

“Secured Indebtedness” means any Indebtedness of Holdings or any of its Restricted Subsidiaries secured by a Lien on the Collateral and subject to the Intercreditor Agreements.

“Secured Obligations” means all Secured Indebtedness and all Obligations in respect thereof.

“Secured Parties” means, collectively, the Administrative Agent, the Joint First Lien Collateral Agent, the Lenders, the Supplemental Administrative Agent, if any, and each co-agent or sub-agent appointed by the Administrative Agent from time to time pursuant to Section 8.05.

“Securities Act” means the United States Securities Act of 1933, as amended.

“Security Agreement” means the Security Agreement among the Borrower, the other Grantors named therein and the Administrative Agent, dated as of the Closing Date, which shall be substantially in the form of Exhibit J-1.

“Significant Subsidiary” means any Subsidiary of Holdings which would constitute a “significant subsidiary” as defined in Rule 1-02(w)(1) or (2) of Regulation S-X under the Securities Act and the Exchange Act as in effect on the Third Amendment Closing Date.

“SOFR” shall mean a rate equal to the secured overnight financing rate as administered by the SOFR Administrator.

“SOFR Administrator” shall mean the Federal Reserve Bank of New York (or a successor administrator of the secured overnight financing rate).

“SOFR Administrator’s Website” shall mean the website of the Federal Reserve Bank of New York, currently at <http://www.newyorkfed.org>, or any successor source for the secured overnight financing rate identified as such by the SOFR Administrator from time to time.

“SOFR Rate Day” shall have the meaning provided in the definition of the term Daily Simple SOFR.

“Specified Letter Agreement” means that certain side letter, dated October 5, 2023, by and among the Borrower, Holdings, Angelo, Gordon & Co., L.P., on behalf of its investment funds, separate accounts and/or other entities owned (in whole or in part), controlled, managed and/or advised by it, and Apollo Capital Management, L.P., on behalf of its investment funds, separate accounts and/or other entities owned (in whole or in part), controlled, managed and/or advised by it.

“Specified Persons” means (i) one or more investment funds, separate accounts and/or other entities owned (in whole or in part), controlled, managed and/or advised by Angelo, Gordon & Co., L.P. and (ii) one or more investment funds, separate accounts and/or other entities owned (in whole or in part), controlled, managed and/or advised by Apollo Capital Management, L.P., in each case, that are identified to Holdings and the Borrower from time to time in accordance with the Specified Letter Agreement.

“Specified Transactions” shall mean (1) the consummation of the Exchange, (2) the entry into and effectiveness of this Agreement and the Borrowings hereunder, (3) the refinancing of Obligations outstanding under the Existing Revolving Credit Agreement and release of security interests thereunder and (4) the entry into and effectiveness of the Note Purchase Agreements and the consummation of the transactions contemplated thereby.

“Subordinated Indebtedness” means Indebtedness subordinated in right of payment to the Loans pursuant to a written agreement.

“Subsidiary” of any Person means any corporation or other entity of which a majority of the Capital Stock having ordinary voting power to elect a majority of the board of directors or other persons performing similar functions is at the time directly or indirectly owned or controlled by such Person.

“Subsidiary Guarantor” has the meaning specified in the introductory paragraph to this Agreement.

“Successor” has the meaning specified in Section 6.11(i).

“Supplemental Administrative Agent” has the meaning specified in Section 8.10(a) and “Supplemental Administrative Agents” shall have the corresponding meaning.

“Taxes” means all present or future taxes, levies, imposts, duties, deductions, withholdings (including backup withholding), assessments, fees or other charges imposed by any Governmental Authority, including any interest, additions to tax or penalties applicable thereto.

“Term Benchmark” means, when used in reference to any Loan or Borrowing, refers to whether such Loan, or the Loans comprising such Borrowing, are bearing interest at a rate determined by reference to Term SOFR.

“Term Benchmark Rate” shall mean, the rate per annum equal to Term SOFR, provided that if Term Benchmark Rate as so determined shall ever be less than ~~1.00~~3.00%, then Term Benchmark Rate shall be deemed to be ~~1.00~~3.00%.

“Term SOFR” means, with respect to any Term Benchmark Borrowing denominated in Dollars and for any Interest Period, the Term SOFR Reference Rate for a tenor comparable to the applicable Interest Period on the day (such day, the “Determination Day”) that is two (2) U.S. Government Securities Business Days prior to the first day of such Interest Period, as such rate is published by the Term SOFR Administrator; provided, however, that if as of 5:00 p.m. (New York City time) on any Determination Day the Term SOFR Reference Rate for the applicable tenor has not been published by the Term SOFR Administrator and a Benchmark Replacement Date with respect to the Term SOFR Reference Rate has not occurred, then Term SOFR will be the Term SOFR Reference Rate for such tenor published by the Term SOFR Administrator on the U.S. Government Securities Business Day first preceding such Determination Day so long as such U.S. Government Securities Business Day is not more than three (3) U.S. Government Securities Business Days prior to such Determination Day; provided, further, that with respect to the Loans, if Term SOFR determined as provided above shall ever be less than ~~1.00~~3.00%, then Term SOFR shall be deemed to be ~~1.00~~3.00%.

“Term SOFR Administrator” means CME Group Benchmark Administration Limited (CBA) (or a successor administrator of the Term SOFR Reference Rate selected by the Administrative Agent (at the direction of the Required Lenders)).

“Term SOFR Reference Rate” means, for any day and time, with respect to any Term SOFR Borrowing for any Interest Period, the rate per annum determined by the Administrative Agent (at the direction of the Required Lenders) as the forward-looking term rate based on SOFR.

“Termination Date” has the meaning specified in Section 8.08(a).

“Third Amendment” means the Third Amendment to Credit Agreement, dated as of September 25, 2023, by and among Holdings, the Borrower, the Subsidiary Guarantors party thereto, the Lenders party thereto and the Administrative Agent.

“Third Amendment Closing Date” has the meaning assigned to such term in the Third Amendment.

“Third Amendment Effective Date” has the meaning assigned to such term in the Third Amendment.

“Total Outstandings” means, as of any date of determination, the aggregate Outstanding Amount of all Loans on such date.

“tranche” shall have the meaning specified in Section 2.13(a).

“Transaction Date” has the meaning specified in the definition of “Consolidated Fixed Charge Coverage Ratio.”

“Type” shall mean when used in reference to any Loan or Borrowing, refers to whether the rate of interest on such Loan, or on the Loans comprising such Borrowing, is determined by reference to Term SOFR (other than solely as a result of clause (iii) of the definition of ABR) or the ABR.

“Unadjusted Benchmark Replacement” shall mean the applicable Benchmark Replacement excluding the related Benchmark Replacement Adjustment.

“Unentitled Land” means land owned by the Borrower or a Guarantor which has not been granted preliminary approvals ((i) in New Jersey, as defined in the Municipal Land Use Law (N.J.S.A. 40:55D-1 et seq.) and (ii) for states other than New Jersey, a point in time equivalent thereto) for residential development.

“Uniform Commercial Code” means the Uniform Commercial Code as the same may from time to time be in effect in the State of New York or the Uniform Commercial Code (or similar code or statute) of another jurisdiction, to the extent it may be required to apply to the creation or perfection of a security interest in any item or items of Collateral.

“United States” and “U.S.” mean the United States of America.

“Unrestricted Cash” means the aggregate amount of cash held in bank accounts of Borrower and the Guarantors that are subject to control agreements in favor of the Joint First Lien Collateral Agent to the extent that the use of such cash for application to payment of the Loan Obligations or other Indebtedness is not prohibited by law or any contract or other agreement (including, with respect to cash held in a bank account of any Subsidiary Guarantor, that such Subsidiary Guarantor is not subject to any restriction on its ability to distribute such cash to Borrower), and such cash is free and clear of all Liens (other than Liens in favor of the Administrative Agent, the New Secured Notes, Second Lien Indebtedness and any statutory Liens in favor of banks (including rights of set-off)).

“Unrestricted Subsidiary” means any Subsidiary of Holdings so designated by a resolution adopted by the Board of Directors of Holdings or a duly authorized committee thereof as provided below and provided, that any such Subsidiary (including any JV Holding Company and any Permitted Joint Venture) so designated as an Unrestricted Subsidiary is used solely in the ordinary course of business consistent with past practice, including the provision of mortgage financing or title insurance and joint venture operations, and has no assets, liabilities or operations other than those reasonably related to such business purpose; provided, further, that the holders of Indebtedness thereof do not have direct or indirect recourse against Holdings, the Borrower or any Restricted Subsidiary, and neither Holdings, the Borrower nor any Restricted Subsidiary otherwise has liability for, any payment obligations in respect of such Indebtedness (including any undertaking, agreement or instrument evidencing such Indebtedness), except, in each case, to the extent that the amount thereof constitutes a Restricted Payment or Permitted Investment permitted by this Agreement, in the case of Non-Recourse Indebtedness, to the extent such recourse or liability is for the matters discussed in the last sentence of the definition of “Non-Recourse Indebtedness,” or to the extent such Indebtedness is a guarantee by such Subsidiary of Indebtedness of Holdings, the Borrower or a Restricted Subsidiary. As of the Third Amendment Closing Date, the Unrestricted Subsidiaries are the Subsidiaries of Holdings named in Schedule 1.01 ~~hereto~~ attached to the Third Amendment as Exhibit B.

Subject to the foregoing, the Board of Directors of Holdings or a duly authorized committee thereof may designate any Subsidiary in addition to those named in Schedule 1.01 hereto to be an Unrestricted Subsidiary; provided, however, that (a) the net amount (the “Designation Amount”) then outstanding of all previous Investments by Holdings and the Restricted Subsidiaries in such Subsidiary will be deemed to be a Restricted Payment at the time of such designation and will reduce the amount available for Restricted Payments under Section 6.04 hereof to the extent provided therein, (b) Holdings must be permitted under Section 6.04 hereof or pursuant to the definition of “Permitted Investment” to make the Restricted Payment deemed to have been made pursuant to clause (a) of this paragraph, and (c) after giving effect to such designation, no Default or Event of Default shall have occurred or be continuing. In accordance with the foregoing, and not in limitation thereof, Investments made by any Person in any Subsidiary of such Person prior to such Person’s merger with Holdings or any Restricted Subsidiary (but not in contemplation or anticipation of such merger) shall not be counted as an Investment by Holdings or such Restricted Subsidiary if such Subsidiary of such Person is designated as an Unrestricted Subsidiary.

The Board of Directors of Holdings or a duly authorized committee thereof may also redesignate an Unrestricted Subsidiary to be a Restricted Subsidiary; provided, however, that (a) the Indebtedness of such Unrestricted Subsidiary as of the date of such redesignation could then be incurred under Section 6.03 hereof and (b) immediately after giving effect to such redesignation and the incurrence of any such additional Indebtedness, (i) Holdings and the Restricted Subsidiaries could incur \$1.00 of additional Indebtedness under Section 6.03(a) hereof or (ii) the Consolidated Fixed Charge Coverage Ratio would be equal to or greater than the Consolidated Fixed Charge Coverage Ratio immediately prior to such redesignation. Any such designation or redesignation by the Board of Directors of Holdings or a committee thereof will be evidenced to the Administrative Agent by the delivery to the Administrative Agent of a certified copy of the resolution of the Board of Directors of Holdings or a committee thereof giving effect to such designation or redesignation and an Officer's Certificate certifying that such designation or redesignation complied with the foregoing conditions and setting forth the underlying calculations of such Officer's Certificate. The designation of any Person as an Unrestricted Subsidiary shall be deemed to include a designation of all Subsidiaries of such Person as Unrestricted Subsidiaries; provided, however, that the ownership of the general partnership interest (or a similar member's interest in a limited liability company) by an Unrestricted Subsidiary shall not cause a Subsidiary of Holdings of which more than 95% of the equity interest is held by Holdings or one or more Restricted Subsidiaries to be deemed an Unrestricted Subsidiary.

"U.S. Government Securities Business Day" means any day except for (a) a Saturday, (b) a Sunday or (c) a day on which the Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in United States government securities.

"U.S. Person" means any Person that is a "United States person" within the meaning of Section 7701(a)(30) of the Code.

"U.S. Tax Certificate" has the meaning set forth in Section 3.01(f)(ii)(B)(3).

"Weighted Average Life to Maturity" means, when applied to any Indebtedness or portion thereof at any date, the number of years obtained by dividing (a) the sum of the products obtained by multiplying (i) the amount of each then remaining installment, sinking fund, serial maturity or other required payment of principal, including payment at final maturity, in respect thereof, by (ii) the number of years (calculated to the nearest one-twelfth) that will elapse between such date and the making of such payment by (b) the sum of all such payments described in clause (a)(i) of this definition.

"Withholding Agent" means any Loan Party, the Administrative Agent and, for U.S. federal income tax purposes only, any other withholding agent.

SECTION 1.02 Rules of Construction. Unless the context otherwise requires or except as otherwise expressly provided:

(a) an accounting term not otherwise defined has the meaning assigned to it in accordance with GAAP;

(b) "herein," "hereof" and other words of similar import refer to this Agreement as a whole and not to any particular Section, Article or other subdivision;

(c) the use herein of the word "include", "includes" or "including," when following any general statement, term or matter, shall not be construed to limit such statement, term or matter to the specific items or matters set forth immediately following such word or to similar items or matters, but rather shall be deemed to be followed by the phrase "without limitation" and to refer to all other items or matters that fall within the broadest possible scope of such general statement, term or matter;

(d) all references to Sections or Articles or Exhibits refer to Sections or Articles or Exhibits of or to this Agreement unless otherwise indicated;

(e) references to agreements or instruments, or to statutes or regulations, are to such agreements or instruments, or statutes or regulations, as amended from time to time (or to successor statutes and regulations); and

(f) in the event that a transaction meets the criteria of more than one category of permitted transactions or listed exceptions, the Borrower may classify such transaction as it, in its sole discretion, determines.

SECTION 1.03 Times of Day. Unless otherwise specified, all references herein to times of day shall be references to New York time (daylight or standard, as applicable).

SECTION 1.04 Timing of Payment or Performance. When the payment of any obligation or the performance of any covenant, duty or obligation is stated to be due or performance required on a day which is not a Business Day, the date of such payment or performance shall extend to the immediately succeeding Business Day and such extension of time shall be reflected in computing interest or fees, as the case may be.

SECTION 1.05 Benchmark Replacement Setting.

(a) Benchmark Replacement. Notwithstanding anything to the contrary herein or in any other Loan Document, if a Benchmark Transition Event and its related Benchmark Replacement Date have occurred prior to the Reference Time in respect of any setting of the then-current Benchmark, then (x) if a Benchmark Replacement is determined in accordance with clause (1)(A) of the definition of "Benchmark Replacement" for such Benchmark Replacement Date, such Benchmark Replacement will replace such Benchmark for all purposes hereunder and under any Loan Document in respect of such Benchmark setting and subsequent Benchmark settings without any amendment to, or further action or consent of any other party to, this Agreement or any other Loan Document and (y) if a Benchmark Replacement is determined in accordance with clause (1)(B) or clause 2 of the definition of "Benchmark Replacement" for such Benchmark Replacement Date, such Benchmark Replacement will replace such Benchmark for all purposes hereunder and under any Loan Document in respect of any Benchmark setting at or after 5:00 p.m. (New York City time) on the fifth (5th) Business Day after the date notice of such Benchmark Replacement is provided to the Lenders without requiring any amendment to, or requiring further action by or consent of any other party to, this Agreement or any other Loan Document so long as the Administrative Agent has not received, by such time, written notice of objection to such Benchmark Replacement from Lenders comprising the Required Lenders of each Class.

(b) Benchmark Replacement Conforming Changes. In connection with the implementation of a Benchmark Replacement, the Administrative Agent (at the direction of the Required Lenders who shall consult with the Borrower) will have the right to make Benchmark Replacement Conforming Changes from time to time and, notwithstanding anything to the contrary herein or in any other Loan Document, any amendments implementing such Benchmark Replacement Conforming Changes (including such other amendments not contemplated by the definition thereof) will become effective without any further action or consent of any other party to this Agreement or any other Loan Document.

(c) Notices; Standards for Decisions and Determinations. The Administrative Agent (at the direction of the Required Lenders), will promptly notify the Borrower and the Lenders of (i) any occurrence of a Benchmark Transition Event and its related Benchmark Replacement Date, (ii) the implementation of any Benchmark Replacement, (iii) the effectiveness of any Benchmark Replacement Conforming Changes, (iv) the removal or reinstatement of any tenor of a Benchmark pursuant to clause (d) below and (v) the commencement and related conclusion of any Benchmark Unavailability Period. Any determination, decision or election that may be made by the Administrative Agent (at the direction of the Required Lenders) or, if applicable, any Lender (or group of Lenders) pursuant to this Section 1.05, including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection, will be conclusive and binding absent manifest error and may be made in its or their sole discretion and without consent from any other party to this Agreement or any other Loan Document, except, in each case, as expressly required pursuant to this Section 1.05.

(d) Unavailability of Tenor of Benchmark. Notwithstanding anything to the contrary herein or in any other Loan Document, at any time (including in connection with the implementation of a Benchmark Replacement), (i) if a then-current Benchmark is a term rate (including Term SOFR) and either (A) any tenor for such Benchmark is not displayed on a screen or other information service that publishes such rate from time to time as selected by the Administrative Agent (at the direction of the Required Lenders) or (B) the regulatory supervisor for the administrator of such Benchmark has provided a public statement or publication of information announcing that any tenor for such Benchmark is or will be no longer representative, then the Administrative Agent (at the direction of the Required Lenders) may modify the definition of "Interest Period" for any Benchmark settings at or after such time to remove such unavailable or non-representative tenor and (ii) if a tenor that was removed pursuant to clause (a) above either (A) is subsequently displayed on a screen or information service for a Benchmark (including a Benchmark Replacement) or (B) is not, or is no longer, subject to an announcement that it is or will no longer be representative for such Benchmark (including a Benchmark Replacement), then the Administrative Agent (at the direction of the Required Lenders) may modify the definition of "Interest Period" for all settings of such Benchmark at or after such time to reinstate such previously removed tenor.

(e) Benchmark Unavailability Period. Upon the Borrower's receipt of notice of the commencement of a Benchmark Unavailability Period, the Borrower may revoke any request for a Term Benchmark Borrowing of, conversion to or continuation of Term Benchmark Loans to be made, converted or continued during any such Benchmark Unavailability Period and, failing that, the Borrower will be deemed to have converted any such request into a request for a Borrowing of or conversion to ABR Loans contemplated by this Agreement. During any Benchmark Unavailability Period or at any time that a tenor for the then-current Benchmark is not an Available Tenor, the component of ABR based upon the then-current Benchmark or such tenor for such Benchmark, as applicable, will not be used in any determination of ABR.

(f) Tax Matters. Notwithstanding anything to the contrary herein or in any other Loan Document, in connection with the implementation of a Benchmark Replacement, the Borrower and the Required Lenders each has the option to give the other party notice that the use of a certain Benchmark Replacement may result in a risk of deemed exchange of any outstanding Loans under Section 1001 of the Code and, in such event, each such party shall use commercially reasonable efforts to take into account the other party's input in order to satisfy any applicable requirements under proposed or final United States Treasury Regulations or other IRS guidance such that such use shall not result in a deemed exchange under Section 1001 of the Code.

(g) Exculpatory Provisions on Benchmark Replacement. The interest rate on Loans denominated in Dollars may be determined by reference to a benchmark rate that is, or may in the future become, the subject of regulatory reform or cessation. Regulators have signaled the need to use alternative reference rates for some of these benchmark rates and, as a result, such benchmark rates may cease to comply with applicable laws and regulations, may be permanently discontinued or the basis on which they are calculated may change. In the event that any then-current Benchmark is no longer available or in certain other circumstances set forth in this Section 1.05, such Section 1.05 provides a mechanism for determining an alternative rate of interest. The Administrative Agent will notify the Borrower and the Lenders, pursuant to this Section 1.05, of any change to the reference rate upon which the interest rate on Loans is based.

However, the Administrative Agent does not warrant or accept any responsibility for, and shall not have any liability with respect to, (i) the continuation of, administration of, submission of, calculation of or any other matter related to the rates in the definition of Relevant Rate or any Benchmark, any component definition thereof or rates referenced in the definition thereof or with respect to any alternative, successor or replacement rate thereto (including any then-current Benchmark or any Benchmark Replacement), including whether the composition or characteristics of any such alternative, successor or replacement rate (including any Benchmark Replacement), as it may or may not be adjusted pursuant to this Section 1.05, will be similar to, or produce the same value or economic equivalence of, or have the same volume or liquidity as, such Benchmark or any other Benchmark prior to its discontinuance or unavailability, or (ii) the effect, implementation or composition of any Benchmark Replacement Conforming Changes. The Administrative Agent and its Affiliates or other related entities may engage in transactions that affect the calculation of a Benchmark, any alternative, successor or replacement rate (including any Benchmark Replacement) or any relevant adjustments thereto and such transactions may be adverse to the Borrower. The Administrative Agent may select information sources or services in its reasonable discretion to ascertain any Benchmark, any component definition thereof or rates referenced in the definition thereof, in each case pursuant to the terms of this Agreement, and shall have no liability to the Borrower, any Lender or any other Person for damages of any kind, including direct or indirect, special, punitive, incidental or consequential damages, costs, losses or expenses (whether in tort, contract or otherwise and whether at law or in equity), for any error or calculation of any such rate (or component thereof) provided by any such information source or service. Notwithstanding the foregoing, nothing in this paragraph shall be deemed to alter the Administrative Agent's liability under this Agreement for any action taken or omitted hereunder which constitutes gross negligence or willful misconduct as determined in the final non-appealable judgment of a court of competent jurisdiction

ARTICLE II

THE COMMITMENTS AND BORROWINGS

SECTION 2.01 Commitments and Loans. Subject to the terms and conditions set forth herein, each Lender severally agrees to make revolving loans in Dollars to the Borrower (each such loan, an "Initial Loan") from time to time, on any Business Day during the Commitment Period, in an aggregate principal amount not to exceed at any time outstanding the amount of such Lender's Initial Commitment; provided that, after giving effect to any Borrowing, the aggregate Outstanding Amount of the Loans of any Lender shall not exceed such Lender's Initial Commitment. Such Loans may at the option of the Borrower be incurred and maintained as, and/or converted into, ABR Loans or Term Benchmark Loans. Within the limits of each Lender's Initial Commitment, and subject to the other terms and conditions hereof, the Borrower may borrow under this Section 2.01, prepay under Section 2.05, and, prior to the expiration of the Commitment Period, reborrow under this Section 2.01. Amounts borrowed under this Section 2.01 and repaid or prepaid may not be reborrowed on or after the Maturity Date.

SECTION 2.02 Borrowings.

(a) Each Borrowing of Loans shall be made upon the Borrower's irrevocable delivery to the Administrative Agent of a Loan Notice (which may be given by telephone as provided below), appropriately completed and signed by a Responsible Officer of the Borrower. Each such notice must be received by the Administrative Agent not later than 12:00 p.m. (noon) (New York City time) (A) in the case of any requested Borrowing of Term Benchmark Loans in a principal amount of less than \$25,000,000, one (1) Business Day prior to the requested date of such Borrowing, (B) in the case of any requested Borrowing of Term Benchmark Loans in a principal amount of \$25,000,000 or greater, three (3) Business Days prior to the requested date of such Borrowing, and (C) in the case of any requested Borrowing of ABR Loans, one (1) Business Day prior to the requested date of such Borrowing. Each telephonic notice delivered pursuant to this Section 2.02(a) must be confirmed promptly by delivery to the Administrative Agent of a written Loan Notice, appropriately completed and signed by a Responsible Officer of the Borrower. Each Borrowing of Loans shall be in a principal amount of at least \$500,000 (the "Minimum Borrowing Amount") or a whole multiple of \$100,000 in excess thereof. Each Loan Notice (whether telephonic or written) shall specify (i) the requested date of the Borrowing, (which shall be a Business Day), (ii) the principal amount of Loans to be borrowed, (iii) the account of the Borrower to be credited with the proceeds of such Borrowing and (iv) whether the respective Borrowing shall consist of ABR Loans or Term Benchmark Loans and, if Term Benchmark Loans, the Interest Period to be initially applicable thereto. If no election as to the Type of Borrowing is specified in any such notice, then the requested Borrowing shall be an ABR Borrowing. If no Interest Period with respect to any Borrowing of Term Benchmark Loans is specified in any such notice, then the Borrower shall be deemed to have selected an Interest Period of one month's duration.

(b) Following receipt of a Loan Notice, the Administrative Agent shall promptly notify each Appropriate Lender of the amount of its Pro Rata Share of the applicable Class of Loans:

(i) So long as the Direct Lending Consent Date has not occurred, each Appropriate Lender shall make the amount of its Loan available to the Administrative Agent in immediately available funds at the Administrative Agent's Office not later than 1:00 p.m. on the Business Day specified in the applicable Loan Notice. Subject to the terms and conditions hereof, the Administrative Agent shall make all funds so received available to the Borrower in like funds as received by the Administrative Agent by wire transfer of such funds in accordance with instructions provided to the Administrative Agent by the Borrower.

(ii) Upon and following the occurrence of the Direct Lending Consent Date, each Appropriate Lender shall make the amount of its Loan available to the Borrower in immediately available funds at the Borrower's Office in accordance with instructions provided to the Administrative Agent by the Borrower not later than 1:00 p.m. on the Business Day specified in the applicable Loan Notice. The Borrower shall promptly notify the Administrative Agent upon receipt of such Loans disbursed pursuant to the applicable Loan Notice.

(c) The failure of any Lender to make the Loan to be made by it as part of any Borrowing shall not relieve any other Lender of its obligation, if any, hereunder to make its Loan on the date of such Borrowing, but no Lender shall be responsible for the failure of any other Lender to make the Loan to be made by such other Lender on the date of any Borrowing.

SECTION 2.03 Prepayments.

(a) (i) The Borrower may, at its option, upon notice to the Administrative Agent (a "Prepayment Notice"), at any time, voluntarily prepay the principal outstanding amount of the Initial Loans made to the Borrower, in whole or in part; provided, that (1) such notice must be received by the Administrative Agent not later than 12:00 p.m., one (1) Business Day prior to any date of prepayment and (2) any prepayment of Initial Loans shall be in a principal amount of \$250,000 or a whole multiple of \$50,000 in excess thereof or, in each case, if less, the entire principal amount thereof then outstanding. Each such notice shall specify the date and amount of such prepayment and the Class(es) of Loans to be prepaid. The Administrative Agent will promptly notify each Appropriate Lender of its receipt of each such notice, and of the amount of such Lender's Pro Rata Share of such prepayment. The Borrower shall make such prepayment and the payment amount specified in such notice shall be due and payable on the date specified therein. Each prepayment of the Loans pursuant to this Section 2.03(a) shall be applied among the Facilities in such amounts as the relevant Borrower may direct in its sole discretion (and absent such direction, pro rata among the Facilities and in direct order of maturity). Each prepayment made by any Borrower in respect of a particular Facility shall be paid to the Administrative Agent for the account of (and to be promptly disbursed to) the Appropriate Lenders in accordance with their respective Pro Rata Shares.

(ii) Notwithstanding anything to the contrary contained in this Agreement, the Borrower may rescind any notice of prepayment under Section 2.03(a)(i) if such prepayment would have resulted from (A) a refinancing of all of the Facilities, which refinancing shall not be consummated or shall otherwise be delayed or (B) the refinancing of all or a portion of the Facilities pursuant to a permitted refinancing hereunder, which refinancing shall not be consummated or shall otherwise be delayed. Notices of prepayment may, at the Borrower's discretion, be subject to one or more conditions precedent, including, but not limited to, completion of an Equity Offering, another offering or another transaction or event.

(iii) In the event and on each occasion that Holdings, the Borrower or any Restricted Subsidiary makes an Asset Disposition which results in the realization or receipt of Net Cash Proceeds (other than Net Cash Proceeds in connection with Land Banking Transactions constituting Asset Dispositions which shall be applied in accordance with clause (viii) of this Section 2.03(a)), such Net Cash Proceeds of an Asset Disposition shall within one year, at Holding's election:

(A) be used pursuant to Section 2.03(a)(vi), or

(B) be used to permanently prepay, subject to Section 2.03(b)(iii), the Loans (and permanently reduce the Commitments hereunder) as set forth in Section 2.03(b)(i) at 100% of the principal amount thereof, plus accrued and unpaid interest, if any, to the date of prepayment;

provided that pending any such application under this Section 2.03(a)(iii), Net Cash Proceeds may be used to temporarily reduce Indebtedness hereunder or otherwise be invested in any manner not prohibited by this Agreement.

In addition, no later than 30 days following the date of consummation thereof, the Borrower shall notify the Administrative Agent of any Asset Disposition (other than any Land Banking Transaction) with respect to which the amount of Net Cash Proceeds received by Holdings, the Borrower or any of its Restricted Subsidiaries in connection with such Asset Disposition exceeds \$50.0 million.

(iv) In the event and on each occasion that a Casualty Event occurs, which results in the realization or receipt of Net Cash Proceeds, such Net Cash Proceeds of a Casualty Event shall within one year, at Holding's election:

(A) be used pursuant to Section 2.03(a)(vi), or

(B) be used to permanently prepay, subject to Section 2.03(b)(iii), the Loans (and permanently reduce the Commitments hereunder) as set forth in Section 2.03(b)(i) at 100% of the principal amount thereof, plus accrued and unpaid interest, if any, to the date of repayment;

provided that pending any such application under this Section 2.03(a)(iv), Net Cash Proceeds may be used to temporarily reduce Indebtedness hereunder or otherwise be invested in any manner not prohibited by this Agreement.

(v) In the event and on each occasion that any Other Prepayment Event occurs, which results in the realization or receipt of Net Cash Proceeds, the Borrower shall prepay, or cause to be prepaid, in accordance with and subject to Section 2.03(b)(iii), on or prior to the date which is ten (10) Business Days after the date of realization or receipt of such Net Cash Proceeds, an aggregate principal amount of Loans equal to 100% of all Net Cash Proceeds realized or received together with a corresponding permanent reduction of Commitments.

(vi) In lieu of the prepayments set forth in clauses (iii) and (iv) above, with respect to any Net Cash Proceeds realized or received with respect to any Asset Disposition (other than Net Cash Proceeds in connection with Land Banking Transactions constituting Asset Dispositions which shall be applied in accordance with clause (viii) of this Section 2.03(a)) or any Casualty Event, the Borrower, Holdings or any of the Restricted Subsidiaries may, at its option, reinvest the Net Cash Proceeds from such event (or a portion thereof) within 12 months after receipt of such Net Cash Proceeds in assets (including Capital Stock of any Person that is or will be a Restricted Subsidiary following investment therein) used or useful in a Real Estate Business (to the extent the assets that were the subject of such Asset Disposition or Casualty Event were Collateral, such reinvested assets (other than Excluded Property) shall be pledged as Collateral under the Collateral Documents to the extent required by Section 6.14(c) hereto, with the Lien on such Collateral securing the Loans being of the same priority with respect to the Loans as the Liens on the assets disposed of).

(vii) If, for any reason, the aggregate Outstanding Amount of the Loans at any time exceeds the Aggregate Commitments then in effect, the Borrower shall promptly prepay Loans in an aggregate amount equal to such excess.

(viii) The Net Cash Proceeds of Land Banking Transactions constituting Asset Dispositions shall, within 90 days, be used to permanently prepay, subject to Section 2.03(b)(iii), the Loans (and permanently reduce the Commitments hereunder) as set forth in Section 2.03(b)(i) at 100% of the principal amount thereof, plus accrued and unpaid interest, if any, to the date of repayment) and, if Holdings or a Restricted Subsidiary elects or is required to do so, to repay, purchase or redeem any unsubordinated Indebtedness (on a pro rata basis if the amount available for such repayment, purchase, or redemption is less than the aggregate amount of (x) the aggregate principal amount of Loans held by the Lenders who have not provided a Rejection Notice pursuant to Section 2.03(b)(iii), and (y) the lesser of the principal amount, or accreted value, of such unsubordinated Indebtedness tendered or to be repaid, repurchased or redeemed, plus, in each case, accrued interest to the date of repayment, purchase or redemption) at 100% of the principal amount or accreted value thereof, as the case may be, plus accrued and unpaid interest, if any, to the date of repurchase, repayment or redemption.

(b) Application of Prepayments.

(i) All prepayments required to be made pursuant to Section 2.03(a)(iii), (iv), (v), (vii) and (viii) shall be applied to prepay the Loans and (other than with respect to clause (vii)) permanently reduce the underlying Commitments among the various Classes thereof on a ratable basis (in accordance with the aggregate outstanding principal amount of the Loans and Commitments of each such Class) in order of maturity, unless otherwise agreed among the Borrower and the lenders providing Extended Loans in accordance with Section 2.13 (it being understood that, in any case, the Initial Loans and Commitments shall not be allocated any less than such Class's pro rata share of such prepayment). Unless otherwise provided herein, each such prepayment shall be paid to the Lenders in accordance with their respective Pro Rata Shares.

(ii) [Reserved].

(iii) Declined Proceeds. The Borrower shall notify the Administrative Agent in writing of any mandatory prepayments of Loans required to be made pursuant to Section 2.03(a)(iii), (iv), (v), (vii) and (viii) no less than ten (10) Business Days before the date of such mandatory prepayment. Each such notice shall specify the date of such prepayment and provide a reasonably detailed calculation of the aggregate amount of such prepayment to be made by the Borrower. The Administrative Agent will promptly notify each Lender of the contents of the Borrower's prepayment notice and of each Lender's Pro Rata Share, or other applicable share provided for under this Agreement. Each Lender may reject all or a portion of its Pro Rata Share, or other applicable share provided for under this Agreement, of such mandatory prepayment (such declined amounts, the "Declined Proceeds") of Loans, by providing written notice to the Administrative Agent (a "Rejection Notice") no later than 5:00 p.m., New York time, five (5) Business Days after the date of such Lender's receipt of notice from the Administrative Agent regarding such prepayment. A Rejection Notice from a Lender shall specify the principal amount of the mandatory repayment of Loans to be declined by such Lender. If a Lender fails to deliver a Rejection Notice to the Administrative Agent within the time frame specified above, or the Rejection Notice fails to specify the principal amount of the Loans to be declined, it will be deemed an acceptance of the total amount of such mandatory prepayment of Loans.

(iv) Any Declined Proceeds may be used by Holdings, the Borrower and the Subsidiaries for general corporate purposes (including, for the avoidance of doubt, the repayment or repurchase of Indebtedness), subject to the other covenants hereunder.

(v) Threshold. Notwithstanding the foregoing, the Borrower will not be required to make a prepayment from such Net Cash Proceeds in accordance with Section 2.03(a)(iii) or Section 2.03(a)(iv) except to the extent that such Net Cash Proceeds, together with the aggregate Net Cash Proceeds of prior Asset Dispositions and Casualty Events (other than those so used) which have not been applied in accordance with this Section 2.03 and as to which no prior prepayments or repayments shall have been made, exceed \$25.0 million.

(vi) Prepayments of Prepayment Indebtedness. Notwithstanding the foregoing, the Borrower will not be required to make a prepayment from such Net Cash Proceeds in accordance with Section 2.03(a)(iii) or Section 2.03(a)(iv) in an aggregate amount not exceeding \$100 million to the extent that such Net Cash Proceeds are used to Prepay Prepayment Indebtedness in accordance with Section 6.20(b).

SECTION 2.04 Termination of Commitments.

(a) Optional. The Borrower may, upon written notice to the Administrative Agent, terminate the unused Commitments of any Class, or from time to time permanently reduce the unused Commitments of any Class; provided that (i) any such notice shall be received by the Administrative Agent three (3) Business Days' prior to the date of termination or reduction, (ii) any such partial reduction shall be in an aggregate amount (A) of \$250,000 or any whole multiple of \$50,000 in excess thereof or (B) equal to the entire remaining amount of the Commitments of any Class. Notwithstanding the foregoing, the Borrower may rescind or postpone any notice of termination of the Commitments if such termination would have resulted from the refinancing of all of the Facilities, which issuance or refinancing shall not be consummated or otherwise shall be delayed.

(b) Application of Commitment Reductions; Payment of Fees. The Administrative Agent will promptly notify the Appropriate Lenders of any termination or reduction of unused portions of the unused Commitments of any Class under this Section 2.04(a). Upon any reduction of unused Commitments of any Class, the Commitment of each Lender of such Class shall be reduced by such Lender's Pro Rata Share of the amount by which such Commitments are reduced except as otherwise provided in this Agreement (including the termination of the Commitment of any Lender as provided in Section 2.15 or Section 3.07). All commitment fees accrued until the effective date of any termination of the Commitments of any Class shall be paid to the Appropriate Lenders on the effective date of such termination.

(c) Maturity Date. The Initial Commitment of the Initial Lenders shall be automatically and permanently reduced to \$0 on the Maturity Date.

SECTION 2.05 Repayment of Loans. The Borrower hereby unconditionally promises to pay to the Administrative Agent for the ratable account of each Lender the then unpaid principal amount of the Loans hereunder on the Maturity Date of the applicable Facility in an amount equal to the aggregate principal amount of all Loans of such Class outstanding on such date.

SECTION 2.06 Interest.

(a) Subject to the provisions of Section 2.06(c), each Initial Loan that is an ABR Loan shall bear interest on the outstanding principal amount thereof from the applicable borrowing date until maturity (whether by acceleration or otherwise) at a rate per annum that shall at all times be the Applicable Margin for ABR Loans *plus* the ABR, in each case, in effect from time to time.

(b) Subject to the provisions of Section 2.06(c), each Initial Loan that is a Term Benchmark Loan shall bear interest on the outstanding principal amount thereof from the applicable borrowing date until maturity (whether by acceleration or otherwise) at a rate per annum that shall at all times be the Applicable Margin for Term Benchmark Loans *plus* the Term Benchmark Rate, in each case, in effect from time to time

(c) While any Event of Default set forth in Sections 7.01(i) or (ii) (as applicable) exists with respect to the payment of any principal, interest or fees, or any Event of Default set forth in Sections 7.01(vii) or (viii) exists, the Borrower shall pay interest on all overdue amounts hereunder at an interest rate per annum at all times equal to the Default Rate to the fullest extent permitted by applicable Laws. Accrued and unpaid interest on past due amounts (including interest on past due interest) shall be due and payable upon demand.

(d) Interest hereunder shall be due and payable in accordance with the terms hereof before and after judgment, and before and after the commencement of any proceeding under any Debtor Relief Law.

(e) Interest on each Loan shall accrue from and including the date of any Borrowing to but excluding the date of any repayment thereof and shall be payable in Dollars; provided that any Loan that is repaid on the same date on which it is made shall bear interest for one day. Except as provided below, interest shall be payable (i) in respect of each ABR Loan or Daily Simple SOFR Loan, quarterly in arrears on the last Business Day of each March, June, September and December (provided that in the event of any repayment or prepayment of any Loan, accrued interest on the principal amount repaid or prepaid shall be payable on the date of such repayment or prepayment), (ii) in respect of each Term Benchmark Loan, on the last day of each Interest Period applicable thereto and, in the case of an Interest Period in excess of three months, on each date occurring at three-month intervals after the first day of such Interest Period, (iii) in respect of each Loan, (A) at maturity (whether by acceleration or otherwise), (B) on any prepayment in respect thereof and (C) after such maturity, on demand.

(f) All computations of interest hereunder shall be made in accordance with Section 2.08.

(g) The Administrative Agent, upon determining the interest rate for any Borrowing of Term Benchmark Loans, shall promptly notify the Borrower and the relevant Lenders thereof. Each such determination shall, absent clearly demonstrable error, be final and conclusive and binding on all parties hereto.

(h) Interest Periods At the time the Borrower gives a Loan Notice or Notice of Conversion or Continuation in respect of the making of, or conversion into or continuation as, a Borrowing of Term Benchmark Loans in accordance with Section 2.12(a), the Borrower shall give the Administrative Agent written notice of the Interest Period applicable to such Borrowing, which Interest Period shall, at the option of the Borrower, be, in the case of any Term Benchmark Borrowing, a one, three or six month period (or if approved in writing by all the Lenders making such Term Benchmark Loans as determined by such Lenders in good faith based on prevailing market conditions, a longer or shorter period). Notwithstanding anything to the contrary contained above:

(i) the initial Interest Period for any Borrowing of Term Benchmark Loans shall commence on the date of such Borrowing (including the date of any conversion from a Borrowing of ABR Loans) and each Interest Period occurring thereafter in respect of such Borrowing shall commence on the day on which the next preceding Interest Period expires;

(ii) if any Interest Period relating to a Borrowing of Term Benchmark Loans begins on the last Business Day of a calendar month or begins on a day for which there is no numerically corresponding day in the calendar month at the end of such Interest Period, then such Interest Period shall end on the last Business Day of the calendar month at the end of such Interest Period;

(iii) if any Interest Period would otherwise expire on a day that is not a Business Day, such Interest Period shall expire on the next succeeding Business Day; provided that if any Interest Period in respect of a Term Benchmark Loan would otherwise expire on a day that is not a Business Day but is a day of the month after which no further Business Day occurs in such month, then such Interest Period shall expire on the immediately preceding Business Day; and

(iv) the Borrower shall not be entitled to elect any Interest Period in respect of any Term Benchmark Loan if such Interest Period would extend beyond the Maturity Date of such Loan.

SECTION 2.07 Fees.

(a) The Borrower shall pay or cause to be paid to the Agents such fees as shall have been separately agreed upon in writing in the amounts and at the times so specified. Such fees shall be fully earned when paid and shall not be refundable for any reason whatsoever.

(b) The Borrower agrees to pay to Administrative Agent for the account of each Lender commitment fees equal to (1) the average of the daily difference between (A) the Commitments and (B) the aggregate principal amount of all outstanding Loans, times (2) 1.00%. All fees referred to in this Section 2.07(b) shall be paid to Administrative Agent at the Administrative Agent's Office and upon receipt, the Administrative Agent shall promptly distribute to each Lender its Pro Rata Share thereof. All fees referred to in this Section 2.07(b) shall be calculated on the basis of a 360-day year and the actual number of days elapsed and shall be payable quarterly in arrears on the last Business Day of January, April, July and October of each year during the Commitment Period, commencing on January 31, 2020, and on the Maturity Date.

SECTION 2.08 Computation of Interest and Fees. (a) Except as provided in the next succeeding sentence, interest on Term Benchmark Loans shall be calculated on the basis of a 360 day year for the actual days elapsed (including the first day but excluding the last day). Interest on ABR Loans shall be calculated on the basis of a 365 (or 366, as the case may be) day year for the actual days elapsed (including the first day but excluding the last day). Each determination by the Administrative Agent of an interest rate or fee hereunder shall be conclusive and binding for all purposes, absent manifest error.

(a) (b) Fees shall be calculated on the basis of a 360 day year for the actual days elapsed.

SECTION 2.09 Evidence of Indebtedness.

(a) The Loans made by each Lender shall be evidenced by one or more accounts or records maintained by such Lender and evidenced by one or more entries in the Register maintained by the Administrative Agent in accordance with Section 9.07(c), acting as a non-fiduciary agent solely for purposes of Treasury Regulation Section 5f.103-1(c) or Section 1.163-5(b) of the United States Proposed Treasury Regulations (or, in each case, any amended or successor version), as agent for the Borrower, in each case in the ordinary course of business. The accounts or records maintained by each Lender shall be prima facie evidence absent manifest error of the amount of the Loans made by the Lenders to the Borrower and the interest and payments thereon. Any failure to so record or any error in doing so shall not, however, limit or otherwise affect the obligation of the Borrower hereunder to pay any amount owing with respect to the Loan Obligations. In the event of any conflict between the accounts and records maintained by any Lender and the Register in respect of such matters, the Register shall control in the absence of manifest error. Upon the request of any Lender made through the Administrative Agent, the Borrower shall execute and deliver to such Lender (through the Administrative Agent) a Note payable to such Lender, which shall evidence such Lender's Loans in addition to such accounts or records. Each Lender may attach schedules to its Note and endorse thereon the date, Type (if applicable), amount and maturity of its Loans and payments with respect thereto.

(b) Entries made in good faith by the Administrative Agent in the Register pursuant to Section 2.09(a), and by each Lender in its account or accounts pursuant to Section 2.09(a), shall be prima facie evidence of the amount of principal and interest due and payable or to become due and payable from the Borrower to, in the case of the Register, each Lender and, in the case of such account or accounts, such Lender, under this Agreement and the other Loan Documents, absent manifest error; provided that the failure of the Administrative Agent or such Lender to make an entry, or any finding that an entry is incorrect, in the Register or such account or accounts shall not limit or otherwise affect the obligations of the Borrower under this Agreement and the other Loan Documents.

SECTION 2.10 Payments Generally.

(a) Except as otherwise required by applicable Law, all payments to be made by the Borrower shall be made without condition or deduction for any counterclaim, defense, recoupment or setoff. Except as otherwise expressly provided herein, all payments by the Borrower hereunder shall be made to the Administrative Agent, for the account of the respective Lenders to which such payment is owed, at the Administrative Agent's Office in Dollars and in immediately available funds not later than noon, 12:00 p.m., on the Business Day specified herein. The Administrative Agent will promptly distribute to each Lender its Pro Rata Share (or other applicable share as provided herein) of such payment in like funds as received by wire transfer to such Lender's Lending Office. All payments received by the Administrative Agent after noon, 12:00 p.m., shall be deemed received on the next succeeding Business Day in the Administrative Agent's sole discretion and any applicable interest or fee shall continue to accrue to the extent applicable.

(b) Unless the Borrower or any Lender has notified the Administrative Agent, prior to the date any payment is required to be made by it to the Administrative Agent hereunder, that the Borrower or such Lender, as the case may be, will not make such payment, the Administrative Agent may assume that the Borrower or such Lender, as the case may be, has timely made such payment and may (but shall not be so required to), in reliance thereon, make available a corresponding amount to the Person entitled thereto. If and to the extent that such payment was not in fact made to the Administrative Agent in immediately available funds, then:

(i) if the Borrower failed to make such payment, each Lender shall forthwith on demand repay to the Administrative Agent the portion of such assumed payment that was made available to such Lender in immediately available funds, together with interest thereon in respect of each day from and including the date such amount was made available by the Administrative Agent to such Lender to the date such amount is repaid to the Administrative Agent in immediately available funds at the applicable Federal Funds Effective Rate from time to time in effect; and

(ii) if any Lender failed to make such payment, such Lender shall forthwith on demand pay to the Administrative Agent the amount thereof in immediately available funds, together with interest thereon for the period from the date such amount was made available by the Administrative Agent to the Borrower to the date such amount is recovered by the Administrative Agent (the "Compensation Period") at a rate per annum equal to the applicable Federal Funds Effective Rate from time to time in effect. When such Lender makes payment to the Administrative Agent (together with all accrued interest thereon), then such payment amount (excluding the amount of any interest which may have accrued and been paid in respect of such late payment) shall constitute such Lender's Loan included in the applicable Borrowing. If such Lender does not pay such amount forthwith upon the Administrative Agent's demand therefor, the Administrative Agent may make a demand therefor upon the Borrower, and the Borrower shall pay such amount to the Administrative Agent, together with interest thereon for the Compensation Period at a rate per annum equal to the rate of interest applicable to the applicable Borrowing. Nothing herein shall be deemed to relieve any Lender from its obligation to fulfill its Commitment or to prejudice any rights which the Administrative Agent or the Borrower may have against any Lender as a result of any Default by such Lender hereunder.

A notice of the Administrative Agent to any Lender or the Borrower with respect to any amount owing under this Section 2.10(b) shall be conclusive, absent manifest error.

(c) If any Lender makes available to the Administrative Agent funds for any Loan to be made by such Lender as provided in this Article 2, and such funds are not made available to the Borrower by the Administrative Agent because the conditions to the applicable Borrowing set forth in Article 4 are not satisfied or waived in accordance with the terms hereof, the Administrative Agent shall promptly return such funds (in like funds as received from such Lender) to such Lender, without interest.

(d) The obligations of the Lenders hereunder to make Loans are several and not joint. The failure of any Lender to make any Loan or to fund any such participation on any date required hereunder shall not relieve any other Lender of its corresponding obligation to do so on such date, and no Lender shall be responsible for the failure of any other Lender to so make its Loan or purchase its participation.

(e) Nothing herein shall be deemed to obligate any Lender to obtain the funds for any Loan in any particular place or manner or to constitute a representation by any Lender that it has obtained or will obtain the funds for any Loan in any particular place or manner.

(f) Whenever any payment received by the Administrative Agent under this Agreement or any of the other Loan Documents is insufficient to pay in full all amounts then due and payable to the Administrative Agent and the Lenders under or in respect of this Agreement and the other Loan Documents on any date, such payment shall be distributed by the Administrative Agent and applied by the Administrative Agent and the Lenders in the order of priority set forth in clauses First through Last of Section 7.03. If the Administrative Agent receives funds for application to the Loan Obligations of the Loan Parties under or in respect of the Loan Documents under circumstances for which the Loan Documents do not specify the manner in which such funds are to be applied, the Administrative Agent may, but shall not be obligated to, elect to distribute such funds to each of the Lenders in accordance with such Lender's Pro Rata Share of the Outstanding Amount of all Loans outstanding at such time, in repayment or prepayment of such of the outstanding Loans or other Loan Obligations then owing to such Lender.

SECTION 2.11 Sharing of Payments. If any Lender shall obtain on account of the Loans made by it, any payment (whether voluntary, involuntary, through the exercise of any right of setoff, or otherwise, and other than (x) any payment obtained by a Lender as consideration for the assignment of or sale of a participation in any of its Loans to any assignee or Participant or (y) as otherwise expressly provided elsewhere herein, including as provided in or contemplated by Section 2.13, Section 2.14 or Section 9.01 hereunder in excess of its ratable share (or other share contemplated hereunder) thereof, such Lender shall immediately (a) notify the Administrative Agent of such fact and (b) purchase from the other Lenders such participations in the Loans made by them, as shall be necessary to cause such purchasing Lender to share the excess payment in respect of such Loans or such participations, as the case may be, pro rata with each of them (and notify the Administrative Agent of such purchase); provided that if all or any portion of such excess payment is thereafter recovered from the purchasing Lender under any of the circumstances described in Section 9.06 (including pursuant to any settlement entered into by the purchasing Lender in its discretion), such purchase shall to that extent be rescinded and each other Lender shall repay to the purchasing Lender the purchase price paid therefor, together with an amount equal to such paying Lender's ratable share (according to the proportion of (i) the amount of such paying Lender's required repayment to (ii) the total amount so recovered from the purchasing Lender) of any interest or other amount paid or payable by the purchasing Lender in respect of the total amount so recovered, without further interest thereon. The Borrower agrees that any Lender so purchasing a participation from another Lender may, to the fullest extent permitted by Law, exercise all its rights of payment (including the right of setoff, but subject to Section 9.09) with respect to such participation as fully as if such Lender were the direct creditor of the Borrower in the amount of such participation. The Administrative Agent will keep records and maintain entries in the Register (which shall be conclusive and binding in the absence of manifest error) of participations purchased under this Section 2.11 and will in each case notify the Lenders following any such purchases or repayments. Each Lender that purchases a participation pursuant to this Section 2.11 shall from and after such purchase have the right to give all notices, requests, demands, directions and other communications under this Agreement with respect to the portion of the Loan Obligations purchased to the same extent as though the purchasing Lender were the original owner of the Loan Obligations purchased.

SECTION 2.12 Conversions and Continuations.

(a) Subject to the penultimate sentence of this clause (a), (x) the Borrower shall have the option on any Business Day to convert all or a portion equal to at least \$5,000,000 of the outstanding principal amount of Loans of one Type into a Borrowing or Borrowings of another Type and (y) the Borrower shall have the option on any Business Day to continue the outstanding principal amount of any Term Benchmark Loans as Term Benchmark Loans for an additional Interest Period; provided that (i) no partial conversion of Term Benchmark Loans shall reduce the outstanding principal amount of Term Benchmark Loans made pursuant to a single Borrowing to less than the Minimum Borrowing Amount, (ii) ABR Loans may not be converted into Term Benchmark Loans if an Event of Default is in existence on the date of the conversion and the Required Lenders (with written notice thereof to the Administrative Agent) have determined in its or their sole discretion not to permit such conversion and (iii) Term Benchmark Loans may not be continued as Term Benchmark Loans for an additional Interest Period if an Event of Default is in existence on the date of the proposed continuation and the Required Lenders (with written notice thereof to the Administrative Agent) have determined in its or their sole discretion not to permit such continuation. Each such conversion or continuation shall be effected by the Borrower by giving the Administrative Agent prior written notice at the Administrative Agent's Office prior to (i) 12:00 p.m. (noon) (New York City time) at least three Business Days prior, in the case of a continuation of or conversion to Term Benchmark Loans, or (ii) 10:00 a.m. (New York City time) on the proposed day of a conversion into ABR Loans (each, a "**Notice of Conversion or Continuation**", to be in a form reasonably acceptable to the Administrative Agent) specifying the Loans to be so converted or continued, the Type of Loans to be converted or continued into and, if such Loans are to be converted into or continued as Term Benchmark Loans, the Interest Period to be initially applicable thereto. If no Interest Period is specified in any such notice with respect to any conversion to or continuation as a Term Benchmark Loan, the Borrower shall be deemed to have selected an Interest Period of one month's duration. The Administrative Agent shall give each applicable Lender notice as promptly as practicable of any such proposed conversion or continuation affecting any of its Loans.

(b) If any Event of Default is in existence at the time of any proposed continuation of any Term Benchmark Loans and the Required Lenders (with written notice thereof to the Administrative Agent) have determined in its or their sole discretion not to permit such continuation, such Term Benchmark Loans shall be automatically continued on the last day of the current Interest Period for an additional one-month Interest Period. If upon the expiration of any Interest Period in respect of Term Benchmark Loans, the Borrower has failed to elect a new Interest Period to be applicable thereto as provided in clause (a), the Borrower shall be deemed to have elected to convert such Borrowing of Term Benchmark Loans into a Borrowing of ABR Loans, effective as of the expiration date of such current Interest Period.

SECTION 2.13 Extensions of Loans.

(a) Notwithstanding anything to the contrary in this Agreement, pursuant to one or more offers (each, an "Extension Offer") made from time to time by the Borrower to all Lenders of any Class of Loans and Commitments with a like Maturity Date, in each case on a pro rata basis (based on the aggregate outstanding principal amount of such Loans and Commitments) and on the same terms to each such Lender, the Borrower is hereby permitted to consummate from time to time transactions with individual Lenders that accept the terms contained in such Extension Offers to extend the Maturity Date of each such Lender's Loans and Commitments and otherwise modify the terms of such Loans and Commitments, subject to the provisions below, pursuant to the terms of the relevant Extension Offer (including by increasing the fees (other than fees on undrawn amounts) payable in respect of such Loans (and related outstandings) (each, an "Extension", and each group of Loans, in each case as so extended, as well as the original Initial Loans (in each case not so extended), being a "tranche"; any Extended Loans shall constitute a separate tranche of Loans and Commitments from the tranche of Loans and Commitments from which they were converted), so long as the following terms are satisfied:

(i) no Default or Event of Default shall have occurred and be continuing at the time the offering document in respect of an Extension Offer is delivered to the Lenders or at the time of the effectiveness of the Extension;

(ii) except as to interest rates, fees, amortization, final Maturity Date, premium required prepayment dates and participation in prepayments (which shall, subject to the immediately succeeding clauses (iii), (iv) and (v), be determined between the Borrower and set forth in the relevant Extension Offer), the Loans and Commitments of any Lender that agrees to an Extension with respect to such Loans and Commitments (an "Extending Lender") extended pursuant to any Extension (such extended commitments, the "Extended Commitments" and, together with such extended loans, the "Extended Loans") shall have the same terms as the tranche of Loans and Commitments subject to such Extension Offer;

(iii) the final Maturity Date of any Extended Loans shall be no earlier than the Latest Maturity Date of the Loans and Commitments extended thereby;

(iv) the Weighted Average Life to Maturity of any Extended Loans shall be no shorter than the Weighted Average Life to Maturity of the Loans extended thereby;

(v) any Extended Loans may participate on a pro rata basis or a less than pro rata basis (but not greater than a pro rata basis) in any voluntary repayments or prepayments hereunder, in each case as specified in the respective Extension Offer;

(vi) if the aggregate principal amount of Loans (calculated on the face amount thereof), in respect of which Lenders shall have accepted the relevant Extension Offer shall exceed the maximum aggregate principal amount of Loans offered to be extended by the Borrower pursuant to such Extension Offer, then the Loans of such Lenders shall be extended ratably up to such maximum amount based on the respective principal amounts (but not to exceed actual holdings of record) with respect to which such Lenders have accepted such Extension Offer;

(vii) all documentation in respect of such Extension shall be consistent with the foregoing, and the covenants and events of default applicable to any Extended Loans shall be substantially identical to, or, taken as a whole, no more favorable to the Lenders providing such Extended Loans than those applicable to the Loans subject to such Extension Offer;

(viii) the Extended Loans are not secured by any assets or property that does not constitute Collateral, and are not guaranteed by any Subsidiary of Holdings that is not a Subsidiary Guarantor; and

(ix) any applicable Minimum Extension Condition shall be satisfied unless waived by the Borrower.

(b) With respect to all Extensions consummated by the Borrower pursuant to this Section, (i) such Extensions shall not constitute payments or prepayments for purposes of Section 2.03 and (ii) shall be in an integral multiple of \$1.0 million and in an aggregate principal amount that is not less than \$10.0 million, provided that the Borrower may at its election specify as a condition (a "Minimum Extension Condition") to consummating any such Extension that a minimum amount (to be determined and specified in the relevant Extension Offer in the Borrower's sole discretion and which may be waived by the Borrower, but not less than \$10.0 million) of Loans of any or all applicable tranches be tendered. The Administrative Agent and the Lenders hereby consent to the transactions contemplated by this Section (including, for the avoidance of doubt, payment of any interest, fees or premium in respect of any Extended Loans on such terms as may be set forth in the relevant Extension Offer (which shall be consistent with the foregoing provisions of this Section 2.13)) and hereby waive the requirements of any provision of this Agreement (including Sections 2.03, 2.11 and 9.01) or any other Loan Document that may otherwise prohibit or conflict with any such Extension or any other transaction contemplated by this Section.

(c) No consent of any Lender or the Administrative Agent shall be required to effectuate any Extension, other than the consent of each Lender agreeing to such Extension with respect to one or more of its Loans (or a portion thereof). All Extended Loans and all obligations in respect thereof shall be Loan Obligations under this Agreement and the other Loan Documents that are secured by the Collateral on a *pari passu* basis with all other applicable Loan Obligations under this Agreement and the other Loan Documents. The Lenders hereby irrevocably authorize the Administrative Agent to enter into amendments to this Agreement and the other Loan Documents with the Borrower as may be necessary in order to establish new tranches or sub-tranches in respect of Loans so extended and such technical amendments as may be necessary in the reasonable opinion of the Administrative Agent and the Borrower in connection with the establishment of such new tranches or sub-tranches, in each case on terms consistent with this Section.

(d) In connection with any Extension, the Borrower shall provide the Administrative Agent at least five (5) Business Days (or such shorter period as may be agreed by the Administrative Agent) prior written notice thereof, and shall agree to such procedures (including regarding timing, rounding and other adjustments and to ensure reasonable administrative management of the Facilities hereunder after such Extension), if any, as may be established by, or acceptable to, the Administrative Agent, in each case acting reasonably to accomplish the purposes of this Section 2.13.

SECTION 2.14 Replacement and Refinancing Facilities.

(a) Replacement of Commitments.

(i) The Borrower may by written notice to Administrative Agent elect to request the establishment of one or more additional revolving facilities providing for revolving commitments ("Replacement Commitments" and the revolving loans thereunder, "Replacement Loans") which Refinances one or more Classes of Commitments (and corresponding Loans) under this Agreement; provided, that any such Replacement Commitments may not be in an aggregate principal amount greater than the Commitments being refinanced plus unpaid accrued interest, fees, expenses and premium (if any) thereon and underwriting discounts, fees, commissions and expenses in connection with the Replacement Commitments and/or Replacement Loans. Each such notice shall specify the date (each, a "Replacement Effective Date") on which the Borrower proposes that the Replacement Commitments shall become effective (each such date, the "Replacement Effective Date"), which shall be a date not less than five (5) Business Days after the date on which such notice is delivered to the Administrative Agent; provided that:

(A) no Replacement Commitment shall have a scheduled principal installment payment date or Commitment reduction or termination date prior to the Maturity Date applicable to the Commitments being Refinanced;

(B) other than as provided in Section 2.14(a)(i) above, Replacement Commitments shall have terms and conditions agreed to by the Borrower and the lenders providing such Replacement Commitments, but shall be substantially the same as (or, taken as a whole, no more favorable to, the lenders providing such Replacement Commitments than) those applicable to the Commitments then outstanding, except to the extent such covenants and other terms apply solely to any period after the Latest Maturity Date;

(C) the Loan Parties and the Administrative Agent shall (i) enter into such amendments to the Collateral Documents as may be reasonably requested by the Replacement Lenders (which shall not require any consent from any Lender) in order to ensure that the Replacement Commitments and the Replacement Loans are provided with the benefit of the applicable Collateral Documents on a *pari passu* basis with the other Obligations and (ii) deliver such other documents and certificates as may be reasonably requested by the Replacement Lenders.

(ii) The Borrower may approach any Lender or any other Person that would be an Eligible Assignee to provide all or a portion of the Replacement Commitments (a “Replacement Lender”); provided that any Lender offered or approached to provide all or a portion of the Replacement Commitments may elect or decline, in its sole discretion, to provide a Replacement Commitment and the selection of Replacement Lenders shall be subject to any consent that would be required pursuant to Section 9.07(b) hereof. Any Replacement Commitment made on any Replacement Effective Date shall be designated a series (a “Replacement Commitment Series”) of Replacement Commitments for all purposes of this Agreement; provided that any Replacement Commitments may, to the extent provided in the applicable Replacement Amendment, be designated as an increase in any previously established Replacement Commitment Series.

(iii) The Replacement Commitments shall be established pursuant to an amendment to this Agreement among Holdings, the Borrower, the Replacement Lenders providing such Replacement Loans (a “Replacement Amendment”) which shall be consistent with the provisions set forth in paragraph (a)(i) above. Each Replacement Amendment shall be binding on the Lenders (including the Replacement Lenders), the Administrative Agent, the Loan Parties party thereto and the other parties hereto. Upon receipt of an Officer’s Certificate certifying that such Replacement Amendment is permitted under the Loan Documents, the Administrative Agent shall be permitted, and is hereby authorized to enter into such amendments with the Borrower to effect the foregoing. Any Replacement Commitment (and the Loans made thereunder) made by a Replacement Lender pursuant to a Replacement Amendment shall be deemed a “Commitment” and “Loan,” as applicable, for all purposes of this Agreement and each Lender with a Replacement Loan shall become a Lender with respect to such Replacement Loans and all matters relating thereto. Notwithstanding anything to the contrary herein, at no time shall there be Loans or Commitments (including Replacement Loans, and Replacement Commitments) which have more than five (5) different scheduled final maturity dates or shall there be more than three different “Facilities.”

(iv) On any Replacement Effective Date, subject to the satisfaction of the foregoing terms and conditions, each of the Replacement Lenders with Replacement Commitments of the same Class shall purchase from each of the other Lenders with Replacement Commitments of such Class, at the principal amount thereof and in the applicable currencies, such interests in the Replacement Loans under such Replacement Commitments outstanding immediately prior to such Refinancing as shall be necessary in order that, after giving effect to all such assignments and purchases, the Replacement Loans of such Class will be held by Replacement Lenders thereunder ratably in accordance with their Pro Rata Share.

(b) Refinancing of Loans.

(i) Borrower may by written notice to the Administrative Agent elect to request the establishment of one or more additional Classes of Loans and Commitments under this Agreement (“Refinancing Loans”), which refinance, renew, replace, defease or refund (collectively, “Refinance”), in whole or in part, one or more Classes of Loans and Commitments under this Agreement; provided, that such Refinancing Loans may not be in an amount greater than the Loans and Commitments being Refinanced plus unpaid accrued interest, fees, expenses and premium (if any) thereon and underwriting discounts, fees, commissions and expenses incurred in connection with the Refinancing Loans. Each such notice shall specify the date (each, a “Refinancing Effective Date”) on which the Borrower proposes that the Refinancing Loans shall be made, which shall be a date not less than five (5) Business Days after the date on which such notice is delivered to the Administrative Agent; provided that:

(A) the Weighted Average Life to Maturity of such Refinancing Loans shall not be shorter than the then remaining Weighted Average Life to Maturity of the Class or Classes of Loans being Refinanced and the Refinancing Loans shall not have a final maturity before the Maturity Date of the Loans being Refinanced;

(B) the Refinancing Loans shall have terms and conditions agreed to by the Borrower and the lenders providing such Refinancing Loans, but shall be substantially the same as (or, taken as a whole, no more favorable to, the lenders providing such Refinancing Loans than) those applicable to the then outstanding Loans, except to the extent such covenants and other terms apply solely to any period after the Latest Maturity Date;

(C) the proceeds of any Refinancing Loans shall be applied substantially concurrently with the incurrence thereof to the pro rata prepayment of the Class or Classes of Loans being Refinanced hereunder;

(D) the Refinancing Loan Amendment shall set forth the principal installment payment dates of the Refinancing Loans, which dates may be delayed to later dates than the corresponding scheduled principal installment payment dates of the Loans being refinanced and, in any event, shall be no earlier than the Maturity Date;

(E) the Loan Parties and the Administrative Agent shall (i) enter into such amendments to the Collateral Documents as may be reasonably requested by the Lenders providing the Refinancing Loans (which shall not require any consent from any Lender) in order to ensure that the Refinancing Loans are provided with the benefit of the applicable Collateral Documents on a pari passu basis with the other Loan Obligations and (ii) deliver such other documents and certificates as may be reasonably requested by the Refinancing Lenders; and

(F) the Refinancing Loans will be unsecured or will rank pari passu or junior in respect of Collateral with the other Loans hereunder.

(ii) The Borrower may approach any Lender or any other Person that would be an Eligible Assignee to provide all or a portion of the Refinancing Loans (a "Refinancing Lender"); provided any Lender offered or approached to provide all or a portion of the Refinancing Loans may elect or decline, in its sole discretion, to provide a Refinancing Loan. Any Refinancing Loans made on any Refinancing Effective Date shall be designated a series (a "Refinancing Loan Series") of Refinancing Loans for all purposes of this Agreement and the selection of Refinancing Lenders shall be subject to any consent that would be required pursuant to Section 9.07(b) hereof; provided that any Refinancing Loans may, to the extent provided in the applicable Refinancing Loan Amendment, be designated as an increase in any previously established Refinancing Loan Series of Refinancing Loans made to the Borrower.

(iii) The Refinancing Loans shall be established pursuant to an amendment to this Agreement among Holdings, the Borrower and the Refinancing Lenders providing such Refinancing Loans (a “Refinancing Loan Amendment”) which shall be consistent with the provisions set forth in paragraph (b)(i) above. Each Refinancing Loan Amendment shall be binding on the Lenders (including the Refinancing Lenders), the Administrative Agent, the Loan Parties party thereto and the other parties hereto. Upon receipt of an Officer’s Certificate certifying that such Refinancing Loan Amendment is permitted under the Loan Documents, the Administrative Agent shall be permitted, and is hereby authorized, to enter into such amendments with the Borrower to effect the foregoing. Any Refinancing Loan made by a Lender pursuant to a Refinancing Loan Amendment shall be deemed a “Loan” (to the extent drawn) and “Commitment” (to the extent undrawn) for all purposes of this Agreement and each Lender with a Refinancing Loan shall become a Lender with respect to such Refinancing Loans and all matters relating thereto. Notwithstanding anything to the contrary herein, at no time shall there be Loans (including Refinancing Loans and Extended Loans) which have more than five different scheduled final maturity dates or shall there be more than five different “Facilities”.

SECTION 2.15 Defaulting Lenders.

(a) Reallocation of Defaulting Lender Commitment, Etc. If a Lender becomes, and during the period it remains, a Defaulting Lender, the following provisions shall apply with respect to such Defaulting Lender:

(i) any amount paid by the Borrower for the account of a Defaulting Lender that was or is a Lender under this Agreement (whether on account of principal, interest, fees, indemnity payments or other amounts) will not be paid or distributed to such Defaulting Lender, but will instead be retained by the Administrative Agent in a segregated non-interest-bearing account until (subject to Section 2.15(c)) the Termination Date and will be applied by the Administrative Agent, to the fullest extent permitted by Law, to the making of payments from time to time in the following order of priority: first, to the payment of any amounts owing by such Defaulting Lender to the Administrative Agent under this Agreement; second, to satisfy the obligations, if any, of such Lender to make Loans to the Borrower; third, to the payment of post-default interest and then current interest due and payable to the Lenders hereunder other than Defaulting Lenders that are Lenders, ratably among them in accordance with the amounts of such interest then due and payable to them; fourth, to the payment of fees then due and payable to the Non-Defaulting Lenders that are Lenders hereunder, ratably among them in accordance with the amounts of such fees then due and payable to them; fifth, to the ratable payment of other amounts then due and payable to the Non-Defaulting Lenders that are Lenders; sixth, on the Termination Date, to the payment of any amounts owing to the Borrower as a result of a final judgment of a court of competent jurisdiction obtained by the Borrower against such Defaulting Lender as a result of such Defaulting Lender’s breach of its obligations under this Agreement; and seventh, after the Termination Date, to pay amounts owing under this Agreement to such Defaulting Lender or as a court of competent jurisdiction may otherwise direct.

(b) Fees. Anything herein to the contrary notwithstanding, during such period as a Lender is a Defaulting Lender, such Defaulting Lender will not be entitled to any fees accruing during such period pursuant to Section 2.07 (without prejudice to the rights of the Lenders other than Defaulting Lenders in respect of such fees).

(c) Cure. If the Borrower determines that a Lender that is a Defaulting Lender should no longer be deemed to be a Defaulting Lender, the Borrower will so notify the parties hereto, whereupon as of the effective date specified in such notice and subject to any conditions set forth therein (which may include arrangements with respect to any amounts then held in the segregated account referred to in Section 2.15(a)), such Lender will, to the extent applicable, purchase such portion of outstanding Loans of the other Lenders and/or make such other adjustments as the Administrative Agent may determine to be necessary to cause the total Commitments pursuant to Section 2.01 of the Lenders to be on a *pro rata* basis in accordance with their respective Commitments, whereupon such Lender will cease to be a Defaulting Lender and will be a Non-Defaulting Lender (and such Commitments and Loans of each Lender will automatically be adjusted on a prospective basis to reflect the foregoing); provided that no adjustments will be made retroactively with respect to fees accrued or payments made by or on behalf of the Borrower while such Lender was a Defaulting Lender; provided, further, that except to the extent otherwise expressly agreed by the affected parties, no change hereunder from Defaulting Lender to Non-Defaulting Lender will constitute a waiver or release of any claim of any party hereunder arising from such Lender's having been a Defaulting Lender.

SECTION 2.16 Notice of Certain Costs. Notwithstanding anything in this Agreement to the contrary, to the extent any notice required by Section 3.04 is given by any Lender more than 120 days after such Lender has knowledge (or should have had knowledge) of the occurrence of the event giving rise to the additional cost, reduction in amounts, loss, or other additional amounts described in such Sections, such Lender shall not be entitled to compensation under Section 3.04 for any such amounts Incurred or accruing prior to the 121st day prior to the giving of such notice to the Borrower.

ARTICLE III

TAXES, INCREASED COSTS, PROTECTION AND ILLEGALITY

SECTION 3.01 Taxes. iii) Payments Free of Taxes. Any and all payments by or on account of any obligation of any Loan Party under any Loan Document shall be made without deduction or withholding for any Taxes, except as required by applicable Law. If any applicable Law (as determined in the good faith discretion of an applicable Withholding Agent) requires the deduction or withholding of any Tax from any such payment by a Withholding Agent, then the applicable Withholding Agent shall be entitled to make such deduction or withholding and shall timely pay the full amount deducted or withheld to the relevant Governmental Authority in accordance with applicable Law and, if such Tax is an Indemnified Tax, then the sum payable by the applicable Loan Party shall be increased as necessary so that after such deduction or withholding has been made (including such deductions and withholdings applicable to additional sums payable under this Section 3.01) the applicable Lender or Agent receives an amount equal to the sum it would have received had no such deduction or withholding been made.

(a) Payment of Other Taxes by the Borrower. The Loan Parties shall timely pay to the relevant Governmental Authority in accordance with applicable Law, or at the option of the Administrative Agent timely reimburse it for, Other Taxes.

(b) Evidence of Payments. As soon as practicable after any payment of Taxes by any Loan Party to a Governmental Authority pursuant to this Section 3.01, such Loan Party shall deliver to the Administrative Agent the original or a certified copy of a receipt issued by such Governmental Authority evidencing such payment, a copy of the return reporting such payment or other evidence of such payment reasonably satisfactory to the Administrative Agent.

(c) Indemnification by the Borrower. The Loan Parties shall jointly and severally indemnify each Lender and each Agent, within 10 days after demand therefor, for the full amount of any Indemnified Taxes (including Indemnified Taxes imposed or asserted on or attributable to amounts payable under this Section 3.01) payable or paid by such Lender or such Agent or required to be withheld or deducted from a payment to such Lender or such Agent and any reasonable expenses arising therefrom or with respect thereto, whether or not such Indemnified Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to the Borrower by a Lender or Agent (with a copy to the Administrative Agent), or by the Administrative Agent on its own behalf or on behalf of a Lender or other Agent, shall be conclusive absent manifest error.

(d) Indemnification by the Lenders. Each Lender shall severally (but not jointly) indemnify the Administrative Agent, within 10 days after demand therefor, for (i) any Indemnified Taxes attributable to such Lender (but only to the extent that any Loan Party has not already indemnified the Administrative Agent for such Indemnified Taxes and without limiting the obligation of the Loan Parties to do so), (ii) any Taxes attributable to such Lender's failure to comply with the provisions of Section 9.07(e) relating to the maintenance of a Participant Register and (iii) any Excluded Taxes attributable to such Lender, in each case, that are payable or paid by the Administrative Agent in connection with any Loan Document, and any reasonable expenses arising therefrom or with respect thereto, whether or not such Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to any Lender by the Administrative Agent shall be conclusive absent manifest error. Each Lender hereby authorizes the Administrative Agent to set off and apply any and all amounts at any time owing to such Lender under any Loan Document or otherwise payable by the Administrative Agent to the Lender from any other source against any amount due to the Administrative Agent under this paragraph (e).

(e) Status of Lenders. (i) Any Lender that is entitled to an exemption from or reduction of withholding Tax with respect to payments made under any Loan Document shall deliver to the Borrower and the Administrative Agent, at the time or times reasonably requested by the Borrower or the Administrative Agent, such properly completed and executed documentation reasonably requested by the Borrower or the Administrative Agent as will permit such payments to be made without withholding or at a reduced rate of withholding. In addition, any Lender, if reasonably requested by the Borrower or the Administrative Agent, shall deliver such other documentation prescribed by applicable Law or reasonably requested by the Borrower or the Administrative Agent as will enable the Borrower or the Administrative Agent to determine whether or not such Lender is subject to backup withholding or information reporting requirements. Notwithstanding anything to the contrary in the preceding two sentences, the completion, execution and submission of such documentation (other than such documentation set forth in Section 3.01(f)(ii)(A), (ii)(B) and (ii)(D), below) shall not be required if in the Lender's reasonable judgment such completion, execution or submission would subject such Lender to any material unreimbursed cost or expense or would materially prejudice the legal or commercial position of such Lender.

(ii) Without limiting the generality of the foregoing,

(A) any Lender that is a U.S. Person shall deliver to the Borrower and the Administrative Agent on or prior to the date on which such Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Borrower or the Administrative Agent), executed copies of IRS Form W-9 certifying that such Lender is exempt from United States federal backup withholding tax;

(B) any Non-U.S. Lender shall deliver to the Borrower and the Administrative Agent (in such number of copies as shall be requested by the recipient) on or prior to the date on which such Non-U.S. Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Borrower or the Administrative Agent), whichever of the following is applicable:

(1) in the case of a Non-U.S. Lender claiming the benefits of an income tax treaty to which the United States is a party (x) with respect to payments of interest under any Loan Document, executed copies of IRS Form W-8BEN or IRS Form W-8BEN-E establishing an exemption from, or reduction of, United States federal withholding Tax pursuant to the “interest” article of such tax treaty and (y) with respect to any other applicable payments under any Loan Document, IRS Form W-8BEN or IRS Form W-8BEN-E establishing an exemption from, or reduction of, United States federal withholding Tax pursuant to the “business profits” or “other income” article of such tax treaty;

(2) executed copies of IRS Form W-8ECI;

(3) in the case of a Non-U.S. Lender claiming the benefits of the exemption for portfolio interest under Section 881(c) of the Code, (x) a certificate substantially in the form of Exhibit E-1 to the effect that such Non-U.S. Lender is not a “bank” within the meaning of Section 881(c)(3)(A) of the Code, a “10 percent shareholder” of the Borrower within the meaning of Section 881(c)(3)(B) of the Code, or a “controlled foreign corporation” related to the Borrower as described in Section 881(c)(3)(C) of the Code (a “U.S. Tax Certificate”) and (y) executed copies of IRS Form W-8BEN or IRS Form W-8BEN-E; or

(4) to the extent a Non-U.S. Lender is not the beneficial owner, executed copies of IRS Form W-8IMY, accompanied by IRS Form W-8ECI, IRS Form W-8BEN, IRS Form W-8BEN-E, a U.S. Tax Certificate substantially in the form of Exhibit E-2 or Exhibit E-3, IRS Form W-9, and/or other certification documents from each beneficial owner, as applicable; provided that if the Non-U.S. Lender is a partnership and one or more direct or indirect partners of such Non-U.S. Lender are claiming the portfolio interest exemption, such Non-U.S. Lender may provide a U.S. Tax Certificate substantially in the form of Exhibit E-4 on behalf of each such direct and indirect partner;

(C) any Non-U.S. Lender shall deliver to the Borrower and the Administrative Agent (in such number of copies as shall be requested by the recipient) on or prior to the date on which such Non-U.S. Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Borrower or the Administrative Agent), executed copies of any other form prescribed by applicable Law as a basis for claiming exemption from or a reduction in United States federal withholding Tax, duly completed, together with such supplementary documentation as may be prescribed by applicable Law to permit the Borrower or the Administrative Agent to determine the withholding or deduction required to be made; and

(D) if a payment made to a Lender under any Loan Document would be subject to United States federal withholding Tax imposed by FATCA if such Lender were to fail to comply with the applicable reporting requirements of FATCA (including those contained in Section 1471(b) or 1472(b) of the Code, as applicable), such Lender shall deliver to the Borrower and the Administrative Agent at the time or times prescribed by Law and at such time or times reasonably requested by the Borrower or the Administrative Agent such documentation prescribed by applicable Law (including as prescribed by Section 1471(b)(3)(C)(i) of the Code) and such additional documentation reasonably requested by the Borrower or the Administrative Agent as may be necessary for the Borrower and the Administrative Agent to comply with their obligations under FATCA and to determine that such Lender has complied with such Lender’s obligations under FATCA or to determine the amount to deduct and withhold from such payment. Solely for purposes of this clause (D), “FATCA” shall include any amendments made to FATCA after the date of this Agreement.

Each Lender agrees that if any form or certification it previously delivered expires or becomes obsolete or inaccurate in any respect, it shall update such form or certification or promptly notify the Borrower and the Administrative Agent in writing of its legal inability to do so.

(f) Treatment of Certain Refunds. If any party determines, in its sole discretion exercised in good faith, that it has received a refund of any Taxes as to which it has been indemnified pursuant to this Section 3.01 (including by the payment of additional amounts pursuant to this Section 3.01), it shall pay to the indemnifying party an amount equal to such refund (but only to the extent of indemnity payments made under this Section 3.01 with respect to the Taxes giving rise to such refund), net of all reasonable out-of-pocket expenses (including Taxes) of such indemnified party and without interest (other than any interest paid by the relevant Governmental Authority with respect to such refund). Such indemnifying party, upon the request of such indemnified party, shall repay to such indemnified party the amount paid over pursuant to this paragraph (g) (plus any penalties, interest or other charges imposed by the relevant Governmental Authority) in the event that such indemnified party is required to repay such refund to such Governmental Authority. Notwithstanding anything to the contrary in this paragraph (g), in no event will the indemnified party be required to pay any amount to an indemnifying party pursuant to this paragraph (g) the payment of which would place the indemnified party in a less favorable net after-Tax position than the indemnified party would have been in if the Tax subject to indemnification and giving rise to such refund had not been deducted, withheld or otherwise imposed and the indemnification payments or additional amounts with respect to such Tax had never been paid. This paragraph shall not be construed to require any indemnified party to make available its Tax returns (or any other information relating to its Taxes that it deems confidential) to the indemnifying party or any other Person.

(g) Change of Lending Office. Each Lender agrees that, upon the occurrence of any event giving rise to the operation of Section 3.01(a) or Section 3.01(d) with respect to such Lender, it will, if requested by the Borrower, use reasonable efforts to avoid the consequences of such event, including to designate another Lending Office for any Loan affected by such event or to assign its rights and obligations with respect to such Loan to another of its offices, branches or affiliates; provided that such efforts are made on terms that, in the reasonable judgment of such Lender, cause such Lender and its Lending Office(s) to suffer no material economic, legal or regulatory disadvantage; and provided further that nothing in this Section 3.01(h) shall affect or postpone any of the Loan Obligations of any Loan Party or Lender or the rights of the Lender or Loan Party pursuant to this Section 3.01.

(h) Survival. Each party's obligations under this Section 3.01 shall survive the resignation or replacement of the Administrative Agent or any assignment of rights by, or the replacement of, a Lender, the termination of the Commitments and the repayment, satisfaction or discharge of all obligations under any Loan Document.

(i) Defined Terms. For purposes of this Section 3.01, the term "applicable Law" includes FATCA.

SECTION 3.02 [Reserved].

SECTION 3.03 [Reserved].

SECTION 3.04 Capital Adequacy.

(a) In the event that the Required Lenders shall have reasonably determined (which determination shall, absent clearly demonstrable error, be final and conclusive and binding upon all parties hereto):

(i) on any date for determining the Term SOFR Reference Rate for any Interest Period that (x) deposits in the principal amounts and currencies of the Loans comprising such Term Benchmark Borrowing are not generally available in the relevant market or (y) by reason of any changes arising on or after the Closing Date affecting the relevant interbank market, adequate and fair means do not exist for ascertaining the applicable interest rate on the basis provided for in the definition of Term SOFR; or

(ii) at any time, that such Lenders shall incur increased costs or reductions in the amounts received or receivable hereunder with respect to any Term Benchmark Loans (other than with respect to Taxes) because of any Change in Law;

(iii) that a Change in Law shall subject any such Lenders to any Tax (other than (1) Indemnified Taxes, (2) Excluded Taxes or (3) Other Taxes) on its loans, loan principal, letters of credit, commitments or other obligations, or its deposits, reserves, other liabilities or capital attributable thereto; or

(iv) at any time, that the making or continuance of any Term Benchmark Loans has become unlawful by compliance by such Lenders in good faith with any law, governmental rule, regulation, guideline or order (or would conflict with any such governmental rule, regulation, guideline or order not having the force of law even though the failure to comply therewith would not be unlawful), or has become impracticable as a result of a contingency occurring after the Closing Date that materially and adversely affects the relevant interbank market;

(such Loans, "**Impacted Loans**"), then, and in any such event, such Required Lenders shall within a reasonable time thereafter give notice to the Borrower and to the Administrative Agent of such determination (which notice the Administrative Agent shall promptly transmit to each of the other Lenders). Thereafter (x) in the case of clause (i) above, Term Benchmark Loans shall no longer be available until such time as the Required Lenders notify the Borrower, the Administrative Agent and the Lenders that the circumstances giving rise to such notice no longer exist (which notice the Required Lenders agree to give at such time when such circumstances no longer exist), and any Loan Notice or Notice of Conversion or Continuation given by the Borrower with respect to Term Benchmark Loans that have not yet been incurred shall be deemed rescinded by the Borrower, (y) in the case of clause (ii) above, the Borrower shall pay to such Lenders, promptly after receipt of written demand therefor such additional amounts (in the form of an increased rate of, or a different method of calculating, interest or otherwise as such Required Lenders in their reasonable discretion shall determine) as shall be required to compensate such Lenders for such actual increased costs or reductions in amounts receivable hereunder (it being agreed that a written notice as to the additional amounts owed to such Lenders, showing in reasonable detail the basis for the calculation thereof, submitted to the Borrower by such Lenders shall, absent clearly demonstrable error, be final and conclusive and binding upon all parties hereto), and (z) in the case of clause (iv) above, the Borrower shall take one of the actions specified in subclause (x) or (y), as applicable, of Section 3.04(b) promptly and, in any event, within the time period required by law.

Notwithstanding the foregoing, if the Required Lenders have made the determination described in Section 3.04(a)(i)(x), the Required Lenders, in consultation with the Borrower and the affected Lenders, may establish an alternative interest rate for the Impacted Loans, in which case, such alternative rate of interest shall apply with respect to the Impacted Loans until (1) the Required Lenders revoke the notice delivered with respect to the Impacted Loans under clause (x) of the first sentence of the immediately preceding paragraph, (2) the affected Lenders notify the Administrative Agent and the Borrower that such alternative interest rate does not adequately and fairly reflect the cost to such Lenders of funding the Impacted Loans, or (3) any Lender determines that any law has made it unlawful, or that any Governmental Authority has asserted that it is unlawful, for such Lender or its applicable lending office to make, maintain or fund Loans whose interest is determined by reference to such alternative rate of interest or to determine or charge interest rates based upon such rate or any Governmental Authority has imposed material restrictions on the authority of such Lender to do any of the foregoing and provides the Administrative Agent and the Borrower written notice thereof.

(b) At any time that any Term Benchmark Loan is affected by the circumstances described in Section 3.04(a)(ii) or (iv), the Borrower may (and in the case of a Term Benchmark Loan affected pursuant to Section 3.04(a)(iv) shall) either (x) if a Loan Notice or Notice of Conversion or Continuation with respect to the affected Term Benchmark Loan has been submitted pursuant to Section 2.02 but the affected Term Benchmark Loan has not been funded or continued, cancel such requested Borrowing by giving the Administrative Agent written notice thereof on the same date that the Borrower was notified by Lenders pursuant to Section 3.04(a)(ii) or (iv) or (y) if the affected Term Benchmark Loan is then outstanding, upon at least three Business Days' notice to the Administrative Agent, require the affected Lender to convert each such Term Benchmark Loan into an ABR Loan; provided that if more than one Lender is affected at any time, then all affected Lenders must be treated in the same manner pursuant to this Section 3.04(b).

(c) If, after the Closing Date, any Change in Law relating to capital adequacy or liquidity of any Lender or compliance by any Lender or its parent with any Change in Law relating to capital adequacy or liquidity occurring after the Closing Date, has or would have the effect of reducing the actual rate of return on such Lender's or their respective parent's or its Affiliate's capital or assets as a consequence of such Lender's commitments or obligations hereunder to a level below that which such Lender or their respective parent or its Affiliate could have achieved but for such Change in Law (taking into consideration such Lender's or their respective parent's policies with respect to capital adequacy or liquidity), then from time to time, promptly after written demand by such Lender (with a copy to the Administrative Agent), the Borrower shall pay to such Lender such actual additional amount or amounts as will compensate such Lender or its parent for such actual reduction, it being understood and agreed, however, that a Lender shall not be entitled to such compensation as a result of such Lender's compliance with, or pursuant to any request or directive to comply with, any law, rule or regulation as in effect on the Closing Date or to the extent such Lender is not imposing such charges on, or requesting such compensation from, borrowers (similarly situated to the Borrower hereunder) under comparable syndicated credit facilities similar to the Credit Facilities. Each Lender, upon determining in good faith that any additional amounts will be payable pursuant to this Section 3.04(c), will give prompt written notice thereof to the Borrower, which notice shall set forth in reasonable detail the basis of the calculation of such additional amounts, although the failure to give any such notice shall not, subject to Section 2.16, release or diminish the Borrower's obligations to pay additional amounts pursuant to this Section 3.04(c) promptly following receipt of such notice.

If the Administrative Agent shall have received notice from the Required Lenders that Term SOFR determined or to be determined for such Interest Period will not adequately and fairly reflect the cost to such Lenders (as certified by such Lenders) of making or maintaining their affected Term Benchmark Loans during such Interest Period, the Administrative Agent shall give telecopy notice thereof to the Borrower and the Lenders as soon as practicable thereafter (which notice shall include supporting calculations in reasonable detail). If such notice is given, (i) any Term Benchmark Loan requested to be made on the first day of such Interest Period shall be made an ABR Loan, (ii) any Loans that were to have been converted on the first day of such Interest Period to Term Benchmark Loans shall be continued as an ABR Loan and (iii) any outstanding Term Benchmark Loans shall be converted, on the first day of such Interest Period, to ABR Loans. Until such notice has been withdrawn by the Required Lenders, no further Term Benchmark Loans shall be made or continued as such, nor shall the Borrower have the right to convert ABR Loans to Term Benchmark Loans.

SECTION 3.05 [Reserved].

SECTION 3.06 Matters Applicable to All Requests for Compensation.

(a) Any Agent or any Lender claiming compensation under this Article 3 shall deliver a certificate to the Borrower setting forth in reasonable detail the additional amount or amounts to be paid to it hereunder, which shall be conclusive in the absence of manifest error. In determining such amount, such Agent or such Lender may use any reasonable averaging and attribution methods.

(b) With respect to any Lender's claim for compensation under Section 3.01 or Section 3.04, the Borrower shall not be required to compensate such Lender for any amount incurred more than one hundred and eighty (180) days prior to the date that such Lender notifies the Borrower of the event that gives rise to such claim and that such Lender has determined to request such compensation; provided that if the circumstance giving rise to such increased cost or reduction is retroactive, then such one hundred eighty (180)-day period referred to above shall be extended to include the period of retroactive effect thereof.

SECTION 3.07 Replacement of Lenders Under Certain Circumstances.

(a) If at any time (x) the Borrower becomes obligated to pay additional amounts or indemnity payments described in Section 3.01(a) or (d) or Section 3.04 as a result of any condition described in such Sections or (y) any Lender becomes a Defaulting Lender, then the Borrower may, on ten (10) Business Days' prior written notice to the Administrative Agent and such Lender, replace such Lender by causing such Lender to (and such Lender shall be obligated to) assign pursuant to Section 9.07(b) (with the assignment fee to be paid by the Borrower in such instance) all of its rights and obligations under this Agreement to one or more Eligible Assignees; provided that (i) in the case of any such assignment resulting from a claim for compensation under Section 3.01(a) or (d) or Section 3.04, such assignment will result in a reduction in such compensation or payments thereafter, (ii) such Lender shall have received payment of an amount equal to the outstanding principal of its Loans, accrued but unpaid interest thereon, accrued but unpaid fees, premium and all other amounts payable to it hereunder from the assignee (to the extent of such outstanding principal and accrued interest and fees) or the Borrower (in the case of all other amounts) and (iii) neither the Administrative Agent nor any Lender shall have any obligation to the Borrower to find a replacement Lender or other such Person.

(b) Any Lender being replaced pursuant to Section 3.07(a) above shall (i) execute and deliver an Assignment and Assumption with respect to such Lender's Commitment and outstanding Loans of the applicable Class (ii) deliver any Notes evidencing such Loans to the Borrower or the Administrative Agent; provided that the failure of any such Lender to execute an Assignment and Assumption shall not render such assignment invalid, and such Lender shall be deemed to have executed such Assignment and Assumption within one Business Day of a request that it do so in the event that it has failed to do so within such period, and such assignment shall be recorded in the Register. Pursuant to such Assignment and Assumption, (x) the assignee Lender shall acquire all or a portion, as the case may be, of the assigning Lender's Commitment and outstanding Loans of the applicable Class, (y) all obligations of the Borrower owing to the assigning Lender relating to the Loans and participations so assigned shall be paid in full by the assignee Lender to such assigning Lender concurrently with such Assignment and Assumption and (z) upon such payment and, if so requested by the assignee Lender, delivery to the assignee Lender of the appropriate Note or Notes executed by the Borrower, the assignee Lender shall become a Lender hereunder and the assigning Lender shall cease to be a party hereto but shall continue to be entitled to the benefits of Section 3.01, Section 3.04 and Section 9.05 (and bound by the obligations set forth in Section 9.08) with respect to facts and circumstances occurring prior to the effective date of such assignment.

(c) Notwithstanding anything to the contrary contained above, the Lender that acts as the Administrative Agent may not be replaced in such capacity hereunder except in accordance with the terms of Section 8.06.

SECTION 3.08 Survival. The Borrower's obligations under this Article 3 shall survive any assignment of rights by, or the replacement of, a Lender and the Termination Date.

ARTICLE IV

CONDITIONS PRECEDENT

SECTION 4.01 [Reserved]

SECTION 4.02 Conditions to Effectiveness. The effectiveness of this Agreement is subject solely to the satisfaction of the following conditions precedent (or expressly waived in accordance with Section 9.01):

(a) The receipt by the Administrative Agent of executed counterparts of this Agreement, in the form of an original, facsimile or electronic copy (followed promptly by originals), duly executed and delivered by the Administrative Agent, each Lender and a Responsible Officer of each of the Borrower and Holdings.

(b) The receipt by the Administrative Agent and the Initial Lenders of the following, each of which shall be in the form of an original, facsimile or electronic copy unless otherwise specified, and each executed by a Responsible Officer of the Borrower:

(i) a Note executed by the Borrower in favor of each Lender requesting a Note at least two (2) Business Days prior to the Closing Date (the original to the Lender and a copy to the Administrative Agent), if any;

(ii) executed counterparts of (A) (1) the First Lien Intercreditor Agreement, (2) the First Lien Collateral Agency Agreement, (3) a Security Agreement in the form attached as Exhibit J-1, (5) Pledge Agreement in the form attached as Exhibit J-2, and (4) the Junior Lien Intercreditor Agreement and (B) such evidence as the Administrative Agent and the Initial Lenders may reasonably require of the effectiveness of the security contemplated thereby and the perfection of the security interest created thereby (including the filing of UCC-1s or UCC-3s, as applicable, and delivery of certificated securities or other possessory collateral, but excluding the actions, perfections and filings which may occur after the Closing Date pursuant to Section 6.14 of this Agreement), in the case of each document referred to in this sub clause (B), in form and substance reasonably satisfactory to the Administrative Agent and the Initial Lenders;

(iii) a certificate of the Borrower and each other Loan Party, dated the Closing Date and executed by the secretary or assistant secretary of the Borrower and each applicable Loan Party, respectively, in form and substance reasonably satisfactory to the Administrative Agent and the Initial Lenders;

- (iv) a certificate signed by a Responsible Officer of the Borrower, substantially in the form of Exhibit H-1 hereto;
- (v) a Perfection Certificate substantially in the form attached as Exhibit H-2 hereto;
- (vi) a solvency certificate in the form attached as Exhibit H-3; and

(vii) The receipt by the Administrative Agent and the Initial Lenders of a written opinion of (v) Simpson Thacher & Bartlett LLP, special counsel for the Borrower and Holdings, (w) Michael Discafani, Vice President, Corporate Counsel and Secretary of the Borrower and Holdings and (x) Fennemore Craig, P.C, Arizona counsel for the Borrower and Holdings, (y) Bilzin Sumberg Baena Price & Axelrod LLP, Florida counsel for the Borrower and Holdings and (z) Venable LLP, Virginia counsel for the Borrower and Holdings, in each case, dated as of the Closing Date and in form and substance reasonably satisfactory to the Administrative Agent and the Initial Lenders.

(c) To the extent requested by the Administrative Agent and/or the Initial Lenders not less than five (5) Business Days prior to the Closing Date, the Administrative Agent and the Initial Lenders shall have received, at least one (1) Business Day prior to the Closing Date, all documentation and other information reasonably requested with respect to the Loan Parties required by regulatory authorities under applicable “know-your-customer” and anti-money laundering rules and regulations, including the PATRIOT Act.

(d) The Specified Transactions shall have been consummated in accordance with their terms.

(e) (A) The representations and warranties of the Borrower and each other Loan Party contained in Article V or any other Loan Document shall be true and correct in all material respects (and in all respects if qualified by materiality) on and as of the date of such Borrowing (except in the case of any representation and warranty which expressly relates to a given date or period, such representation and warranty shall be true and correct in all material respects (and in all respects if qualified by materiality) as of the respective date or for the respective period, as the case may be) and (B) upon consummation of the transactions contemplated by the Loan Documents and the application of the proceeds thereof, no Default or Event of Default shall have occurred.

SECTION 4.03 Conditions to All Credit Extensions After the Closing Date. The obligation of each Lender to honor any request for Borrowings (other than (i) in connection with a Borrowing in respect of Replacement Commitments, Refinancing Loans or Extended Loans or (ii) the initial Borrowing) on any date after the Closing Date is subject to satisfaction or waiver by the Required Lenders of solely the following conditions precedent prior to such Borrowing:

(a) The representations and warranties of the Borrower and each other Loan Party contained in Article V or any other Loan Document shall be true and correct in all material respects (and in all respects if qualified by materiality) on and as of the date of such Borrowing (except in the case of any representation and warranty which expressly relates to a given date or period, such representation and warranty shall be true and correct in all material respects (and in all respects if qualified by materiality) as of the respective date or for the respective period, as the case may be).

(b) No Default or Event of Default shall exist or would result from such proposed Borrowing or from the application of the proceeds therefrom.

(c) The Administrative Agent and Lenders shall have received a request for a Borrowing of the applicable Loans, in the form of a Loan Notice delivered in accordance with Section 2.02(a), it being understood and agreed that delivery of such Loan Notice shall be deemed to be a representation and warranty made by the Borrower that the conditions specified in clauses (a) and (b) of this Section 4.03 have been satisfied on and as of the date of the applicable Borrowing.

ARTICLE V

REPRESENTATIONS AND WARRANTIES OF HOLDINGS AND THE BORROWER

The Borrower and Holdings jointly and severally, represent and warrant to, and agree with the Administrative Agent and each Lender, that:

SECTION 5.01 Good Standing of the Borrower, Holdings and its Subsidiaries. Each of the Borrower, Holdings and its Subsidiary Guarantors has been duly incorporated or formed, as the case may be, is validly existing as a corporation, limited liability company or limited partnership, as the case may be, in good standing under the laws of its jurisdiction of incorporation or organization and has the corporate power, or its equivalent in the case of a limited partnership or limited liability company, and authority to carry on its business as described in the Public Filings, to own, lease and operate its properties and to enter into and perform its obligations under this Agreement and the other Loan Documents; and each is duly qualified and is in good standing as a foreign corporation, limited liability company or limited partnership, as the case may be, authorized to do business in each jurisdiction in which the nature of its business or its ownership or leasing of property requires such qualification, except where the failure to be so qualified would not have a material adverse effect on the business, prospects, financial condition or results of operations of Holdings and its subsidiaries, taken as a whole, or their ability to perform their respective obligations under this Agreement (a "Material Adverse Effect").

SECTION 5.02 Loan Documents. Each of the Loan Documents has been duly authorized, executed and delivered by the Borrower and each other Loan Party that is a party thereto, and, assuming that each Loan Document is a valid and binding obligation of the Administrative Agent, each Loan Document is a valid and binding agreement of the Borrower and each other Loan Party that is a party thereto, enforceable against the Borrower and each other Loan Party in accordance with its terms except as the enforceability thereof may be limited by the effects of bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium and other similar laws relating to or affecting creditors' rights generally, general equitable principles (whether considered in a proceeding in equity or at law) and an implied covenant of good faith and fair dealing.

SECTION 5.03 Absence of Defaults and Conflicts. The execution, delivery and performance of the Loan Documents by the Borrower and each other Loan Party, as applicable, compliance by the Borrower and each other Loan Party, as applicable, with all provisions hereof and thereof and the consummation of the transactions contemplated hereby and thereby will not (i) conflict with or constitute a breach of any of the terms or provisions of, or a default under, the charter, by-laws or other organizational documents of the Borrower or any other Loan Party or any indenture, loan agreement, mortgage, lease or other agreement or instrument that is material to Holdings or the Borrower and its subsidiaries, taken as a whole, to which the Borrower or the Guarantors is a party or by which the Borrower or the Guarantors or their respective property is bound, (ii) violate or conflict with any applicable law or any rule, regulation, judgment, order or decree of any court or any governmental body or agency having jurisdiction over the Borrower, Holdings or any of its subsidiaries or their respective property, (iii) result in the imposition or creation of (or the obligation to create or impose) a Lien under, any agreement or instrument to which the Borrower, Holdings or any of its subsidiaries is a party or by which the Borrower, Holdings or any of its subsidiaries or their respective property is bound, other than as contemplated by the Loan Documents, or (iv) result in the termination, suspension or revocation of permits, licenses, consents, exemptions, franchises, authorizations and other approvals (each, an "Authorization") of the Borrower, Holdings or any of its subsidiaries or result in any other impairment of the rights of the holder of any such Authorization, except ~~(A) in the case of clauses (ii), (iii) and (iv), for such conflicts, breaches, defaults, liens, charges, encumbrances, impositions, terminations, suspensions or revocations that would not, singly or in the aggregate, have a Material Adverse Effect and (B) in the case of clause (i), after giving effect to (x) the entry into and the effectiveness of the Exchange Documentation and the Existing Debt Amendment Documents, (y) the release of the Liens securing, and the satisfaction and discharge of obligations under, the Existing New Group Secured Notes and the Existing New Group Secured Indentures and (z) the release of the Liens securing the obligations under the Existing Revolving Credit Agreement.~~

SECTION 5.04 Authorization of this Agreement. This Agreement has been duly authorized, executed and delivered by the Borrower, Holdings and each other Guarantor and is the legal, valid and binding obligation of the Borrower, Holdings and each other Guarantor, enforceable against the Borrower, Holdings and each other Guarantor in accordance with the terms hereof.

SECTION 5.05 Environmental Laws and ERISA. Except as disclosed in the Public Filings, neither the Borrower, Holdings nor any of its subsidiaries has (i) violated any foreign, federal, state or local law or regulation relating to the protection of human health and safety, the environment or hazardous or toxic substances or wastes, pollutants or contaminants ("Environmental Laws"), and, to the knowledge of the Borrower and Holdings, there are no pending or threatened liabilities relating to Environmental Laws or (ii) violated any provisions of ERISA or incurred liability under ERISA, except, in each case, for such violations or liabilities, as the case may be, which, singly or in the aggregate, would not have a Material Adverse Effect.

SECTION 5.06 Litigation. Except as disclosed in the Public Filings and except as would not materially adversely affect consummation of the Specified Transactions, there are no legal, regulatory or governmental proceedings pending or, to the knowledge of the Borrower or Holdings, threatened to which the Borrower, Holdings or any of its subsidiaries is or could be a party or to which any of their respective property is or could be subject, which might result, singly or in the aggregate, in a Material Adverse Effect.

SECTION 5.07 Financial Statements. The historical financial statements, together with related notes, included in Holdings' annual report on Form 10-K, as amended, for the fiscal year ended October 31, 2018 and in Holdings' quarterly reports on Form 10-Q for the fiscal quarters ended January 31, 2019, April 30, 2019 and July 31, 2019 (collectively, the "Historical Financial Statements"), (1) were prepared in accordance with GAAP applied on a consistent basis throughout the periods indicated (except as may be disclosed therein) and (2) present fairly the consolidated financial position (including all debt and liabilities of Holdings and its subsidiaries on a consolidated basis), results of operations and changes in financial position of Holdings and its subsidiaries, on the basis stated therein and at the respective dates or for the respective periods to which they apply.

SECTION 5.08 Investment Company Act. Each of the Borrower and the other Loan Parties is not and, after giving effect to the Borrowing of Loans hereunder and the consummation of the transactions contemplated by the Loan Documents and the application of the net proceeds thereof, will not be, an "investment company," as such term is defined in the Investment Company Act.

SECTION 5.09 Solvency. On the Closing Date, immediately after the consummation of the transactions contemplated by the Loan Documents (i) the present fair saleable value of the properties and assets of Holdings and its subsidiaries (on a consolidated basis) is not less than the total amount that would be required to pay the probable liability of Holdings and its subsidiaries (on a consolidated basis) on their total debts and liabilities (including contingent liabilities) as they become absolute and matured; (ii) Holdings and its subsidiaries (on a consolidated basis) are able to realize upon their properties and assets and generally pay their debts and other liabilities, contingent obligations and commitments as they mature and become due in the normal course of business; (iii) Holdings and its subsidiaries (on a consolidated basis) do not intend to, and do not believe that they will, incur debts or liabilities beyond their ability to pay as such debts and liabilities mature; and (iv) Holdings and its subsidiaries (on a consolidated basis) are not engaged in any business or transaction, and do not propose to engage in any business or transaction, for which their properties and assets would constitute unreasonably small capital after giving due consideration to the prevailing practices in the industry in which Holdings and its subsidiaries are engaged. For purposes of this Section 5.09, the amount of any contingent liability shall be computed in accordance with GAAP.

SECTION 5.10 Regulations T, U, X. Neither the Borrower nor any other Loan Party nor any of their respective subsidiaries nor any agent thereof acting on their behalf has taken, and none of them will take, any action that might cause this Agreement or the borrowing of Loans to violate Regulation T, Regulation U or Regulation X of the Board of Governors of the Federal Reserve System.

SECTION 5.11 Sanctions. (a) Neither the Borrower or Holdings and its subsidiaries, nor any director or officer thereof, nor, to the Borrower's or Holdings' knowledge, any employee or agent of the Borrower or Holdings and its subsidiaries, is an individual or an entity (for purposes of this Section 5.11 only, "Person") that is, or is 50% or more owned or controlled in the aggregate by one or more Persons that are: (A) identified on OFAC's Specially Designated Nationals and Blocked Persons List ("SDN List") or otherwise the target of any applicable sanctions administered or enforced by the U.S. government (including OFAC and the U.S. Department of State), the European Union, the U.K. government (including the Office of Financial Sanctions Implementation of Her Majesty's Treasury) and any other governmental authority with jurisdiction over the Borrower, Holdings or its Subsidiaries (collectively, "Sanctions") or (B) located, organized or resident in a country or region that is the target of comprehensive Sanctions (currently, Cuba, Iran, North Korea, Syria and the Crimea region of Ukraine) (each, a "Sanctioned Territory").

(b) The operations of the Borrower, Holdings 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 applicable money laundering statutes of all jurisdictions where the Borrower, Holdings or any of its subsidiaries conducts business, the rules and regulations thereunder and any related or similar rules, regulations or guidelines issued, administered or enforced by any governmental or regulatory agency (collectively, the "Anti-Money Laundering Laws") and no action, suit or proceeding by or before any court or governmental or regulatory agency, authority or body or any arbitrator involving the Borrower, Holdings or any of its subsidiaries with respect to the Anti-Money Laundering Laws is pending or, to the knowledge of the Borrower or any of the Guarantors, threatened.

(c) Neither the Borrower or Holdings and its subsidiaries, nor, to the knowledge of the Borrower and each of the Guarantors, any director, officer, or employee of the Borrower, Holdings or any of its subsidiaries or any agent acting on behalf of the Borrower, Holdings or any of its subsidiaries has (i) used any corporate or organizational funds for any unlawful contribution, gift, entertainment or other unlawful expense relating to political activity; (ii) made or taken an act in furtherance of an offer, promise or authorization of any direct or indirect unlawful payment or benefit to any foreign or domestic government or regulatory official or employee, including of any government-owned or controlled entity or of a public international organization, or any person acting in an official capacity for or on behalf of any of the foregoing, or any political party or party official or candidate for political office; (iii) violated or is in violation of any provision of the Foreign Corrupt Practices Act of 1977, as amended, or any other applicable anti-bribery or anti-corruption laws; or (iv) made, offered, agreed, requested or taken an act in furtherance of any unlawful bribe or other unlawful benefit, including, without limitation, any rebate, payoff, influence payment, kickback or other unlawful or improper payment or benefit.

(d) The Borrower will not, directly or indirectly, use the proceeds of the Loans, or lend, contribute or otherwise make available such proceeds to any subsidiary, joint venture partner or other Person for the purpose of funding or facilitating any activities or business: (A) of or with any Person identified on the SDN List or otherwise the target of Sanctions, or in any Sanctioned Territory, in each case, except as authorized by U.S. law or (B) in any other manner that would constitute or give rise to a violation of Sanctions by any party hereto (including the Administrative Agent and the Lenders).

SECTION 5.12 Taxes. Except as would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect, each of the Borrower and any other Loan Party (a) have timely filed or cause to be filed all Tax returns and reports required to have been filed, and (b) have paid or caused to be paid all Taxes levied or imposed on their properties, income or assets (whether or not shown on a Tax return) that are due and payable, including in their capacity as tax withholding agents, except any Taxes that are being contested in good faith by appropriate proceedings, provided that the Borrower or each other Loan Party, as the case may be, has set aside on its books adequate reserves therefor in accordance with GAAP. There is no proposed Tax assessment, deficiency or other claim against the Borrower or any other Loan Party and none of the Borrower or any other Loan Party are currently the subject of any audit, contest or similar proceeding with respect to Taxes, in each case, that would reasonably be expected to, individually or in the aggregate, have a Material Adverse Effect.

SECTION 5.13 Compliance with Laws. Each of the Borrower, Holdings and its Restricted Subsidiaries is in compliance with all applicable Laws, orders, writs, injunctions and orders, except to the extent that failure to do so would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

SECTION 5.14 Capital Stock. All outstanding shares of capital stock of the Borrower and Holdings have been duly authorized and validly issued and are fully paid, nonassessable and not subject to any preemptive or similar rights, except, for the avoidance of doubt, with respect to the Rights Plan of Holdings, as described in the Public Filings; all of the outstanding shares of capital stock of each of Holdings' direct and indirect subsidiaries have been duly authorized and validly issued and are fully paid and nonassessable and such shares that are owned by Holdings are owned by Holdings, directly or indirectly through one or more subsidiaries, free and clear of any security interest, claim, lien, encumbrance or adverse interest of any nature other than Liens securing obligations under (i) the Loan Documents and (ii) Permitted Liens.

SECTION 5.15 Title to Properties. Except as would not, singly or in the aggregate, have a Material Adverse Effect, each of the Borrower and the other Loan Parties has good and marketable title to or a valid leasehold interest in all properties, assets and other rights which it purports to own or lease or which are reflected as owned or leased on its books and records, free and clear of all liens and encumbrances, except Permitted Liens, and subject to the terms and conditions of the applicable leases. All leases of property are in full force and effect without the necessity for any consent which has not previously been obtained upon consummation of the transactions contemplated hereby.

SECTION 5.16 Possession of Licenses and Permits. Except as disclosed in the Public Filings, each of the Borrower and the other Loan Parties has the Authorizations of, and has made all filings with and notices to, all governmental or regulatory authorities and self-regulatory organizations and all courts and other tribunals, including under any applicable Environmental Laws, as are necessary to own, lease, license and operate its respective properties and to conduct its business, except where the failure to have any such Authorization or to make any such filing or notice would not, singly or in the aggregate, have a Material Adverse Effect. Each such Authorization is valid and in full force and effect and each of the Borrower and the other Loan Parties is in compliance with all the terms and conditions thereof and with the rules and regulations of the authorities and governing bodies having jurisdiction with respect thereto; and no event has occurred (including the receipt of any notice from any authority or governing body) which allows or, after notice or lapse of time or both, would allow, revocation, suspension or termination of any such Authorization or results or, after notice or lapse of time or both, would result in any other impairment of the rights of the holder of any such Authorization; except where such failure to be valid and in full force and effect or to be in compliance, the occurrence of any such event or the presence of any such restriction would not, singly or in the aggregate, have a Material Adverse Effect.

SECTION 5.17 Insurance. The Borrower and each other Loan Party maintains insurance covering their properties, assets, operations, personnel and businesses, and, in the good faith estimate of management, such insurance is of such type and in such amounts as is in accordance with customary industry practice in the locations where the Borrower and each other Loan Party conducts operations, taking into account the costs and availability of such insurance.

SECTION 5.18 No Material Adverse Change in Business. Since the respective dates as of which information is given in the Public Filings, except as set forth therein or, in any respect, relating to or arising from the Specified Transactions, (i) there has not occurred any material adverse change or any development involving a prospective material adverse change in the condition, financial or otherwise, or the earnings, business, management or operations of each of the Borrower and the other Loan Parties, taken as a whole, (ii) there has not been any material adverse change or any development involving a prospective material adverse change in the Capital Stock or in the long-term debt of Holdings or any of its subsidiaries and (iii) neither Holdings nor any of its subsidiaries has incurred any material liability or obligation, direct or contingent.

SECTION 5.19 Collateral. The applicable Security Agreement and Pledge Agreement, when duly executed and delivered by each of the Loan Parties party thereto and upon completion of the filings and other actions specified therein, will create valid and perfected (to the extent such security interest can be perfected by such filings or actions) security interests in the Collateral to which they relate, and are prior to all other Liens on such Collateral in existence on the Closing Date except for Permitted Liens.

ARTICLE VI

COVENANTS

Until the Termination Date, the Borrower and Holdings shall, and to the extent applicable, shall cause each Restricted Subsidiary to comply with the following covenants:

SECTION 6.01 Existence. Holdings and the Borrower shall each do or cause to be done all things necessary to preserve and keep in full force and effect their existence and the existence of each of the Restricted Subsidiaries in accordance with their respective organizational documents, and the material rights, licenses and franchises of Holdings, the Borrower and each Restricted Subsidiary; provided, that Holdings and the Borrower are not required to preserve any such right, license or franchise, or the existence of any Restricted Subsidiary, if the maintenance or preservation thereof is no longer desirable in the conduct of the business of Holdings and its Restricted Subsidiaries taken as a whole; and provided, further, that this Section shall not prohibit any transaction otherwise permitted by Section 6.07 or Section 6.11.

SECTION 6.02 Payment of Taxes. Holdings shall pay or discharge, and cause each of its Subsidiaries to pay or discharge, before the same become delinquent all material taxes, assessments and governmental charges levied or imposed upon Holdings or any Subsidiary or its income or profits or property, other than any such tax, assessment or charge the amount, applicability or validity of which is being contested in good faith by appropriate proceedings.

SECTION 6.03 Limitations on Indebtedness. iv) Holdings and the Borrower will not, and will not cause or permit any Restricted Subsidiary to, directly or indirectly, create, incur, assume, become liable for or guarantee the payment of (collectively, an “incurrence”) any Indebtedness (including Acquired Indebtedness); provided that Holdings, the Borrower and any other Loan Party may incur any Indebtedness (including Acquired Indebtedness) if, after giving effect thereto and the application of the proceeds therefrom, the Consolidated Fixed Charge Coverage Ratio on the date thereof would be at least 2.0 to 1.0.

(a) Notwithstanding the foregoing, the provisions of this Agreement will not prevent the incurrence of:

(i) Permitted Indebtedness,

(ii) Refinancing Indebtedness,

(iii) (A) Non-Recourse Indebtedness in an aggregate amount at any one time outstanding not to exceed the amount (the “Non-Recourse Indebtedness Amount”) that is 23% of the sum of (1) “total inventories” less (2) “consolidated inventory not owned” (as of the last day of the Most Recent Fiscal Quarter), excluding the impact of consolidated Permitted Joint Ventures, and (B) any Indebtedness which serves to refund, refinance or extend any such Non-Recourse Indebtedness (“Refinancing Non-Recourse Indebtedness”), provided that such Refinancing Non-Recourse Indebtedness is, except for clause (b) of the definition thereof, Non-Recourse Indebtedness,

(iv) any Guarantee of Indebtedness represented by the Loans,

(v) [reserved], and

(vi) any guarantee by the Borrower, Holdings or any other Loan Party of Indebtedness that is permitted to be incurred in compliance with this Agreement; provided that in the event such Indebtedness that is being guaranteed is subordinated in right of payment to the Loans or a Guarantee, as the case may be, then the related guarantee shall be subordinated in right of payment to the Loans or such Guarantee, as the case may be.

(b) For purposes of determining compliance with this covenant, in the event that an item of Indebtedness may be incurred through Section 6.03(a) or by meeting the criteria of one or more of the types of Indebtedness described in Section 6.03(b) (or the definitions of the terms used therein), Holdings, in its sole discretion,

(i) may divide, classify or later reclassify the amount and type of such item of Indebtedness (or any portion thereof) under and comply with any of such paragraphs (or any of such definitions), as applicable,

(ii) may divide, classify or later reclassify the amount and type of such item of Indebtedness (or any portion thereof) into more than one of such paragraphs (or definitions), as applicable, and

(iii) may elect to comply with such paragraphs (or definitions), as applicable, in any order.

(c) Holdings and the Borrower will not, and will not cause or permit any other Loan Party to, directly or indirectly, in any event incur any Indebtedness that purports to be by its terms (or by the terms of any agreement governing such Indebtedness) subordinated to any other Indebtedness of Holdings or of such other Loan Party, as the case may be, unless such Indebtedness is also by its terms (or by the terms of any agreement governing such Indebtedness) made expressly subordinated to the Loans or the Guarantee of such other Loan Party, as the case may be, to the same extent and in the same manner as such Indebtedness is subordinated to such other Indebtedness of Holdings or such other Loan Party, as the case may be.

(d) Accrual of interest or dividends, the accretion of accreted value, the accretion or amortization of original issue discount and the payment of interest or dividends in the form of additional Indebtedness will not be deemed to be an incurrence of Indebtedness for purposes of this [Section 6.03](#).

(e) For purposes of determining compliance with any U.S. dollar-denominated restriction on the incurrence of Indebtedness, the U.S. dollar-equivalent principal amount of Indebtedness denominated in another currency shall be calculated based on the relevant currency exchange rate in effect on the date such Indebtedness was incurred, in the case of term debt, or first committed, in the case of revolving credit debt; provided that if such Indebtedness is incurred to refinance other Indebtedness denominated in another currency, and such refinancing would cause the applicable U.S. dollar-denominated restriction to be exceeded if calculated at the relevant currency exchange rate in effect on the date of such refinancing, such U.S. dollar-denominated restriction shall be deemed not to have been exceeded so long as the principal amount of such Refinancing Indebtedness does not exceed (i) the principal amount of such Indebtedness being refinanced plus all accrued interest thereon plus (ii) the aggregate amount of fees, underwriting discounts, premiums and other costs and expenses incurred in connection with such refinancing. Notwithstanding any other provision of this [Section 6.03](#), the maximum amount of Indebtedness Holdings, the Borrower or a Restricted Subsidiary may incur pursuant to this covenant shall not be deemed to be exceeded solely as a result of fluctuations in the exchange rate of currencies. For purposes of determining compliance with, and the outstanding principal amount of any particular Indebtedness incurred pursuant to and in compliance with, this [Section 6.03](#), the principal amount of Indebtedness outstanding under any clause of [Section 6.03\(b\)](#) shall be determined after giving effect to the application of proceeds of any such Indebtedness to refinance any such other Indebtedness.

(f) The principal amount of any Indebtedness incurred to refinance other Indebtedness, if incurred in a different currency from the Indebtedness being refinanced, shall be calculated based on the currency exchange rate applicable to the currencies in which such respective Indebtedness is denominated that is in effect on the date of such refinancing.

(g) For purposes of this [Section 6.03](#) and the other provisions of this Agreement, (i) unsecured Indebtedness shall not be treated as subordinated or junior to secured Indebtedness merely because it is unsecured, and (ii) senior Indebtedness shall not be treated as subordinated or junior to any other senior Indebtedness merely because it has a junior priority with respect to the same collateral.

(h) For purposes of determining compliance with this covenant, (i) all Indebtedness incurred under this Agreement shall be deemed to be incurred under clause (a)(i) of the definition of "Permitted Indebtedness", (ii) ~~all Indebtedness incurred under the 1.125 Lien Notes and the 1.125 Lien Guarantees shall be deemed to be incurred under clause (a)(ii) of the definition of "Permitted Indebtedness";~~ (iii) ~~all Indebtedness incurred under the 1.25 Lien Notes and the 1.25 Lien Guarantees shall be deemed to be incurred under clause (a)(iii) of the definition of "Permitted Indebtedness";~~ (iv) ~~all Indebtedness incurred under the 1.5 Lien Obligations and the 1.5 Lien Guarantees shall be deemed to be incurred under clause (a)(iv) of the definition of "Permitted Indebtedness";~~ (v) ~~all Existing Unsecured Indebtedness, shall be deemed to be incurred under clause (k) of the definition of "Permitted Indebtedness", and~~ (iii) all ~~Second Lien Obligations~~ Indebtedness incurred under the 1.125 Lien Notes (and the guarantees thereof) and all Indebtedness that is secured by Liens ranking *pari passu* with the Liens securing the Obligations under the 1.125 Lien Notes shall be deemed to be incurred under clause (a)(iv) of the definition of "Permitted Indebtedness", (iv) all Indebtedness incurred under the 1.25 Lien Notes (and the guarantees thereof) and all Indebtedness that is secured by Liens ranking *pari passu* with the Liens securing the Obligations under the 1.25 Lien Notes shall be deemed to be incurred under clause (a)(ii) of the definition of "Permitted Indebtedness", (v) all Indebtedness incurred under the 1.75 Lien Term Loan shall be deemed to be incurred under clause (n) of the definition of "Permitted Indebtedness"; and ~~none of the foregoing may be reclassified at any time; provided that all or any portion of any 1.5 Lien Obligations, Existing Unsecured Indebtedness and/or Second Lien Obligations deemed to have been incurred under clauses (a)(iv), (k) and (n), respectively, of the definition of "Permitted Indebtedness" and any Indebtedness deemed to have been~~ (vi) all Indebtedness incurred under the 1.75 Lien Notes (and the guarantees thereof) shall be deemed to be incurred under clause (a)(v) of the definition of "Permitted Indebtedness;" ~~in each case, and clauses (i), (iii) and (iv) of the foregoing may not be reclassified by the Holdings pursuant to Section 6.03(c) above at any time; provided that if the 1.75 Lien Notes are outstanding after November 20, 2023, the 1.75 Lien Notes shall be automatically reclassified as incurred under clause (n) of the definition of "Permitted Indebtedness" and may not be reclassified at any time thereafter.~~

(i) For purposes of determining compliance with Section 6.03(b)(iii)(A), the amount of Non-Recourse Indebtedness outstanding at any one time shall be calculated as the sum of (x) the aggregate principal amount of all Non-Recourse Indebtedness outstanding as of the last day of the Most Recent Fiscal Quarter plus (y) with respect to any Non-Recourse Indebtedness incurred after the provision of the financial statements used for purposes of clause (x) above but prior to the date on which financial statements for a more recent fiscal quarter have been provided (in each case, pursuant to Section 6.12 hereof), the total principal amount or committed principal amount thereof (whether or not borrowed at the time of calculation of the Non-Recourse Indebtedness Amount), and, if the Non-Recourse Indebtedness Amount is satisfied at such time, any subsequent borrowing or reborrowing of such Non-Recourse Indebtedness shall be permitted, whether or not the Non-Recourse Indebtedness Amount at the actual time of any subsequent borrowing or reborrowing is satisfied; provided, however, that, for the avoidance of doubt, if at any time thereafter, the Non-Recourse Indebtedness Amount is exceeded, no new Non-Recourse Indebtedness may be incurred until such time as the Non-Recourse Indebtedness Amount is again satisfied.

(j) For purposes of calculating the Consolidated Fixed Charge Coverage Ratio in connection with the incurrence of any Indebtedness pursuant to Section 6.03(a), the Borrower may elect, at its option, to treat all or any portion of the committed amount of any Indebtedness (and the issuance and creation of letters of credit and bankers' acceptances thereunder) which is to be incurred (or any commitment in respect thereof), as the case may be (any such committed amount elected until revoked as described below, the "Reserved Indebtedness Amount"), as being incurred as of such election date, and, if such Consolidated Fixed Charge Coverage Ratio is satisfied with respect thereto on such election date, any subsequent borrowing or reborrowing thereunder (and the issuance and creation of letters of credit and bankers' acceptances thereunder) shall be deemed to be permitted under Section 6.03(a), whether or not the Consolidated Fixed Charge Coverage Ratio, at the actual time of any subsequent borrowing or reborrowing (or issuance or creation of letters of credit or bankers' acceptances thereunder) is met; provided that for purposes of subsequent calculations of the Consolidated Fixed Charge Coverage Ratio, the Reserved Indebtedness Amount shall be deemed to be outstanding, whether or not such amount is actually outstanding, for so long as such commitments are outstanding or until the Borrower revokes an election of a Reserved Indebtedness Amount.

(k) Any Indebtedness incurred after the Third Amendment Closing Date pursuant to clause (a)(ii) or (a)(iv) of the definition of "Permitted Indebtedness" shall not (i) mature earlier than 91 days after the Maturity Date, (ii) if secured, be secured by any assets other than the Collateral and/or (iii) be incurred or guaranteed by any Person that is not the Borrower or a Guarantor hereunder.

SECTION 6.04 Limitations on Restricted Payments. v) Holdings and the Borrower will not, and will not cause or permit any Restricted Subsidiary to, directly or indirectly, make any Restricted Payment unless:

(i) no Default or Event of Default shall have occurred and be continuing at the time of or immediately after giving effect to such Restricted Payment;

(ii) immediately after giving effect to such Restricted Payment, (A) Holdings could incur at least \$1.00 of Indebtedness pursuant to Section 6.03(a) hereof and (B) the Secured Debt Leverage Ratio is less than 4.0 to 1.0; and

(iii) immediately after giving effect to such Restricted Payment, the aggregate amount of all Restricted Payments (including the Fair Market Value of any non-cash Restricted Payment) declared or made on or after the Third Amendment Closing Date does not exceed the sum of:

(A) 50% of the Consolidated Net Income of Holdings on a cumulative basis during the period (taken as one accounting period) from and including the first day of the ~~first~~ fiscal quarter of Holdings ~~following the~~ in which the Third Amendment Closing Date occurs and ending on the last day of Holdings' fiscal quarter immediately preceding the date of such Restricted Payment (or in the event such Consolidated Net Income shall be a deficit, minus 100% of such deficit), *plus*

(B) 100% of the aggregate net cash proceeds of and the Fair Market Value of Property received by Holdings from (1) any capital contribution to Holdings after the Third Amendment Closing Date or any issue or sale after the Third Amendment Closing Date of Qualified Stock (other than to any Subsidiary of Holdings) and (2) the conversion, exchange or exercise, as the case may be, on or after the Third Amendment Closing Date of any Indebtedness or other securities of Holdings or the Borrower convertible into or exchangeable or exercisable for Qualified Stock of Holdings, *plus*

(C) in the case of the disposition or repayment of any Investment constituting a Restricted Payment (or if the Investment was made prior to the Third Amendment Closing Date, that would have constituted a Restricted Payment if made after the Third Amendment Closing Date, if such disposition or repayment results in cash received by Holdings, the Borrower or any Restricted Subsidiary), an amount (to the extent not included in the calculation of Consolidated Net Income referred to in (A)) equal to the return of capital with respect to such Investment, including by dividend, distribution or sale of Capital Stock (to the extent not included in the calculation of Consolidated Net Income referred to in (A)), *plus*

(D) with respect to any Unrestricted Subsidiary that is redesignated as a Restricted Subsidiary after the Third Amendment Closing Date, in accordance with the definition of "Unrestricted Subsidiary" (so long as the designation of such Subsidiary as an Unrestricted Subsidiary was treated under this Agreement as a Restricted Payment made after the Third Amendment Closing Date, and only to the extent not included in the calculation of Consolidated Net Income referred to in (A)), an amount equal to the lesser of (x) the proportionate interest of Holdings or a Restricted Subsidiary in an amount equal to the excess of (I) the total assets of such Subsidiary, valued on an aggregate basis at the lesser of book value and Fair Market Value thereof, over (II) the total liabilities of such Subsidiary, determined in accordance with GAAP, and (y) the Designation Amount at the time of such Subsidiary's designation as an Unrestricted Subsidiary.

(b) Clause (a) of this Section 6.04 (provided that in the case of clauses (v) and (x) below no Default or Event of Default has occurred and is continuing at the time of such payment) will not prohibit:

(i) the payment of any dividend or distribution or the consummation of any irrevocable redemption within 60 days of its declaration or the giving of notice of such irrevocable redemption, as applicable, if such dividend or such payment could have been made on the date of its declaration or provision of notice, as applicable, without violation of the provisions of this Agreement;

(ii) ~~[reserved];~~ the purchase, repayment, repurchase, redemption, defeasance or other acquisition, cancellation or retirement for value of shares of Capital Stock of Holdings in exchange for, or out of the net proceeds of the substantially concurrent sale (other than to a Subsidiary of Holdings) of shares of Qualified Stock;

(iii) [reserved];

(iv) the payment of dividends on Preferred Stock and Disqualified Stock up to an aggregate amount of ~~\$10.0~~11.0 million in any fiscal year; provided that immediately after giving effect to any declaration of such dividend, ~~(A)~~ Holdings could incur at least \$1.00 of Indebtedness pursuant to the proviso to Section 6.03(a) ~~and (B) the Secured Debt Leverage Ratio is less than 4.0 to 1.0;~~

(v) the purchase, redemption or other acquisition, cancellation or retirement for value of Capital Stock, or options, warrants, equity appreciation rights or other rights to purchase or acquire Capital Stock, of Holdings or any Subsidiary held by any present, future or former officers, directors, managers, employees or consultants of Holdings or any Subsidiary (or their estates or beneficiaries under their estates) not to exceed \$2.5 million in any calendar year (with unused amounts in any calendar year being carried over to succeeding calendar years subject to a maximum (without giving effect to the following proviso) of \$5.0 million in any calendar year); *provided* that such amount in any calendar year may be increased by an amount not to exceed: (A) the cash proceeds from the sale of Qualified Stock of Holdings to any future, present or former officers, directors, managers, employees or consultants Holdings, any of its Subsidiaries that occurs after the Third Amendment Closing Date, to the extent the cash proceeds from the sale of such Qualified Stock have not otherwise been applied to the payment of Restricted Payments by virtue of Section 6.04(a)(iii)(B) above; *plus* (B) the cash proceeds of key man life insurance policies received by Holdings and the Restricted Subsidiaries after the Third Amendment Closing Date; *less* (C) the amount of any Restricted Payments previously made pursuant to clauses (A) and (B) of this clause (v); provided that Holdings may elect to apply all or any portion of the aggregate increase contemplated by clauses (A) and (B) of this clause (v) in any calendar year;

(vi) the making of cash payments in connection with any conversion or exchange of Permitted Convertible Indebtedness in an aggregate amount since the date of the indenture therefor not to exceed the sum of (A) the principal amount of such Permitted Convertible Indebtedness *plus* (B) any payments received by Holdings, the Borrower or any Restricted Subsidiaries pursuant to the exercise, settlement or termination of any related Permitted Bond Hedge;

(vii) any payments in connection with (including the purchase of) a Permitted Bond Hedge and the settlement of any related Permitted Warrant (A) by delivery of shares of Holdings' Capital Stock upon net share settlement of such Permitted Warrant or (B) by (x) set-off of such Permitted Warrant against the related Permitted Bond Hedge and (y) payment of an amount due upon termination of such Permitted Warrant in Capital Stock or using cash received upon the exercise, settlement or termination of a Permitted Bond Hedge upon any early termination thereof;

(viii) [reserved];

(ix) (A) any payment of cash by Holdings, the Borrower or any of the Restricted Subsidiaries in respect of fractional shares of Holdings' Capital Stock upon the exercise, conversion or exchange of any stock options, warrants or other rights to purchase Capital Stock or other convertible or exchangeable securities and (B) payments made or expected to be made by Holdings, the Borrower or any of the Restricted Subsidiaries in respect of withholding or similar taxes payable in connection with the exercise, conversion, settlement, exchange or vesting of Capital Stock by any future, present or former officer, employee, director, manager or consultant and repurchases of Capital Stock deemed to occur upon exercise, conversion, settlement or exchange of stock options, warrants or other rights to purchase Capital Stock or other convertible or exchangeable securities if such Capital Stock represents all or a portion of the exercise price thereof;

(x) other Restricted Payments in an aggregate amount, when taken together with all other Restricted Payments made pursuant to this clause (x) not to exceed \$10.0 million (after giving effect to any return of capital with respect to any Restricted Investments made under this clause (x) in the form of cash);

(xi) payments or distributions to satisfy dissenters' rights, pursuant to or in connection with a consolidation, merger or transfer of assets that complies with [Section 6.11](#); and

(xii) Investments in any Permitted Joint Venture (which Investment may be made via an Investment in the JV Holding Company, if any, owning such Permitted Joint Venture) in an aggregate amount not to exceed at any one time outstanding (measured at the time made) ~~(+) \$182.3 million (which amount represents the aggregate amount of such Investments existing on the Closing Date) plus (2)~~ the sum of (a) ~~\$100.0~~282.3 million and (b) 100% of the amount of cash and Cash Equivalents received by any of Holdings, the Borrower, any Subsidiary Guarantor or any JV Holding Company from any such Permitted Joint Venture following the ~~Closing~~Third Amendment Effective Date and ending on the last day of the fiscal quarter of Holdings immediately preceding the date of such Investment for which financial statements have been provided pursuant to Section 6.04 hereof; provided that after giving effect to such Investment, the ratio of total Indebtedness to (x) "total inventories" less (y) "inventory not owned" (as of the last day of the Most Recent Fiscal Quarter) for all such Permitted Joint Ventures would not be greater than 55% (as of the last day of the Most Recent Fiscal Quarter);

provided, however, that each Restricted Payment described in clauses (i) and (y) of this [Section 6.04\(b\)](#) shall be taken into account for purposes of computing the aggregate amount of all Restricted Payments pursuant to clause (iii) of [Section 6.04\(a\)](#).

For purposes of the proviso in Section 6.04(b)(xii), the amount of "Indebtedness" outstanding at any one time shall be calculated as the sum of (x) the aggregate principal amount of all Indebtedness of Permitted Joint Ventures outstanding as of the last day of the Most Recent Fiscal Quarter plus (y) with respect to any Indebtedness of Permitted Joint Ventures incurred after the provision of the financial statements used for purposes of clause (x) above but prior to the date on which financial statements for a more recent fiscal quarter have been provided (in each case, pursuant to Section 6.12 hereof), the total principal amount or committed principal amount thereof (whether or not borrowed at the time of calculation of the amount of such Indebtedness).

(c) For purposes of determining the aggregate and permitted amounts of Restricted Payments made, the amount of any guarantee of any Investment in any Person that was initially treated as a Restricted Payment and which was subsequently terminated or expired, net of any amounts paid by Holdings or any Restricted Subsidiary in respect of such guarantee, shall be deducted.

(d) In determining the “Fair Market Value of Property” for purposes of clause (iii) of Section 6.04(a), Property other than cash, Cash Equivalents and Marketable Securities shall be deemed to be equal in value to the “equity value” of the Capital Stock or other securities issued in exchange therefor. The equity value of such Capital Stock or other securities shall be equal to (i) the number of shares of Common Equity issued in the transaction (or issuable upon conversion or exercise of the Capital Stock or other securities issued in the transaction) multiplied by the closing sale price of the Common Equity on its principal market on the date of the transaction (less, in the case of Capital Stock or other securities which require the payment of consideration at the time of conversion or exercise, the aggregate consideration payable thereupon) or (ii) if the Common Equity is not then traded on the New York Stock Exchange, the NYSE MKT or Nasdaq Stock Market, or if the Capital Stock or other securities issued in the transaction do not consist of Common Equity (or Capital Stock or other securities convertible into or exercisable for Common Equity), the value (if more than \$10.0 million) of such Capital Stock or other securities as determined in good faith by the Board of Directors of Holdings.

(e) For purposes of determining compliance with this Section 6.04, in the event that a proposed Restricted Payment or Investment (or a portion thereof) meets the criteria of clauses (i) through (xii) of Section 6.04(b) above or is entitled to be made pursuant to Section 6.04(a) and/or one or more of the exceptions contained in the definition of “Permitted Investments”, the Borrower will be entitled to divide, classify or later reclassify (based on circumstances existing on the date of such reclassification) such Restricted Payment or Investment (or portion thereof) among such clauses (i) through (xii) of Section 6.04(b) and Section 6.04(a) and/or one or more of the exceptions contained in the definition of “Permitted Investments” in a manner that otherwise complies with this covenant.

SECTION 6.05 Limitations on Liens. (a) Holdings and the Borrower will not, and will not cause or permit any Restricted Subsidiary to, create, incur, assume or suffer to exist any Liens, other than Permitted Liens, on any of its Property, or on any shares of Capital Stock or Indebtedness of any Restricted Subsidiary, or on any shares of Capital Stock of any JV Holding Company.

(b) Holdings and the Borrower will not, and will not cause or permit any Restricted Subsidiary to, create, incur, assume or suffer to exist any Liens on the Capital Stock of any Permitted Joint Venture owned, directly or indirectly, by such Person, other than Liens securing Indebtedness or other obligations of such Permitted Joint Venture.

SECTION 6.06 Limitations on Restrictions Affecting Restricted Subsidiaries. Holdings and the Borrower will not, and will not cause or permit any Restricted Subsidiary that is not a Loan Party, to, create, assume or otherwise cause or suffer to exist or become effective any consensual encumbrance or restriction (other than encumbrances or restrictions imposed by law or by judicial or regulatory action or by provisions of agreements that restrict the assignability thereof) on the ability of such Restricted Subsidiary to:

(a) pay dividends or make any other distributions on its Capital Stock or any other interest or participation in, or measured by, its profits, owned by Holdings or any other Restricted Subsidiary, or pay interest on or principal of any Indebtedness owed to Holdings or any other Restricted Subsidiary,

(b) make loans or advances to Holdings or any other Restricted Subsidiary, or

(c) transfer any of its property or assets to Holdings or any other Restricted Subsidiary,

except for:

(i) encumbrances or restrictions existing under or by reason of applicable Law,

(ii) contractual encumbrances or restrictions in effect at or entered into on the [Third Amendment](#) Closing Date (including, for the avoidance of doubt, those existing under or by reason of the New Secured Notes, the ~~Existing Secured Notes~~ [1.75 Lien Obligations](#), this Agreement, the Existing Unsecured Indebtedness and the related agreements) and any amendments, modifications, restatements, renewals, supplements, refundings, replacements or refinancings thereof; provided, that such amendments, modifications, restatements, renewals, supplements, refundings, replacements or refinancings are not materially more restrictive, taken as a whole, with respect to such dividend and other payment restrictions than those contained in such contractual encumbrances or restrictions, as in effect at or entered into on the [Third Amendment](#) Closing Date,

(iii) encumbrances or restrictions under any agreement or other instrument of a Person acquired by or merged or consolidated with or into Holdings or any Restricted Subsidiary, or of an Unrestricted Subsidiary that is designated a Restricted Subsidiary, or that is assumed in connection with the acquisition of assets from such Person, in each case that is in existence at the time of such transaction (but not created in contemplation thereof), which encumbrance or restriction is not applicable to any Person, or the properties or assets of any Person, other than the Person and its Subsidiaries, or the property or assets of the Person and its Subsidiaries, so acquired or designated,

(iv) any restrictions or encumbrances arising in connection with Refinancing Indebtedness; provided, however, that any restrictions and encumbrances of the type described in this [clause \(iv\)](#) that arise under such Refinancing Indebtedness shall not be materially more restrictive or apply to additional assets than those under the agreement creating or evidencing the Indebtedness being refunded, refinanced, replaced or extended,

(v) any Permitted Lien, or any other agreement restricting the sale or other disposition of property, securing Indebtedness permitted by this Agreement if such Permitted Lien or agreement does not expressly restrict the ability of a Subsidiary of Holdings to pay dividends or make or repay loans or advances prior to default thereunder,

(vi) reasonable and customary borrowing base covenants set forth in agreements evidencing Indebtedness otherwise permitted by this Agreement,

(vii) customary non-assignment provisions in leases, licenses, encumbrances, contracts or similar assets entered into or acquired in the ordinary course of business,

(viii) any restriction with respect to a Restricted Subsidiary imposed pursuant to an agreement entered into for the sale or disposition of all or substantially all of the Capital Stock or assets of such Restricted Subsidiary pending the closing of such sale or disposition,

(ix) encumbrances or restrictions existing under or by reason of this Agreement or the other Loan Documents,

(x) purchase money obligations that impose restrictions on the property so acquired of the nature described in [clause \(c\)](#) of this [Section 6.06](#),

(xi) Liens permitted under this Agreement securing Indebtedness that limit the right of the debtor to dispose of the assets subject to such Lien,

(xii) provisions with respect to the disposition or distribution of assets or property in joint venture agreements, assets sale agreements, stock sale agreements and other similar agreements,

(xiii) customary provisions of any franchise, distribution or similar agreements,

(xiv) restrictions on cash or other deposits or net worth imposed by contracts entered into in the ordinary course of business,

(xv) any encumbrances or restrictions existing under (A) development agreements or other contracts entered into with municipal entities, agencies or sponsors in connection with the entitlement or development of real property or (B) agreements for funding of infrastructure, including in respect of the issuance of community facility district bonds, metro district bonds, mello-roos bonds and subdivision improvement bonds, and similar bonding requirements arising in the ordinary course of business of a homebuilder,

(xvi) any encumbrances or restrictions that require “lockbox” or similar obligations with respect to Non-Recourse Indebtedness,

(xvii) any encumbrances or restrictions of the type referred to in clauses (a), (b) or (c) of this Section 6.06 imposed by any amendments, modifications, restatements, renewals, supplements, refundings, replacements or refinancings of the contracts, instruments or obligations referred to in clauses (i) and (ii) through (xvi) of this Section 6.06; provided, that such amendments, modifications, restatements, renewals, supplements, refundings, replacements or refinancings are, in the good faith judgment of Holdings’ Board of Directors or its chief executive officer or chief financial officer, not materially more restrictive with respect to such encumbrances or restrictions than those contained in the encumbrance or restrictions prior to such amendment, modification, restatement, renewal, supplement, refunding, replacement or refinancing, and

(xviii) any encumbrance or restriction under other Indebtedness of Restricted Subsidiaries permitted to be incurred subsequent to the Closing Date pursuant to Section 6.03; provided, that such encumbrances or restrictions will not materially affect the Borrower’s ability to make anticipated principal and interest payments on the Loans, as determined in the good faith judgment of Holdings’ Board of Directors or its chief executive officer or chief financial officer.

(d) For purposes of determining compliance with this Section 6.06: (i) the priority of any preferred stock in receiving dividends or liquidating distributions prior to dividends or liquidating distributions being paid on common stock shall not be deemed a restriction on the ability to make distributions on Capital Stock and (ii) the subordination of loans or advances made to Holdings or a Restricted Subsidiary to other Indebtedness incurred by Holdings or any such Restricted Subsidiary shall not be deemed a restriction on the ability to make loans or advances.

SECTION 6.07 Limitations on Dispositions of Assets. vi) Holdings and the Borrower will not, and will not cause or permit any Restricted Subsidiary to, make any Asset Disposition unless: (i) Holdings (or the Borrower or such Restricted Subsidiary, as the case may be) receives consideration at the time of such Asset Disposition at least equal to the Fair Market Value thereof, and (ii) not less than 75% of the consideration received by Holdings (or the Borrower or such Restricted Subsidiary, as the case may be) from such Asset Disposition and all other Asset Dispositions since the Third Amendment Closing Date, on a cumulative basis, is in the form of cash, Cash Equivalents and Marketable Securities (which must be pledged as Collateral if the assets disposed of constituted Collateral); provided that the Borrower and the Restricted Subsidiaries will not be required to comply with the requirements of this subclause (ii) to the extent that the non-cash consideration received in connection with such Asset Disposition, together with the sum of all non-cash consideration received in connection with all prior Asset Dispositions that has not yet been converted into cash, Cash Equivalents or Marketable Securities, does not exceed \$25.0 million; provided, however, that when any non-cash consideration is converted into cash, Cash Equivalents or Marketable Securities, such cash shall constitute Net Cash Proceeds and be subject to Section 2.03.

(a) The amount of (i) the fair market value (as determined in good faith by the Board of Directors of Holdings) of any property or assets (including Capital Stock of any Person that will be a Subsidiary Guarantor) received that are used or useful in a Real Estate Business (provided that (except as permitted by clause (c) under the definition of “Permitted Investment”) to the extent that the assets disposed of in such Asset Disposition were Collateral, such property or assets are pledged as Collateral under the Collateral Documents substantially simultaneously with such sale, with the Lien on such Collateral securing the Loans being of the same priority with respect to the Loans as the Lien on the assets disposed of), and (ii) any securities, notes or other obligations or assets received by Holdings, the Borrower or such Restricted Subsidiary from such transferee that are converted by Holdings, the Borrower or such Restricted Subsidiary into cash or Cash Equivalents, or by their terms are required to be satisfied for cash or Cash Equivalents (to the extent of the cash or Cash Equivalents received), in each case, within 180 days following the closing of such Asset Disposition, shall in each case be deemed to be consideration required by clause (ii) of Section 6.07(a) for purposes of determining the percentage of such consideration received by Holdings or the Restricted Subsidiaries.

(b) The Net Cash Proceeds of an Asset Disposition shall be applied pursuant to Section 2.03.

SECTION 6.08 Guarantees by Restricted Subsidiaries. Each Restricted Subsidiary (other than the Borrower (for so long as it remains the Borrower) and any Excluded Subsidiary) will become a Guarantor on the Closing Date by executing this Agreement. Holdings is permitted to cause any Unrestricted Subsidiary to be a Guarantor. If the Borrower, Holdings or any of its Restricted Subsidiaries acquires or creates a Restricted Subsidiary (other than any Excluded Subsidiary) after the Closing Date, such Restricted Subsidiary shall execute a supplemental guarantee substantially in the form of Exhibit K hereto, and deliver an Opinion of Counsel to the Administrative Agent to the effect that such supplemental guarantee has been duly authorized, executed and delivered by the new Restricted Subsidiary and constitutes a valid and binding obligation of the new Restricted Subsidiary, enforceable against the new Restricted Subsidiary in accordance with its terms (subject to customary exceptions).

SECTION 6.09 [Reserved].

SECTION 6.10 Limitations on Transactions with Affiliates. vii) Holdings and the Borrower will not, and will not cause or permit any Restricted Subsidiary to, make any loan, advance, guarantee or capital contribution to, or for the benefit of, or sell, lease, transfer or otherwise dispose of any property or assets to or for the benefit of, or purchase or lease any property or assets from, or enter into or amend any contract, agreement or understanding with, or for the benefit of, any Affiliate of Holdings or any Affiliate of any of Holdings’ Subsidiaries involving payments or consideration in a single transaction or series of related transactions (each, an “Affiliate Transaction”), unless:

(i) with respect to any such Affiliate Transaction involving or having a value of more than \$5.0 million, Holdings shall have (A) obtained the approval of a majority of the Board of Directors of Holdings and (B) either obtained the approval of a majority of Holdings’ disinterested directors or obtained an opinion of a qualified independent financial advisor to the effect that such Affiliate Transaction is fair to Holdings, the Borrower or such Restricted Subsidiary, as the case may be, from a financial point of view, and

(ii) with respect to any such Affiliate Transaction involving or having a value of more than \$10.0 million, Holdings shall have (A) obtained the approval of a majority of the Board of Directors of Holdings and (B) delivered to the Administrative Agent an opinion of a qualified independent financial advisor to the effect that such Affiliate Transaction is fair to Holdings, the Borrower or such Restricted Subsidiary, as the case may be, from a financial point of view.

(b) Notwithstanding the foregoing, an Affiliate Transaction will not include:

(i) any contract, agreement or understanding with, or for the benefit of, or plan for the benefit of, employees of Holdings or its Subsidiaries generally (in their capacities as such) that has been approved by the Board of Directors of Holdings;

(ii) Capital Stock issuances to directors, officers and employees of Holdings or its Subsidiaries pursuant to plans approved by the stockholders of Holdings;

(iii) any Restricted Payment otherwise permitted under Section 6.04 hereof or any Permitted Investment (other than a Permitted Investment referred to in clause (b) of the definition thereof, except as permitted by clause (iv) below);

(iv) any transaction between or among Holdings and/or one or more Restricted Subsidiaries or between or among Restricted Subsidiaries (provided, however, no such transaction shall involve any other Affiliate of Holdings (other than an Unrestricted Subsidiary to the extent permitted by this Agreement)) and any Guarantees issued by Holdings or a Restricted Subsidiary for the benefit of Holdings or a Restricted Subsidiary, as the case may be, in accordance with Section 6.03;

(v) any transaction between Holdings, the Borrower or one or more Restricted Subsidiaries and one or more Unrestricted Subsidiaries (A) where all of the payments to, or other benefits conferred upon, such Unrestricted Subsidiaries are substantially contemporaneously dividended, or otherwise distributed or transferred without charge, to Holdings, the Borrower or a Restricted Subsidiary or (B) in the ordinary course of business, including sales (directly or indirectly), sales subject to repurchase options, leases and sales and leasebacks of (1) homes, improved land and unimproved land and (2) real estate (including related amenities and improvements);

(vi) issuances, sales or other transfers or dispositions of mortgages and collateralized mortgage obligations in the ordinary course of business between Restricted Subsidiaries and Unrestricted Subsidiaries of Holdings;

(vii) the payment of reasonable and customary fees to, and indemnity provided on behalf of, officers, directors, employees or consultants of Holdings, the Borrower or any Restricted Subsidiary;

(viii) transactions in which Holdings, the Borrower or any Restricted Subsidiary, as the case may be, delivers to the Administrative Agent an opinion of a qualified independent financial advisor stating that such transaction is fair to Holdings, the Borrower or such Restricted Subsidiary from a financial point of view or stating that the terms are not materially less favorable to Holdings, the Borrower or the relevant Restricted Subsidiary than those that would have been obtained in a comparable transaction by Holdings, the Borrower or such Restricted Subsidiary with an unrelated Person on an arm's length basis;

(ix) any agreement or arrangement as in effect as of the [Third Amendment](#) Closing Date, or any amendment thereto (so long as any such amendment is not disadvantageous in any material respect to the Lenders when taken as a whole as compared to the applicable agreement or arrangement as in effect on the [Third Amendment](#) Closing Date);

(x) transactions with joint ventures entered into in the ordinary course of business, including sales (directly or indirectly), sales subject to repurchase options, leases and sales and leasebacks of (A) homes, improved land and unimproved land and (B) real estate (including related amenities and improvements);

(xi) any transaction with a Person (other than an Unrestricted Subsidiary) which would constitute an Affiliate Transaction solely because Holdings, the Borrower or a Restricted Subsidiary owns Capital Stock in or otherwise controls such Person;

(xii) the issuance and transfer of Capital Stock of Holdings, the Borrower and the granting and performance of customary registration rights;

(xiii) any lease entered into between Holdings, the Borrower or any Restricted Subsidiary, as lessee, and any Affiliate of Holdings, as lessor, in the ordinary course of business;

(xiv) intellectual property licenses in the ordinary course of business;

(xv) transactions between Holdings, the Borrower or any of its Restricted Subsidiaries and any Person that would constitute an Affiliate Transaction solely because a director of which is also a director of Holdings; provided, however, that such director abstains from voting as a director of Holdings on any matter involving such other Person; and

(xvi) pledges of Capital Stock of Unrestricted Subsidiaries (other than a JV Holding Company or Permitted Joint Venture (except in compliance with [Section 6.05](#) hereof)).

SECTION 6.11 Limitations on Mergers, Consolidations and Sales of Assets. Neither the Borrower nor any other Loan Party will consolidate or merge with or into, or sell, lease, convey or otherwise dispose of all or substantially all of its assets (including by way of liquidation or dissolution), or assign any of its obligations under this Agreement and any other Loan Document (as an entirety or substantially as an entirety in one transaction or in a series of related transactions), to any Person (in each case other than in a transaction in which Holdings, the Borrower or a Restricted Subsidiary is the survivor of a consolidation or merger, or the transferee in a sale, lease, conveyance or other disposition) unless:

(i) the Person formed by or surviving such consolidation or merger (if other than Holdings, the Borrower or the other Loan Parties, as the case may be), or to which such sale, lease, conveyance or other disposition or assignment will be made (collectively, the "Successor"), is a corporation or other legal entity organized and existing under the laws of the United States or any state thereof or the District of Columbia, and the Successor assumes by amendment hereto in a form reasonably satisfactory to the Administrative Agent all of the obligations of Holdings, the Borrower or the other Loan Parties, as the case may be, under this Agreement and any other Loan Document, as the case may be,

- (ii) immediately after giving effect to such transaction, no Default or Event of Default has occurred and is continuing, and
- (iii) immediately after giving effect to such transaction,

(A) Holdings (or its Successor) could incur at least \$1.00 of Indebtedness pursuant to Section 6.03(a) hereof, or

(B) the Consolidated Fixed Charge Coverage Ratio would be equal to or greater than the Consolidated Fixed Charge Coverage Ratio immediately prior to such transaction.

The foregoing provisions shall not apply to: (1) a transaction involving the sale or disposition of Capital Stock of a Guarantor, or the consolidation or merger of a Guarantor, or the sale, lease, conveyance or other disposition of all or substantially all of the assets of a Guarantor, that in any such case results in such Guarantor being released from its Guarantee, or (2) a transaction the purpose of which is to change the state of incorporation or formation of Holdings, the Borrower or any other Loan Party.

SECTION 6.12 Reports to Lenders. viii) Holdings shall file with the Commission the annual reports and the information, documents and other reports required to be filed pursuant to Section 13 or 15(d) of the Exchange Act. Holdings shall file with the Administrative Agent and deliver to each Lender such reports, information and documents within 15 days after it files them with the Commission. In the event that Holdings is no longer subject to these periodic reporting requirements of the Exchange Act, it will nonetheless continue to file reports with the Commission and the Administrative Agent and deliver such reports to each Lender as if it were subject to such reporting requirements. Regardless of whether Holdings is required to furnish such reports to its stockholders pursuant to the Exchange Act, Holdings will cause its consolidated financial statements and a "Management's Discussion and Analysis of Results of Operations and Financial Condition" written report, similar to those that would have been required to appear in annual or quarterly reports, to be delivered to each Lender.

(a) The posting of the reports, information and documents referred to above on Holdings' website or one maintained on its behalf for such purpose shall be deemed to satisfy Holdings' delivery obligations to the Administrative Agent and the Lenders. In addition, availability of the foregoing materials on the Commission's EDGAR service shall be deemed to satisfy Holdings' delivery obligations to the Administrative Agent and the Lenders. The Administrative Agent shall have no obligation to monitor whether Holdings posts such reports, information and documents on its website or the Commission's EDGAR service, or collect any such information from Holdings' website or the Commission's EDGAR service.

(b) Delivery of such reports, information and documents to the Administrative Agent is for informational purposes only and the Administrative Agent's receipt of them will not constitute constructive notice of any information contained therein or determinable from information contained therein, including the Borrower's and/or Holdings' compliance with any of its covenants in this Agreement (as to which the Administrative Agent is entitled to rely exclusively on Officer's Certificates).

SECTION 6.13 Notice of Other Defaults.

In the event that any Indebtedness that has an outstanding principal of \$40.0 million or more of the Borrower or any other Loan Party is declared due and payable before its maturity because of the occurrence of any default under such Indebtedness, the Borrower or the relevant Loan Party, as the case may be, shall promptly deliver to the Administrative Agent an Officer's Certificate stating such declaration; provided, that the term "Indebtedness" as used in this Section 6.13 shall not include Non-Recourse Indebtedness.

SECTION 6.14 Collateral Requirement; Further Assurances; Costs.

(a) On the Closing Date, the Borrower and each other Loan Party shall grant Liens on all their property (other than Excluded Property) and take all appropriate steps to cause such Liens to be perfected first priority liens (subject to Permitted Liens), including through recordation of ~~m~~Mortgages ~~or deeds of trust~~ and/or amendments to, or modifications of, Mortgages existing as of the Third Amendment Closing Date, entry into control agreements, filing of UCC-1 financing statements or otherwise, pursuant to, and to the extent required by, the Collateral Documents to be entered into on the Closing Date and this Agreement. For the avoidance of doubt, the requirements of this Section 6.14(a) are subject to Section 6.14(d) below.

(b) If the Borrower or any of the Guarantors at any time grants, assumes, perfects or becomes subject to any Lien upon any of its property (other than Excluded Property of the type referred to in clause (a) of the definition thereof) then owned or thereafter acquired as security for any other Secured Obligation that in each case is subject to the Intercreditor Agreements, the Borrower shall, or shall cause such Guarantor to, as promptly as practical (subject to Section 6.14(d) below):

(i) grant a first priority Lien on such Collateral to the Administrative Agent for the benefit of the Secured Parties and, to the extent such grant would require the execution and delivery of a Collateral Document, the Borrower or such Guarantor shall execute and deliver a Collateral Document on substantially the same terms as the agreement or instrument executed and delivered to secure such other Secured Obligations (but subject to changes to make such new Collateral Document consistent with the Collateral Documents delivered on the Closing Date);

(ii) cause the Lien granted in such Collateral Document to be duly perfected in any manner permitted by law to the same extent as the Liens granted for the benefit of such other Secured Obligations are perfected; and

(iii) instruct the Administrative Agent and the Joint First Lien Collateral Agent in writing to take all action necessary in connection with the foregoing provisions of this Section 6.14(b), including as necessary under the Collateral Documents. By their making of the Loans, the Lenders shall be deemed to have instructed and authorized the Administrative Agent and the Joint First Lien Collateral Agent to take such actions as instructed by Holdings or the Borrower or any other Guarantor.

(c) If the Borrower or any other Loan Party at any time after the Closing Date acquires any new property (other than Excluded Property) that is not automatically subject to a Lien under the Collateral Documents, or a non-Loan Party Restricted Subsidiary becomes a Loan Party, the Borrower will, or will cause such other Loan Party, subject to the requirements of the Collateral Documents, to as soon as practical after such property's acquisition or it no longer being Excluded Property (subject to Section 6.14(d) below):

(i) grant a first priority Lien on such Collateral (or, in the case of a new Loan Party, all of its assets except Excluded Property) to the Administrative Agent for the benefit of the Secured Parties and, to the extent such grant would require the execution and delivery of a Collateral Document, the Borrower or such other Loan Party shall execute and deliver a Collateral Document on substantially the same terms as the Collateral Documents executed and delivered on the Closing Date);

(ii) cause the Lien granted in such Collateral Document to be duly perfected in any manner permitted by law to the same extent as the Liens granted on the Closing Date are perfected; and

(iii) instruct the Administrative Agent and the Joint First Lien Collateral Agent in writing to take all action necessary in connection with the foregoing provisions of this [Section 6.14\(c\)](#) including as necessary under the Collateral Documents. By their making of the Loans, the Lenders shall be deemed to have instructed and authorized the Administrative Agent and the Joint First Lien Collateral Agent to take such actions as instructed by Holdings or the Borrower or any other Guarantor.

The Borrower or such Guarantor shall deliver an Opinion of Counsel to the Administrative Agent in respect of any Lien grant referred to in this [Section 6.14\(c\)](#) by a new Guarantor or with respect to real property, addressing customary matters (and containing customary exceptions) consistent with the Opinion of Counsel (if any) delivered on the Closing Date in respect of such matters; provided, that, an Opinion of Counsel shall not be required with respect to any ~~mMortgage or similar instrument for real property~~ located in a jurisdiction for which an Opinion of Counsel [in respect of a similar Mortgage](#) has been previously delivered to the Administrative Agent pursuant to this Agreement [\(each such jurisdiction, an "Existing Jurisdiction"\)](#).

(d) Notwithstanding anything to the contrary set forth in this [Section 6.14](#) or elsewhere in this Agreement or any Collateral Document:

(i) any ~~mMortgages, deeds of trust or similar instruments~~ [and/or amendments to or modifications of Mortgages](#) (and any related Collateral Documents) required to be granted pursuant to this Agreement or the Collateral Documents with respect to real property owned by the Borrower or a Loan Party on the [Third Amendment](#) Closing Date shall be granted, together with Opinions of Counsel delivered to the Administrative Agent in respect of the enforceability and validity of such ~~mMortgages, deeds of trust and similar instruments~~ [and/or amendments to, or modifications of, Mortgages as applicable](#), addressing customary matters (and containing customary exceptions) (provided, that, an Opinion of Counsel shall not be required with respect to ~~(x) any mMortgage or similar instrument existing as of the Third Amendment Closing Date which, upon the advice of local counsel from the jurisdiction in which the real property Collateral subject to such Mortgage is located, remains valid and enforceable in the form existing as of the Third Amendment Date without any amendments thereto or modifications thereof or (y) any Mortgage for real property located in a jurisdiction for which an Opinion of Counsel with respect to real property located in such an Existing Jurisdiction has been previously delivered to the Administrative Agent pursuant to this Agreement~~), using reasonable best efforts following the [Third Amendment](#) Closing Date, but in no event later than (A) 180 days following the [Third Amendment](#) Closing Date with respect to real property to be pledged as Collateral with an aggregate book value of at least 60% of the aggregate book value of such real property owned on the [Third Amendment](#) Closing Date, (B) 210 days following the [Third Amendment](#) Closing Date with respect to real property to be pledged as Collateral with an aggregate book value of at least 75% of the aggregate book value of such real property owned on the [Third Amendment](#) Closing Date and (C) in any event, 270 days after the [Third Amendment](#) Closing Date with respect to all real property owned on the [Third Amendment](#) Closing Date to be pledged as Collateral;

(ii) any control, intercreditor or similar agreements or other Collateral Documents with respect to L/C Collateral (other than Excluded Property) and any deposit, checking and securities accounts required to be provided pursuant to this Agreement or the Collateral Documents on the Closing Date shall be provided promptly following the Closing Date, but in no event later than 90 days following the Closing Date or such later date as may be reasonably agreed by the Required Lenders;

(iii) [Reserved];

(iv) any control, intercreditor or similar agreements or other Collateral Documents required pursuant to this Agreement or the Collateral Documents with respect to L/C Collateral (other than Excluded Property) may provide that the Administrative Agent for the benefit of the Secured Parties has a security interest in such Collateral that is junior to the lien granted to the holders of the obligations secured by such L/C Collateral;

(v) in the case of personal property, (A) the Borrower and the other Loan Parties will not be required to take any steps to perfect liens on personal property outside the United States and (B) except as set forth in Section 6.14(d)(vi)(C), with respect to perfection, the Borrower and the Subsidiary Guarantors shall only be required to provide for perfection in the name of the Joint First Lien Collateral Agent to the extent required under the First Lien Collateral Agency Agreement; and

(vi) in the case of real property Collateral, (A) the Borrower and the other Loan Parties will not be required to provide title insurance policies in respect thereof and (B) subject to clause (C), the Borrower and the Guarantors shall only be required to provide for and record a single ~~m~~Mortgage to the extent and in the manner contemplated by the ~~m~~Mortgages to be put in place in accordance with Section 6.14(d)(i) hereof ~~and~~, (C) except in the cases of subclauses (x) and (y) of Section 6.14(d)(i) hereof, if the Administrative Agent does not receive an Opinion of Counsel from local counsel in which real property Collateral is located that opines that a ~~m~~Mortgage on such real property Collateral in favor of the Joint First Lien Collateral Agent on behalf of the First Lien Creditors (as defined in the First Lien Intercreditor Agreement) is enforceable (subject to customary exceptions) in such jurisdiction, the Borrower or the applicable Guarantor shall enter into a separate mortgage over the real property Collateral in such jurisdiction in favor of the Administrative Agent (other than the Joint First Lien Collateral Agent) in each case, within the time periods and subject to the other conditions set forth in Section 6.14(d)(i); and (D) notwithstanding anything to the contrary herein, the Borrower and the Guarantors shall cause local counsel for the states of Arizona, California and Texas to issue an Opinion of Counsel to the Collateral Agent in respect of the ongoing enforceability and validity of such Mortgages covering real property Collateral existing as of the Third Amendment Closing Date, including any amendments thereof or modifications thereto, within the time periods and subject to the other conditions set forth in Section 6.14(d)(i).

(e) The Borrower will bear and pay all legal expenses, collateral audit and valuation or appraisal costs, filing fees, insurance premiums and other costs associated with the performance of the obligations of the Borrower and the other Loan Parties set forth in this Section 6.14 and will also pay or reimburse the Administrative Agent and/or the Joint First Lien Collateral Agent for all reasonable out-of-pocket expenses, disbursements and advances incurred or made by the Administrative Agent and/or the Joint First Lien Collateral Agent in connection therewith, including the reasonable compensation and expenses of the Administrative Agent and/or the Joint First Lien Collateral Agent's agents and counsel.

(f) Neither the Borrower nor any of the other Loan Parties will be permitted to take any action, or knowingly or negligently omit to take any action, which action or omission might or would have the result of materially impairing the security interest with respect to the Collateral for the benefit of the Administrative Agent and the Secured Parties.

(g) On the Closing Date, Holdings shall deliver to the Administrative Agent, a Perfection Certificate.

SECTION 6.15 [Reserved].

SECTION 6.16 Change of Control Offers.

(a) Upon the occurrence of a Change of Control, each Lender shall have the right, at such Lender's option, to (x) if any Loans are outstanding after giving effect to such Change of Control, require the Borrower to purchase (the "Change of Control Offer") all or any part of such Lender's Loans and terminate such Lender's Commitments or (y) if no Loans are outstanding after giving effect to such Change of Control, terminate such Lender's Commitments, in each case, on a date (the "Change of Control Repurchase Date") that is no later than 30 days after notice of the Change of Control, with such purchase of Loans being at a price equal to 100% of the principal amount of the Loans held by such Lender plus accrued and unpaid interest, if any, to, but excluding, the Change of Control Repurchase Date.

(b) On or before the tenth day after any Change of Control, the Borrower shall provide written notice to the Administrative Agent and the Lenders, regarding the Change of Control and the repurchase right or termination right, as applicable. The notice shall state the Change of Control Repurchase Date, the date by which the purchase right or termination right (as applicable) must be exercised, the price for the Loans (if applicable) and the procedure which the Lender must follow to exercise such purchase right or termination right, as applicable. To exercise such purchase right or termination right (as applicable), a Lender must deliver, at least ten days prior to the Change of Control Repurchase Date, written notice to the Borrower of the Lender's exercise of such right; *provided, however*, that if mandated by applicable Law, a Lender may be permitted to deliver such written notice nearer to the Change of Control Repurchase Date than may be specified by the Borrower.

(c) Notices may be delivered prior to the occurrence of a Change of Control stating that the Change of Control Offer is conditional on the occurrence of such Change of Control, and, if applicable, shall state that, in the Borrower's discretion, the Change of Control Repurchase Date may be delayed until such time as the Change of Control shall occur, or that such repurchase or termination may not occur and such notice may be rescinded in the event that the Borrower shall determine that such condition will not be satisfied by the Change of Control Repurchase Date, or by the Change of Control Repurchase Date as so delayed.

(d) If any Loans are outstanding, the Borrower will not be required to make a Change of Control Offer following a Change of Control if a third party makes the Change of Control Offer in the manner, at the times and otherwise in compliance with the requirements set forth in this Section 6.16 and purchases all such Loans validly tendered for purchase and not validly withdrawn under such Change of Control Offer.

SECTION 6.17 Maintenance of Properties. Each of Holdings and the Borrower will, and will cause each Loan Party to, keep and maintain all tangible property material to the conduct of its business in good working order and condition (subject to casualty, condemnation and ordinary wear and tear), except where the failure to do so could not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

SECTION 6.18 Insurance.

(a) At any time on and after the Closing Date, each of Holdings and the Borrower will, and will cause each Loan Party to, maintain, with insurance companies that Holdings believes (in the good faith judgment of the management of Holdings) are financially sound and responsible at the time the relevant coverage is placed or renewed, insurance in at least such amounts (after giving effect to any self-insurance which Holdings believes (in the good faith judgment of management of Holdings) is reasonable and prudent in light of the size and nature of its business) and against at least such risks (and with such risk retentions) as Holdings believes (in the good faith judgment or the management of Holdings) are reasonable and prudent in light of the size and nature of its business, and will furnish to the Lenders, upon written request from the Administrative Agent (acting at the direction of the Required Lenders), information presented in reasonable detail as to the insurance so carried. Each such general liability policy of insurance shall (i) name the Administrative Agent, on behalf of the Secured Parties, as an additional insured thereunder as its interests may appear and (ii) in the case of each casualty insurance policy, contain a loss payable clause or mortgagee endorsement that names the Administrative Agent, on behalf of the Lenders as the loss payee or mortgagee thereunder.

(b) If any portion of any Collateral upon which a "Building" (as defined in 12 CFR Chapter III, Section 339.2) is at any time located is situated in an area identified by the Federal Emergency Management Agency (or any successor agency) as a special flood hazard area with respect to which flood insurance has been made available under the Flood Insurance Laws, then the Borrower shall, or shall cause each Loan Party to (i) maintain, or cause to be maintained, with a financially sound and reputable insurer, flood insurance in an amount and otherwise sufficient to comply with all applicable rules and regulations promulgated pursuant to the Flood Insurance Laws and (ii) furnish to the Lenders, upon written request from the Administrative Agent, evidence of such compliance in form and substance reasonably acceptable to the Administrative Agent, including evidence of annual renewals of such insurance.

SECTION 6.19 Use of Proceeds. The proceeds of the Initial Loans will be used to finance the working capital and general corporate needs of Holdings, the Borrower and its Subsidiaries.

SECTION 6.20 Limitation of Prepayment of Existing Junior Lien Indebtedness and Existing Unsecured Indebtedness.

(a) Holdings, the Borrower and its Restricted Subsidiaries shall not purchase, repurchase, redeem, acquire or retire for value, including through any defeasance or discharge prior to stated maturity (collectively "Prepay", and the terms "Prepaid" and "Prepayment" have meanings correlative to the foregoing), any Indebtedness secured by a Lien on the Collateral that is junior to the Liens on the Collateral securing the Loan Obligations pursuant to the terms of the First Lien Intercreditor Agreement, the Junior Lien Intercreditor Agreement or other intercreditor agreement that is substantially similar to such intercreditor agreements (such Indebtedness, "Junior Lien Indebtedness"), Existing Unsecured Indebtedness, Subordinated Indebtedness, or any Refinancing Indebtedness in respect thereof (or ~~of such~~ any subsequently incurred Refinancing Indebtedness in respect ~~thereof~~ of any such Refinancing Indebtedness) (collectively, the "Prepayment Indebtedness"), other than

(i) a Prepayment in exchange for, or with the proceeds of or from (including in connection with a tender offer or exchange offer): (A) any Indebtedness permitted under this Agreement (other than, for the avoidance of doubt, proceeds of the Loan Obligations) or (B) an issuance of Qualified Stock;

(ii) Prepayments (other than with proceeds of the Loan Obligations and excluding Prepayments of the 5.0% Senior Notes) not to exceed \$~~24~~100 million in ~~the aggregate; and aggregate purchase price, excluding accrued and unpaid interest in accordance with clause (b)(ii) below, since the Third Amendment Closing Date; provided no Default or Event of Default shall have occurred and be continuing on the date of any such Prepayment;~~

(iii) with respect to any Junior Lien Indebtedness, Existing Unsecured Indebtedness, Subordinated Indebtedness and Prepayment Indebtedness in respect thereof, or any other Indebtedness incurred in compliance with this Section 6.20, in each case beneficially owned by any Specified Person, Prepayments not to exceed an aggregate purchase price, excluding accrued and unpaid interest in accordance with clause (b)(ii) below, since the Third Amendment Closing Date, equal to the Additional 1.25 Lien Notes Amount; and

~~(iii)~~ at any time on or after the date that the basket in the preceding clause (ii) shall have been fully utilized, Prepayments (other than with proceeds of the Loan Obligations and excluding Prepayments of the 5.0% Senior Notes); provided that, after making such Prepayment, the amount of Unrestricted Cash of the Loan Parties shall exceed an amount equal to the sum of (A) the Total Outstandings at such time plus (B) \$25 million.

(b) Clause (a) of this Section 6.20 will not prohibit;

~~(b) Clause (a) of this Section 6.20 will not prohibit~~ any Prepayments of Prepayment Indebtedness with Net Cash Proceeds of an Asset Disposition or Casualty Event in an aggregate amount not to exceed \$100 million;

~~(c) Clause (a) of this Section 6.20 will not prohibit (i) any~~ any (x) payments of accrued and unpaid interest to holders of Prepayment Indebtedness and other Indebtedness permitted under this Agreement and ~~(ii)~~ payments, not to exceed \$1.0 million for all such payments since ~~October 31, 2019~~ the Third Amendment Closing Date, in respect of fractional Indebtedness in connection with the tender or exchange thereof, in each case, made in connection with a Prepayment made in compliance with this Section 6.20;

(iii) any Prepayments of any Prepayment Indebtedness or other Indebtedness incurred in compliance with this Section 6.20 made within one year prior to the stated maturity of such Prepayment Indebtedness or other Indebtedness; and

(iv) the Prepayment of the 1.75 Lien Notes with the net cash proceeds from the New Secured Notes.

ARTICLE VII

EVENTS OF DEFAULT AND REMEDIES

SECTION 7.01 Events of Default. “Event of Default” means any one or more of the following events:

(i) the failure by Holdings, the Borrower and the other Loan Parties to pay interest on any Loan or any other amount payable hereunder or with respect to any other Loan Document when the same becomes due and payable and the continuance of any such failure for a period of ten (10) Business Days;

(ii) the failure by Holdings, the Borrower and the other Loan Parties to pay the principal of any Loan when the same becomes due and payable at maturity, upon acceleration or otherwise;

(iii) the failure by Holdings, the Borrower or any Restricted Subsidiary to comply with any of its agreements or covenants in, or provisions of, this Agreement, the Collateral Documents or the Guarantees and such failure continues for the period and after the notice specified below (except in the case of a default under [Section 6.11](#), which will constitute an Event of Default with notice but without passage of time);

(iv) the acceleration of any Indebtedness (other than Non-Recourse Indebtedness) of Holdings, the Borrower or any Restricted Subsidiary that has an outstanding principal amount of \$40.0 million or more, individually or in the aggregate, and such acceleration does not cease to exist, or such Indebtedness is not satisfied, in either case within 30 days after such acceleration;

(v) the failure by Holdings, the Borrower or any Restricted Subsidiary to make any principal or interest payment in an amount of \$40.0 million or more, individually or in the aggregate, in respect of Indebtedness (other than Non-Recourse Indebtedness) of Holdings, the Borrower or any Restricted Subsidiary within thirty (30) days of such principal or interest becoming due and payable (after giving effect to any applicable grace period set forth in the documents governing such Indebtedness);

(vi) a final judgment or judgments ([not subject to appeal](#)) that exceed \$40.0 million or more, individually or in the aggregate, for the payment of money having been entered by a court or courts of competent jurisdiction against Holdings, the Borrower or any Restricted Subsidiaries and such judgment or judgments is not satisfied, stayed, annulled or rescinded within 60 days of being entered;

(vii) Holdings, the Borrower or any Restricted Subsidiary that is a Significant Subsidiary pursuant to or within the meaning of any Bankruptcy Law:

- (A) commences a voluntary case,
- (B) consents to the entry of an order for relief against it in an involuntary case,
- (C) consents to the appointment of a Custodian of it or for all or substantially all of its property, or
- (D) makes a general assignment for the benefit of its creditors;

(viii) a court of competent jurisdiction enters an order or decree under any Bankruptcy Law that:

(A) is for relief against Holdings, the Borrower or any Restricted Subsidiary that is a Significant Subsidiary as debtor in an involuntary case,

(B) appoints a Custodian of Holdings, the Borrower or any Restricted Subsidiary that is a Significant Subsidiary or a Custodian for all or substantially all of the property of Holdings or any Restricted Subsidiary that is a Significant Subsidiary, or

(C) orders the liquidation of Holdings, the Borrower or any Restricted Subsidiary that is a Significant Subsidiary,

and the order or decree remains unstayed and in effect for 60 days;

(ix) any Guarantee of a Loan Party that is a Significant Subsidiary ceases to be in full force and effect (other than in accordance with the terms of such Guarantee and this Agreement) or is declared null and void and unenforceable or found to be invalid or Holdings or any Subsidiary Guarantor denies its liability under its Guarantee (other than by reason of release of such Loan Party from its Guarantee in accordance with the terms of this Agreement and such Guarantee);

(x) the Liens created by the Collateral Documents shall at any time not constitute valid and perfected Liens on any material portion of the Collateral intended to be covered thereby (to the extent perfection by filing, registration, recordation or possession is required by this Agreement or the Collateral Documents) other than in accordance with the terms of the relevant Collateral Document and this Agreement and other than the satisfaction in full of all Loan Obligations under this Agreement or the release or amendment of any such Lien in accordance with the terms of this Agreement or the Collateral Documents, or, except for expiration in accordance with its terms or amendment, modification, waiver, termination or release in accordance with the terms of this Agreement and the relevant Collateral Document, any of the Collateral Documents shall for whatever reason be terminated or cease to be in full force and effect, if in either case, such default continues for 30 days after notice, or the enforceability thereof shall be contested by the Borrower or any other Loan Party

(xi) any representation, warranty or certification made or deemed made by or on behalf of the Borrower or any other Loan Party herein, in any other Loan Document, or in any document required to be delivered in connection herewith or therewith shall be incorrect or misleading in any material respect (and in any respect if qualified by materiality) when made or deemed made;

(xii) any material provision of the Loan Documents (other than as described in subclause (viii) or subclause (ix) of this Section 7.01) shall for any reason be asserted by any Loan Party not to be a legal, valid and binding obligation of any Loan Party thereto other than as expressly permitted hereunder or thereunder; or

(xiii) unless Holdings, the Borrower or, if any Loans are outstanding, a permitted third party has consummated a Change of Control Offer in accordance with Section 6.16 and the purchase of any Loans of Lenders exercising a repurchase right thereunder and/or any termination of Commitments of Lenders exercising a termination right thereunder, as applicable, the occurrence of a Change of Control.

A Default as described in subclause (iii) of this Section 7.01 will not be deemed an Event of Default until the Lenders of at least 25 percent in principal amount of the then outstanding Loans notify Holdings and the Administrative Agent, of the Default and (except in the case of a Default with respect to Section 6.11 hereof) Holdings does not cure the Default within 60 days after receipt of the notice. The notice must specify the Default, demand that it be remedied and state that the notice is a "Notice of Default." If such a Default is cured within such time period, it ceases to be a Default.

If an Event of Default (other than an Event of Default with respect to Holdings or the Borrower resulting from subclauses (vii) or (viii) of this Section 7.01), shall have occurred and be continuing under this Agreement, the Administrative Agent by notice to Holdings, or the Required Lenders by notice to Holdings and the Administrative Agent, may declare all Loans to be due and payable immediately. Upon such declaration of acceleration, the amounts due and payable on the Loans and all other Loan Obligations will be due and payable immediately. If an Event of Default specified in subclauses (iv) or (v) of this Section 7.01 occurs, the declaration of acceleration of the amounts due and payable on the Loans and all other Loan Obligations shall be automatically annulled if the default triggering such Event of Default pursuant to subclauses (iv) or (v) of this Section 7.01 shall be remedied or cured by Holdings, the Borrower or a Restricted Subsidiary or waived by the holders of the relevant Indebtedness within 20 days after the declaration of acceleration with respect thereto and if (1) the annulment of the acceleration of the amounts due and payable on the Loans would not conflict with any judgment or decree of a court of competent jurisdiction and (2) all existing Events of Default, except nonpayment of principal, premium, if any, or interest on the Loans that became due solely because of the acceleration of the amounts due and payable on the Loans, have been cured or waived. The Borrower shall provide the Administrative Agent with notice of any such annulment of a declaration of acceleration of the Loans. If an Event of Default with respect to Holdings or the Borrower specified in subclauses (vii) or (viii) of this Section 7.01 occurs, such an amount will *ipso facto* become and be immediately due and payable without any declaration, notice or other act on the part of the Administrative Agent and Holdings or any Lender. This provision, however, is subject to the condition that, if at any time after the unpaid principal amount (or such specified amount) of the Loans shall have been so declared due and payable and before any judgment or decree for the payment of the moneys due shall have been obtained or entered as hereinafter provided, the Borrower shall pay or shall deposit with the Administrative Agent a sum sufficient to pay all matured installments of interest, if any, upon all of the Loans and the principal of all the Loans, which shall have become due otherwise than by acceleration (with interest on overdue installments of interest, if any, to the extent that payment of such interest is enforceable under applicable Law and on such principal at the rate borne by the Loans to the date of such payment or deposit) and the reasonable compensation, disbursements, expenses and advances of the Administrative Agent (including, but not limited to, fees, expenses and disbursements of legal counsel) and all other amounts due to the Administrative Agent under Section 2.07 and Section 8.12 and any and all defaults under this Agreement, other than the nonpayment of such portion of the principal amount of and accrued interest, if any, on Loans which shall have become due by acceleration, shall have been cured or shall have been waived in accordance with Section 9.01 or provision deemed by the Administrative Agent to be adequate shall have been made therefor, then and in every such case the Required Lenders, by written notice to the Borrower and to the Administrative Agent, may rescind and annul such declaration and its consequences; but no such rescission and annulment shall extend to or shall affect any subsequent default, or shall impair any right consequent thereon. Notwithstanding the previous sentence, no waiver shall be effective against any Lender for any Event of Default or event which with notice or lapse of time or both would be an Event of Default with respect to any covenant or provision which cannot be modified or amended without the consent of the Lender of each outstanding Loan affected thereby, unless all such affected Lenders agree, in writing, to waive such Event of Default or other event.

If the Administrative Agent shall have proceeded to enforce any right under this Agreement and such proceedings shall have been discontinued or abandoned because of such rescission or annulment or for any reason or shall have been determined to be adverse to the Administrative Agent, then and in every such case the Borrower, the Administrative Agent and the Lenders shall be restored respectively to their several positions and rights hereunder, and all rights, remedies and powers of the Borrower, the Administrative Agent and the Lenders shall continue as though no such proceeding had been taken.

Except with respect to an Event of Default pursuant to clauses (i) or (ii) of this Section 7.01, the Administrative Agent shall not be charged with knowledge of any Event of Default unless written notice thereof shall have been given to a Responsible Officer of the Administrative Agent by the Borrower or any Lender and such notice references the Loans and this Agreement.

SECTION 7.02 [Reserved].

SECTION 7.03 Application of Funds. After the exercise of remedies provided for in Section 7.01 (or after the Loans have automatically become immediately due and payable and the Commitments have automatically terminated as set forth in Section 7.01), any amounts received on account of the Loan Obligations shall be applied by the Administrative Agent in the following order:

First, to payment of that portion of the Loan Obligations constituting fees, indemnities, expenses and other amounts (including amounts payable under Article 3, but not including principal of or interest on any Loan) payable to the Administrative Agent in its capacity as such;

Second, to payment of that portion of the Loan Obligations constituting fees, indemnities and other amounts (other than principal and interest) payable to the Lenders (including amounts payable under Article 3), ratably among them in proportion to the amounts described in this clause Second payable to them;

Third, to payment of that portion of the Loan Obligations constituting accrued and unpaid interest on the Loans, ratably among the Lenders in proportion to the respective amounts described in this clause Third payable to them;

Fourth, to payment of that portion of the Loan Obligations constituting unpaid principal of the Loans;

Fifth, to the payment of all other Loan Obligations of the Loan Parties that are due and payable to the Administrative Agent and the other Secured Parties on such date, ratably based upon the respective aggregate amounts of all such Loan Obligations owing to the Administrative Agent and the other Secured Parties on such date; and

Last, the balance, if any, after all of the Loan Obligations have been paid in full, to the Borrower or as otherwise required by Law.

ARTICLE VIII

ADMINISTRATIVE AGENT AND OTHER AGENTS

SECTION 8.01 Appointment and Authority.

(a) Each of the Lenders hereby irrevocably appoints Wilmington Trust, National Association to act on its behalf as the Administrative Agent hereunder and under the other Loan Documents and authorizes the Administrative Agent to take such actions on its behalf and to exercise such powers, rights and remedies as are delegated to the Administrative Agent by the terms hereof or thereof, together with such actions and powers as are reasonably incidental thereto. In performing its functions and duties hereunder, the Administrative Agent shall act solely as an agent of the Lenders and does not assume and shall not be deemed to have assumed any obligation towards or relationship of agency or trust with or for Holdings or any of its Subsidiaries.

(b) The Administrative Agent shall also act as the “collateral agent” under the Loan Documents, and each of the Lenders hereby irrevocably appoints and authorizes the Administrative Agent to act as the agent of (and to hold any security interest created by the Collateral Documents for and on behalf of or on trust for) such Agent or Lender (i) for purposes of the perfection of all Liens created by the Loan Documents and all other purposes stated therein, (ii) to manage, supervise and otherwise deal with the Collateral, (iii) to take such other action as is necessary or desirable to maintain the perfection and priority of the Liens created or purported to be created by the Loan Documents and (iv) except as may be otherwise specified in any Loan Document, to exercise all remedies given to the Administrative Agent and the other Secured Parties with respect to the Collateral, whether under the Loan Documents, applicable Law or otherwise, in each case, together with such powers and discretion as are reasonably incidental thereto. In this connection, the Administrative Agent, as “collateral agent” (and any sub-agents appointed by the Administrative Agent pursuant to Section 8.05 for purposes of holding or enforcing any Lien on the Collateral (or any portion thereof) granted under the Collateral Documents, or for exercising any rights and remedies thereunder at the direction of the Administrative Agent), shall be entitled to the benefits of all provisions of this Article 8 and Section 8.05 as though such sub-agents were the “collateral agent” under the Loan Documents and as if the term Administrative Agent included the “collateral agent” as if set forth in full herein with respect thereto.

(c) Each Lender irrevocably authorizes the Administrative Agent to enter into any and all of the Collateral Documents together with such other documents as shall be necessary to give effect to the Lien on the Collateral contemplated by the other Collateral Documents, on its behalf. The Administrative Agent shall have only those duties and responsibilities that are expressly specified herein and the other Loan Documents to which it is a party. The Administrative Agent may exercise such powers, rights and remedies and perform such duties by or through its agents or employees. The Administrative Agent's duties hereunder shall be entirely administrative in nature. The Administrative Agent (i) is not assuming any obligation under any Loan Document other than as expressly set forth therein and (ii) shall not have implied functions, responsibilities, duties, obligations or other liabilities under any Loan Document, and each Lender hereby waives and agrees not to assert any claim against the Administrative Agent based on the roles, duties and legal relationships expressly disclaimed in this or the immediately preceding sentence or in Section 8.03. The Administrative Agent shall not have, by reason hereof or any of the other Loan Documents, a fiduciary relationship in respect of any Lender; and nothing herein or any of the Loan Documents, expressed or implied, is intended to or shall be so construed as to impose upon the Administrative Agent any obligations in respect hereof or any of the other Loan Documents except as expressly set forth herein or therein. Any action taken by the Administrative Agent in reliance upon the instructions of the Required Lenders (or, where so required by Section 9.01, such greater proportion of Lenders) and the exercise by the Administrative Agent of the powers set forth herein or in the other Loan Documents, together with such other powers as are reasonably incidental thereto, shall be authorized and binding upon all of the Secured Parties.

SECTION 8.02 Rights as a Lender. The agency hereby created shall in no way impair or affect any of the rights and powers of, or impose any duties or obligations upon, the Administrative Agent in its individual capacity as a Lender hereunder. The Person serving as the Administrative Agent hereunder shall, if it is a Lender, have the same rights and powers in its capacity as a Lender as any other Lender and may exercise the same as though it were not the Administrative Agent and the term "Lender" or "Lenders" shall, unless otherwise expressly indicated or unless the context otherwise requires, include the Person serving as the Administrative Agent hereunder in its individual capacity. Such Person and its Affiliates may accept deposits from, lend money to, own securities of, act as the financial advisor or in any other advisory capacity for and generally engage in any kind of banking, trust or other business with Holdings or any Subsidiary or other Affiliate thereof as if such Person were not the Administrative Agent hereunder and may accept fees and other consideration from the Borrower for services in connection herewith and otherwise without any duty to account therefor to the Lenders. The Lenders acknowledge that pursuant to such activities, the Administrative Agent and its Related Parties may receive information regarding any Loan Party or any Affiliate of any Loan Party (including information that may be subject to confidentiality obligations in favor of such Loan Party or such Affiliate) and acknowledge that the Administrative Agent and its Related Parties shall be under no obligation to provide such information to them.

SECTION 8.03 Exculpatory Provisions. No Agent shall have any duties or obligations except those expressly set forth herein and in the other Loan Documents to which it is a party. Without limiting the generality of the foregoing, the Administrative Agent:

(a) shall not be subject to any fiduciary or other implied (or express) duties or obligations arising under the agency doctrine of any applicable Law or otherwise, regardless of whether a Default has occurred and is continuing;

(b) notwithstanding anything herein to the contrary, the Administrative Agent shall not be required to take any action (or omit to take any action) that, in its opinion or the opinion of its counsel, may expose the Administrative Agent to liability or that is contrary to any Loan Document or applicable Laws or if the Administrative Agent is not indemnified to its satisfaction;

(c) shall not, except as expressly set forth herein and in the other Loan Documents, have any duty to disclose, and shall not be liable for the failure to disclose, any information relating to the Borrower or any of its Affiliates that is communicated to or obtained by the Person serving as the Administrative Agent or any Agent-Related Person in any capacity; and

(d) does not warrant nor accept any responsibility nor shall the Administrative Agent have any liability with respect to (i) any Benchmark Replacement Conforming Changes, (ii) the administration, submission or any matter relating to any Benchmark Replacement or (iii) the effect of any of the foregoing.

(e) shall not be under any obligation (i) to monitor, determine or verify the unavailability or cessation of SOFR (or other applicable Benchmark), or whether or when there has occurred, or to give notice to any other transaction party of the occurrence of, any Benchmark Transition Event, (ii) to select, determine or designate any alternative Benchmark or Benchmark Replacement, or other successor replacement benchmark index, or whether any conditions to the designation of such a rate have been satisfied, or (iii) to select, determine or designate any adjustment, or other modifier to any replacement or successor index, or (iv) to determine whether or what conforming changes are necessary or advisable, if any, in connection with any of the foregoing.

(f) shall not be liable for any inability, failure or delay on its part to perform any of its duties set forth in this Agreement as a result of the unavailability of SOFR (or other applicable Benchmark) and absence of a designated replacement Benchmark, including as a result of any inability, delay, error or inaccuracy on the part of any other transaction party, including without limitation the Borrower and Required Lenders, in providing any direction, instruction, notice or information required or contemplated by the terms of this Agreement and reasonably required for the performance of such duties.

(g) [reserved]

The Administrative Agent and the Agent-Related Persons shall not be liable for any action taken or not taken by it or them (i)(A) in good faith under or in connection with any of the Loan Documents or (B) with the consent or at the request of the Required Lenders (or such other number or percentage of Lenders as shall be necessary, or as the Administrative Agent shall believe in good faith shall be necessary, under the circumstances provided in Section 7.02 and 9.01) or (ii) in the absence of its own gross negligence, or willful misconduct; provided, that the Administrative Agent shall be deemed not to have knowledge of any Default or Event of Default unless and until written notice describing such Default or Event of Default and stating it is a “notice of default” is given to the Administrative Agent at its Corporate Trust Office by the Borrower or a Lender; provided, further, that in the event the Administrative Agent shall receive such a notice, the Administrative Agent shall give notice thereof to the Lenders; it being understood that the failure to give such notice shall not result in any liability on the part of the Administrative Agent.

The Administrative Agent shall not be responsible for or have any duty to ascertain or inquire into (i) any statement, warranty or representation made in or in connection with this Agreement or any other Loan Document, (ii) the contents of any certificate, report or other document delivered hereunder or thereunder or in connection herewith or therewith, (iii) the performance or observance of any of the representations, warranties, covenants, agreements or other terms or conditions set forth herein or therein or the occurrence of any Default, (iv) the execution, validity, enforceability, effectiveness, genuineness, collectability or sufficiency of this Agreement, any other Loan Document or any other agreement, instrument or document or the creation, perfection or priority of any Lien purported to be created by the Loan Documents, (v) the value or the sufficiency of any Collateral, (vi) the financial condition or business affairs of any Loan Party or any other Person liable for the payment of any Loan Obligations or as to the use of the proceeds of the Loans, (vii) the properties, books or records of any Loan Party, (viii) the existence or possible existence of any Event of Default or Default or (ix) the satisfaction of any condition set forth in Article 4 or elsewhere herein, other than to confirm receipt of items expressly required to be delivered to the Administrative Agent.

The Administrative Agent shall not have any liability arising from confirmations of the amount of outstanding Loans or the component amounts thereof.

Administrative Agent shall not be required to exercise any discretion or take, or to omit to take, any action, including with respect to enforcement or collection unless Administrative Agent has received satisfactory instructions from the Required Lenders (or, where expressly required by the terms of this Agreement, a greater proportion of the Lenders, it being understood, however, that with regards to enforcement actions following an Event of Default, the Administrative Agent shall be entitled to act upon the direction of the Required Lenders), and, if necessary in the Administrative Agent's opinion, satisfactory indemnity and security. Phrases such as "satisfactory to the Administrative Agent," "approved by the Administrative Agent," "acceptable to the Administrative Agent," "as determined by the Administrative Agent," "in the Administrative Agent's discretion," "selected by the Administrative Agent," and phrases of similar import authorize and permit the Administrative Agent to approve, disapprove, determine, act or decline to act in its discretion, it being understood that the Administrative Agent in exercising such discretion under the Loan Documents shall be acting on the instructions of the Required Lenders (or Lenders to the extent required hereunder) and shall be fully protected in, and shall incur no liability in connection with, acting or failing to act (or failing to act while awaiting such direction) pursuant to such instructions.

The Administrative Agent shall never be required to use, risk or advance its own funds or otherwise incur financial liability in the performance of any of its duties or the exercise of any of its rights and powers hereunder (including, but not limited to, no obligation to grant any credit extension or to make any advance hereunder).

Neither the Administrative Agent nor any Agent-Related Person shall be responsible for delays or failures in performance resulting from acts beyond its control. Such acts shall include but not be limited to acts of God, strikes, lockouts, riots, acts of war, epidemics, pandemics, governmental regulations superimposed after the fact, fire, communication line failures, computer viruses, power failures, earthquakes, terrorist attacks or other disasters.

The permissive authorizations, entitlements, powers and rights (including the right to request that the Borrower take an action or deliver a document and the exercise of remedies following an Event of Default) granted to the Administrative Agent herein shall not be construed as duties. The Administrative Agent shall have no responsibility for interest or income on any funds held by it hereunder and any funds so held shall be held un-invested pending distribution thereof.

Notwithstanding anything herein to the contrary, the Administrative Agent shall not have any duty to (i) file or prepare any financing or continuation statements or record any documents or instruments in any public office for purposes of creating, perfecting or maintaining any Lien or security interest created under the Loan Documents; (ii) take any necessary steps to preserve rights against any parties with respect to any Collateral; or (iii) take any action to protect against any diminution in value of the Collateral.

Knowledge of the Administrative Agent shall not be attributed or imputed to Wilmington Trust, National Association's other roles as trustee, administrative agent or collateral agent for the Borrower, and knowledge of Wilmington Trust, National Association in any other similar role for the Borrower shall not be attributed or imputed to each other or to the Administrative Agent.

SECTION 8.04 Reliance by Administrative Agent. The Administrative Agent shall be entitled to rely upon, and shall not incur any liability for relying upon, any notice, request, certificate, consent, statement, instrument, document or other writing (including any electronic message, Internet or intranet website posting or other distribution) believed by it to be genuine and to have been signed, sent or otherwise authenticated by the proper Person. The Administrative Agent also may rely upon any statement made to it orally or by telephone and believed by it to have been made by the proper Person and shall not incur any liability for relying thereon. In determining compliance with any condition hereunder to the making of a Loan, that by its terms must be fulfilled to the satisfaction of a Lender, the Administrative Agent may presume that such condition is satisfactory to such Lender unless the Administrative Agent shall have received notice to the contrary from such Lender prior to the making of such Loan. The Administrative Agent may consult with legal counsel (who may be counsel for the Borrower), independent accountants and other experts selected by it, and shall not be liable for any action taken or not taken by it in accordance with the advice of any such counsel, accountants, experts or professional advisors. No Lender shall have any right of action whatsoever against the Administrative Agent as a result of the Administrative Agent acting or refraining from acting hereunder or under any of the other Loan Documents in accordance with the instructions of Required Lenders (or such other number or percentage of the Lenders as shall be expressly provided for herein or in the other Loan Documents). If at any time the Administrative Agent is served with any judicial or administrative order, judgment, decree, writ or other form of judicial or administrative process which in any way affects the Collateral (including, but not limited to, orders of attachment or garnishment or other forms of levies or injunctions or stays relating to the transfer of the Collateral), the Administrative Agent is authorized to comply therewith in any manner as it or its legal counsel of its own choosing deems appropriate; and if the Administrative Agent complies with any such judicial or administrative order, judgment, decree, writ or other form of judicial or administrative process, the Administrative Agent shall not be liable to any of the parties hereto or to any other person or entity even though such order, judgment, decree, writ or process may be subsequently modified or vacated or otherwise determined to have been without legal force or effect.

SECTION 8.05 Delegation of Duties. The Administrative Agent may perform any and all of its duties and exercise its rights and powers hereunder or under any other Loan Document by or through any one or more sub-agents appointed by the Administrative Agent and shall not be responsible for the acts of any such party appointed with due care. The Administrative Agent and any such sub-agent may perform any and all of its duties and exercise its rights and powers by or through their respective Related Parties. The exculpatory, indemnification and other provisions of this Article 8 shall apply to any such sub-agent and its Related Parties and to the Agent-Related Persons in any role or capacity and shall apply to their respective activities in connection with the syndication of the credit facilities provided for herein as well as activities as Administrative Agent. All of the rights, benefits and privileges (including the exculpatory and indemnification provisions) of this Article 8 shall apply to any such sub-agent and to the Related Parties of any such sub-agent and shall apply to their respective activities as sub-agent as if such sub-agent and Related Parties were named herein. Notwithstanding anything herein to the contrary, with respect to each sub-agent appointed by the Administrative Agent, (i) such sub-agent shall be a third party beneficiary under this Agreement with respect to all such rights, benefits and privileges (including exculpatory rights and rights to indemnification) and shall have all of the rights and benefits of a third party beneficiary, including an independent right of action to enforce such rights, benefits and privileges (including exculpatory rights and rights to indemnification) directly, without the consent or joinder of any other Person, against any or all of the Loan Parties and the Lenders, (ii) such rights, benefits and privileges (including exculpatory rights and rights to indemnification) shall not be modified or amended without the consent of such sub-agent and (iii) such sub-agent shall only have obligations to the Administrative Agent and not to any Loan Party, Lender or any other Person and no Loan Party, Lender or other Person shall have any rights, directly or indirectly, as a third party beneficiary or otherwise against such sub-agent.

SECTION 8.06 Resignation of Administrative Agent; Appointment of Successor. The Administrative Agent may at any time resign or, if it is a Defaulting Lender pursuant to clause (iv) of the definition thereof, be removed by the Borrower upon ten (10) days' prior written notice of such resignation or removal to the Lenders and the Borrower. Upon receipt of any such notice of resignation or removal, the Required Lenders shall have the right, with the consent of the Borrower (such consent not to be unreasonably withheld, conditioned or delayed and provided that no consent of the Borrower shall be required if an Event of Default has occurred and is continuing), to appoint a successor Administrative Agent which shall be a commercial bank or trust company with offices in the U.S. having combined capital and surplus in excess of \$100,000,000. If no such successor shall have been so appointed by the Required Lenders and accepted such appointment within thirty (30) days after notice of the Administrative Agent's resignation or removal, then, (i) in the case of a resignation of the Administrative Agent, the resigning Administrative Agent with the consent of the Borrower (such consent not to be unreasonably withheld, or delayed; provided that no consent of the Borrower shall be required if an Event of Default has occurred and is continuing) or (ii) in the case of a removal of the Administrative Agent, the Borrower, may, with the consent of the Required Lenders, on behalf of the Lenders, appoint a successor Administrative Agent; provided that if no qualifying Person has accepted such appointment, then such resignation or removal shall nonetheless become effective after such thirty-day period and (1) the retiring or removed Administrative Agent shall be discharged from its duties and obligations hereunder and under the other Loan Documents (except that in the case of any possessory Collateral held by the Administrative Agent on behalf of the Lenders the retiring Administrative Agent shall continue to hold such Collateral until such time as a successor Administrative Agent is appointed) and (2) all payments, communications and determinations provided to be made by, to or through the Administrative Agent shall instead be made by or to each Lender directly (and each Lender will cooperate with the Borrower to enable the Borrower to take such actions), until such time as the Required Lenders appoint a successor Administrative Agent as provided for above in this paragraph. Upon the acceptance of a successor's appointment as Administrative Agent hereunder, such successor shall succeed to and become vested with all of the rights, powers, privileges and duties of the retiring (or retired) or removed Administrative Agent, and the retiring (or retired) or removed Administrative Agent shall be discharged from all of its duties and obligations hereunder and under the other Loan Documents (if not already discharged therefrom as provided above in this paragraph) other than its obligations under Section 9.08. The fees payable by the Borrower to a successor Administrative Agent shall be the same as those payable to its predecessor unless otherwise agreed between the Borrower and such successor. After the resignation or removal of the Administrative Agent hereunder and under the other Loan Documents, the provisions of this Article 8 and Section 9.05 shall continue in effect for the benefit of such retiring or removed Administrative Agent, its sub-agents and their respective Related Parties in respect of any actions taken or omitted to be taken by any of them while the retiring or removed Administrative Agent was acting as the Administrative Agent.

SECTION 8.07 Non-Reliance on Administrative Agent and Other Lenders. Each Lender acknowledges that it has, independently and without reliance upon the Administrative Agent or any other Lender or any of their Related Parties and based on such documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into this Agreement, made its own independent investigation of the financial condition and affairs of Holdings and its Subsidiaries in connection with Borrowings hereunder, and made and shall continue to make its own appraisal of the creditworthiness of Holdings and its Subsidiaries. Each Lender also acknowledges that it will, independently and without reliance upon the Administrative Agent or any other Lender or any of their Related Parties and based on such documents and information as it shall from time to time deem appropriate, continue to make its own decisions in taking or not taking action under or based upon this Agreement, any other Loan Document or any related agreement or any document furnished hereunder or thereunder. The Administrative Agent shall not have any duty or responsibility, either initially or on a continuing basis, or otherwise, to make any such investigation or any such appraisal on behalf of the Lenders or to provide any Lender with any credit or other information with respect thereto, whether coming into its possession before the making of the Loans or at any time or times thereafter, and the Administrative Agent shall not have any responsibility with respect to the accuracy or completeness of any information provided to the Lenders. Except for documents expressly required by this Agreement to be transmitted by the Administrative Agent to the Lenders, the Administrative Agent shall not have any duty or responsibility to provide any Secured Party with any credit or other information concerning the business, prospects, operations, property, financial and other condition or creditworthiness of any Loan Party or any Affiliate of any Loan Party that may come in to the possession of the Administrative Agent or any of its Related Parties.

SECTION 8.08 Collateral and Guarantee Matters. The Lenders irrevocably authorize the Administrative Agent to, and the Administrative Agent shall:

(a) release any Lien on any property granted to or held by the Administrative Agent under any Loan Document (i) on the date upon which all of the Loan Obligations (other than contingent obligations not yet accrued and payable) have been paid in full in cash, the Aggregate Commitments have expired or have been terminated (such date, the "Termination Date"), (ii) with respect to any property constituting Collateral that (x) is sold, transferred or otherwise disposed of by the Borrower, Holdings or any other Loan Party to any Person other than a Loan Party (but excluding any transaction where the recipient is required to become a Loan Party) in a transaction permitted by this Agreement and the Collateral Documents, at the time of such sale or disposition, to the extent of the interest sold or disposed of or (y) is owned or at any time acquired by a Restricted Subsidiary that has been released from its Guarantee, concurrently with the release of such Guarantee, (iii) subject to Section 9.01, if approved, authorized or ratified in writing by the Required Lenders or such other number or percentage of Lenders required by Section 9.01, (iv) owned by a Guarantor upon release of such Guarantor from its obligations under its Guarantee pursuant to clause (c) below or (v) as expressly provided in the Collateral Documents;

(b) [Reserved];

(c) execute any documents and instruments reasonably requested by the Borrower to evidence the release of any Guarantor from its obligations under the Guarantee if (i) all or substantially all of the assets of any Guarantor other than Holdings or all of the Capital Stock of any Guarantor other than Holdings is sold (including by consolidation, merger, issuance or otherwise) or disposed of (including by liquidation, dissolution or otherwise) by Holdings or any of its Subsidiaries, (ii) unless Holdings elects otherwise, any Guarantor other than Holdings is designated an Unrestricted Subsidiary in accordance with the terms of this Agreement, (iii) such Person ceases to be a Restricted Subsidiary or becomes an Excluded Subsidiary as a result of a transaction or designation permitted hereunder (it being understood that, in each case under this clause (c), any such Person shall be automatically and unconditionally released and discharged from all obligations under its Guarantee upon notice from Borrower to the Administrative Agent to such effect, without any further action required on the part of the Administrative Agent or any Lender), in each case, only to the extent such transaction is in compliance with the Loan Documents;

(d) upon receipt of an Officer's Certificate stating that such Indebtedness (or Liens securing such Indebtedness, if applicable) is permitted under the Loan Documents, enter into intercreditor agreements or arrangements (including any amendment, supplement or other modification of any Collateral Document to add or provide for additional secured parties) with respect to Indebtedness (or Liens securing such Indebtedness) that is required or permitted to be *pari passu* with or subordinated to the Loan Obligations (or the Liens securing the Loan Obligations) pursuant to Section 6.03; and

(e) release the Borrower from its obligations under the Loan Documents, without the consent of the Lenders, if: (1) Holdings or any successor to Holdings has assumed the obligations of the Borrower under the Loan Documents, by executing and delivering documentation that is reasonably satisfactory in form to the Administrative Agent and the Required Lenders, (2) the Borrower shall execute a Guarantee, (3) Holdings delivers an Opinion of Counsel to the Administrative Agent and the Required Lenders that such Guarantee is permitted by the terms of this Agreement, and has been duly authorized, executed and delivered by the Borrower and constitutes a valid and binding obligations of the Borrower, enforceable against the Borrower in accordance with its terms (subject to customary exceptions), until such time, if any, such Guarantee may be released pursuant to the terms of this Agreement, and that all conditions precedent (if any) to the execution of such Guarantee provided for in this Agreement have been complied with and (4) any other Loan party shall provide any affirmation or Collateral Documents reasonably requested by the Administrative Agent or the Required Lenders.

In each case as specified in this Section 8.08, upon receipt of an Officer's Certificate, the Administrative Agent will (and each Lender hereby authorizes the Administrative Agent to), at the Borrower's expense, deliver, upon the request of the applicable Loan Party, to such Loan Party or any designee of such Loan Party any certificates, powers or other physical collateral held by it and relating to such item of Collateral (but subject to the requirements of any applicable intercreditor agreement) and execute and deliver to the applicable Loan Party such documents as such Loan Party may reasonably request to evidence the release of such item of Collateral from the assignment and security interest granted under the Collateral Documents, release such Guarantor from its obligations under the Guarantee or execute and deliver the agreements described in clause (d) above, in each case, in accordance with the terms of the Loan Documents and this Section 8.08; provided that the Borrower shall have delivered to the Administrative Agent (i) a certificate of a Responsible Officer of the Borrower certifying that any such transaction has been consummated in compliance with this Agreement and the other Loan Documents as the Administrative Agent shall reasonably request and (ii) an Opinion of Counsel confirming that such release is permitted by Section 8.08. Additionally, with respect to subordinating the Administrative Agent's security interest in Collateral to a Permitted Lien which is permitted pursuant to this agreement to rank senior to the Loans, upon the request of the applicable Loan Party, execute and deliver to the applicable Loan Party such documents as such Loan Party may reasonably request to evidence the subordination of the Administrative Agent's security interest in the Collateral to such Permitted Lien; provided that the Borrower shall have delivered to the Administrative Agent a certificate of a Responsible Officer of the Borrower certifying that any such subordination has been consummated in compliance with this Agreement and the other Loan Documents as the Administrative Agent shall reasonably request and (ii) an Opinion of Counsel confirming that such subordination is permitted by this Agreement.

Each Secured Party hereby further authorizes the Administrative Agent on behalf of and for the benefit of the Secured Parties, (a) to be the agent for and representative of the Secured Parties with respect to the Collateral and the Collateral Documents, (b) to enter into any applicable intercreditor agreement contemplated by this agreement, including any Intercreditor Agreement and (c) to take any actions thereunder as determined by the Administrative Agent to be necessary or advisable. Each Secured Party hereby further authorizes the Administrative Agent on behalf of and for the benefit of the Secured Parties to enter into any other intercreditor agreement reasonably required by the Loan Documents (including any Intercreditor Agreement), and each Secured Party agrees to be bound by the terms of such intercreditor agreement.

Anything contained in any of the Loan Documents to the contrary notwithstanding, the Borrower, the Administrative Agent and each Secured Party hereby agree that (i) unless the Administrative Agent consents thereto, no Secured Party shall have any right individually to realize upon any of the Collateral or to enforce the Loan Documents, it being understood and agreed that all powers, rights and remedies hereunder may be exercised solely by the Administrative Agent on behalf of itself and the Lenders in accordance with the terms hereof and all powers, rights and remedies under the Collateral Documents may be exercised solely by the Administrative Agent on behalf of the Secured Parties, and (ii) in the event of a foreclosure by the Administrative Agent on any of the Collateral pursuant to a public or private sale or other disposition, the Administrative Agent or any Lender may be the purchaser or licensor of any or all of such Collateral at any such sale or other disposition and the Administrative Agent, as agent for and representative of the Secured Parties (but not any Lender or Lenders in its or their respective individual capacities unless the Administrative Agent shall otherwise agree in writing) shall be entitled, for the purpose of bidding and making settlement or payment of the purchase price for all or any portion of the Collateral sold at any such public sale, to use and apply any of the Loan Obligations as a credit on account of the purchase price for any collateral payable by the Administrative Agent at such sale or other disposition.

SECTION 8.09 [Reserved]

SECTION 8.10 Appointment of Supplemental Administrative Agents.

(a) It is the purpose of this Agreement and the other Loan Documents that there shall be no violation of any Law of any jurisdiction denying or restricting the right of banking corporations or associations to transact business as agent or trustee in such jurisdiction. It is recognized that in case of litigation under this Agreement or any of the other Loan Documents, and in particular in case of the enforcement of any of the Loan Documents, or in case the Administrative Agent deems that by reason of any present or future Law of any jurisdiction it may not exercise any of the rights, powers or remedies granted herein or in any of the other Loan Documents or take any other action which may be desirable or necessary in connection therewith, the Administrative Agent is hereby authorized to appoint an additional individual or institution selected by the Administrative Agent in its sole discretion as a separate trustee, co-trustee, administrative agent, collateral agent, administrative sub-agent or administrative co-agent (any such additional individual or institution being referred to herein individually as a "Supplemental Administrative Agent" and collectively as "Supplemental Administrative Agents").

(b) In the event that the Administrative Agent appoints a Supplemental Administrative Agent with respect to any Collateral, (i) each and every right, power, privilege or duty expressed or intended by this Agreement or any of the other Loan Documents to be exercised by or vested in or conveyed to the Administrative Agent with respect to such Collateral shall be exercisable by and vest in such Supplemental Administrative Agent to the extent, and only to the extent, necessary to enable such Supplemental Administrative Agent to exercise such rights, powers and privileges with respect to such Collateral and to perform such duties with respect to such Collateral, and every covenant and obligation contained in the Loan Documents and necessary to the exercise or performance thereof by such Supplemental Administrative Agent shall run to and be enforceable by either the Administrative Agent or such Supplemental Administrative Agent, and (ii) the provisions of this Article 8 and of Section 9.05 (obligating the Borrower to pay the Administrative Agent's expenses and to indemnify the Administrative Agent) that refer to the Administrative Agent shall inure to the benefit of such Supplemental Administrative Agent and all references therein to the Administrative Agent shall be deemed to be references to the Administrative Agent and/or such Supplemental Administrative Agent, as the context may require.

(c) Should any instrument in writing from the Borrower or any other Loan Party be required by any Supplemental Administrative Agent so appointed by the Administrative Agent for more fully and certainly vesting in and confirming to it such rights, powers, privileges and duties, the Borrower shall, or shall cause such Loan Party to, execute, acknowledge and deliver any and all such instruments promptly upon request by the Administrative Agent. In case any Supplemental Administrative Agent, or a successor thereto, shall die, become incapable of acting, resign or be removed, all the rights, powers, privileges and duties of such Supplemental Administrative Agent, to the extent permitted by Law, shall vest in and be exercised by the Administrative Agent until the appointment of a new Supplemental Administrative Agent.

(d) No Administrative Agent shall be responsible for the actions of any other administrative agent appointed pursuant to this Section 8.10.

SECTION 8.11 Administrative Agent May File Proofs of Claim. In case of the pendency of any proceeding under any Debtor Relief Law or any other judicial proceeding relative to any Loan Party, the Administrative Agent (irrespective of whether the principal of any Loan shall then be due and payable as herein expressed or by declaration or otherwise and irrespective of whether the Administrative Agent shall have made any demand on the Borrower) shall be entitled and empowered, by intervention in such proceeding or otherwise:

(a) to file and prove a claim for the whole amount of the principal and interest owing and unpaid in respect of the Loans and all other Loan Obligations that are owing and unpaid and to file such other documents as may be necessary or advisable in order to have the claims of the Lenders and the Administrative Agent (including any claim for the reasonable compensation, expenses, disbursements and advances of the Lenders and the Administrative Agent and their respective agents and counsel and all other amounts due the Lenders and the Administrative Agent under Section 2.07) allowed in such judicial proceeding; and

(b) to collect and receive any monies or other property payable or deliverable on any such claims and to distribute the same; and any custodian, receiver, assignee, trustee, liquidator, sequestrator or other similar official in any such judicial proceeding is hereby authorized by each Lender to make such payments to the Administrative Agent and, if the Administrative Agent shall consent to the making of such payments directly to the Lenders, to pay to the Administrative Agent any amount due for the reasonable compensation, expenses, disbursements and advances of the Administrative Agent and its agents and counsel, and any other amounts due the Administrative Agent under Section 2.07.

Nothing contained herein shall be deemed to authorize the Administrative Agent to authorize or consent to or accept or adopt on behalf of any Lender any plan of reorganization, arrangement, adjustment or composition affecting the Loan Obligations or the rights of any Lender to authorize the Administrative Agent to vote in respect of the claim of any Lender or in any such proceeding.

SECTION 8.12 Indemnification of Administrative Agent. Each Lender, on a pro rata basis, based on its Aggregate Exposure Percentage, severally (but not jointly) agrees to indemnify the Administrative Agent and its Related Parties, to the extent that the Administrative Agent or its Related Parties shall not have been reimbursed by any Loan Party, for and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses (including Attorney Costs (which shall be limited to one (1) counsel, at any given time, to the Administrative Agent, and if reasonably necessary, one (1) local counsel, at any given time, to the Administrative Agent in each relevant jurisdiction)) or disbursements of any kind or nature whatsoever which may be imposed on, incurred by or on behalf of or asserted against the Administrative Agent or its Related Parties (solely to the extent such Related Party was performing services on behalf of the Administrative Agent) in exercising its powers, rights and remedies or performing its duties hereunder or under the other Loan Documents or otherwise in its capacity as the Administrative Agent in any way relating to or arising out of this Agreement or the other Loan Documents (including in connection with enforcing a Lender's indemnification obligation hereunder); provided that no Lender shall be liable for any portion of such liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements resulting from the Administrative Agent's or its Related Parties', as applicable, gross negligence or willful misconduct, as determined by a court of competent jurisdiction in a final and non-appealable judgment.

In addition, each Lender hereby severally (but not jointly) agrees to reimburse the Administrative Agent and each of its Related Parties promptly upon demand for such Lender's pro rata share based on its Aggregate Exposure Percentage of any costs and expenses (including Attorney Costs (which shall be limited to one (1) counsel, at any given time, to the Administrative Agent, and if reasonably necessary, one (1) local counsel, at any given time, to the Administrative Agent in each relevant jurisdiction)) that may be incurred by the Administrative Agent or any of its Related Parties, to the extent not reimbursed by a Loan Party, in connection with the preparation, syndication, execution, delivery, administration, modification, consent, waiver or enforcement (whether through negotiations, through any work-out, bankruptcy, restructuring or other legal or other proceeding or otherwise) of, or legal advice in respect of its rights or responsibilities under, any Loan Document.

SECTION 8.13 Agency for Perfection. The Administrative Agent hereby appoints, authorizes and directs each Secured Party to act as collateral sub-agent for the Administrative Agent and the other Secured Parties for purposes of the perfection of all Liens with respect to the Collateral, including any deposit account maintained by a Loan Party with, and cash and Cash Equivalents held by, such Secured Party, and may further authorize and direct such Secured Party to take further actions as collateral sub-agents for purposes of enforcing such Liens or otherwise to transfer the Collateral subject thereto to the Administrative Agent, and each Secured Party hereby agrees to take such further actions to the extent, and only to the extent, so authorized and directed. For the avoidance of doubt, nothing in this Section 8.13 is intended to require the parties hereto to enter into any account control agreements not otherwise required hereunder. For the avoidance of doubt, any Secured Party that is appointed as a collateral sub-agent for the Administrative Agent shall be entitled to the benefits set forth in Section 8.05.

ARTICLE IX

MISCELLANEOUS

SECTION 9.01 Amendments, Etc. No amendment or waiver of any provision of this Agreement or any other Loan Document, and no consent to any departure by the Borrower or any other Loan Party therefrom, shall be effective unless in writing signed by the Required Lenders (or by the Administrative Agent with the consent of the Required Lenders) and the Borrower or the applicable Loan Party, as the case may be, and each such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given; provided that no such amendment, waiver or consent shall:

(a) extend or increase the Commitment of any Lender without the prior written consent of such Lender (it being understood that a waiver of any condition precedent set forth in Section 4.02, or the waiver of any non-monetary Default or Event of Default shall not constitute an extension or increase of any Commitment of any Lender);

(b) postpone any date scheduled for any payment of principal, premium, interest or fees, without the prior written consent of each Lender directly and adversely affected thereby (it being understood that a waiver of any non-monetary Default or Event of Default shall not constitute a postponement of any date scheduled for any payment of principal, premium, interest or fees);

(c) reduce or forgive the principal of, or the rate of interest specified herein on, any Loan or (subject to clause (iii) of the second proviso to this Section 9.01) reduce or forgive any fees or premium payable hereunder or under any other Loan Document without the prior written consent of each Lender directly and adversely affected thereby; provided that only the consent of the Required Lenders shall be necessary to amend the definition of "Default Rate" or to waive any obligation of the Borrower to pay interest at the Default Rate;

(d) change any provision of this Section 9.01 without the prior written consent of each Lender directly and adversely affected thereby; provided that the consent of each Lender shall be required to reduce the voting percentage set forth in the definition of "Required Lenders" or Section 9.07(a) (solely with regard to the ability of the Borrower to assign or otherwise transfer any of its rights or obligations hereunder);

(e) release all or substantially all of the Collateral in any transaction or series of related transactions (it being understood that a transaction permitted under Section 6.07 or Section 6.11 shall not constitute the release of all or substantially all of the Collateral); provided that the unused Commitment and the portion of the Total Outstandings held or deemed held by any Defaulting Lender shall be excluded for purposes of making such determination;

(f) other than in connection with a transaction permitted under Section 6.07 or Section 6.11, release all or substantially all of the aggregate value of the Guarantees; provided that the unused Commitment and the portion of the Total Outstandings held or deemed held by any Defaulting Lender shall be excluded for purposes of making such determination;

(g) except as necessary or advisable to carry out the express intent of sections of this Agreement (including Section 2.13, Section 2.14 and this Section 9.01) permitting the addition of Classes of Loans or Commitments that may be incurred on a pari passu or junior basis in right of payment and/or Lien priority to the then-existing Loans and/or Commitments, or amend Section 7.03 or Section 2.10(f) in a manner that directly and adversely affects any Class without the consent of Lenders of such Class holding more than 50% of the Commitments in respect of such Class;

(h) except as expressly set forth herein, amend Section 2.10(a) or Section 2.11 without the consent of each Lender directly and adversely affected thereby; and

(i) amend, modify or change any provision that provides for the pro rata nature of disbursements by or payments to Lenders.

and provided further that no amendment, waiver or consent shall, unless in writing and signed by the Administrative Agent in addition to the Lenders required above, affect the rights or duties of, or any fees or other amounts payable to, the Administrative Agent under this Agreement or any other Loan Document (it being understood that the Required Lenders may agree to grant forbearance without the consent of the Administrative Agent, so long as such forbearance is not related to any rights of the Administrative Agent). Notwithstanding anything to the contrary herein, no Defaulting Lender shall have any right to approve or disapprove any amendment, waiver or consent hereunder, except that (x) the Commitment of such Lender may not be increased or extended without the consent of such Lender and (y) the principal and accrued and unpaid interest of such Lender's Loans shall not be reduced or forgiven without the consent of such Lender.

Notwithstanding the foregoing, this Agreement may be amended (or amended and restated) with the prior written consent of the Required Lenders, the Administrative Agent and the Borrower (a) to add one or more additional credit facilities to this Agreement and to permit the extensions of credit from time to time outstanding thereunder and the accrued interest and fees in respect thereof to share ratably in the benefits of this Agreement and the other Loan Documents with any Loans and the accrued interest and fees in respect thereof and (b) to include appropriately the Lenders holding such credit facilities in any determination of the Required Lenders.

In addition, notwithstanding the foregoing, this Agreement may be amended with the prior written consent of the Administrative Agent, the Borrower and all of the applicable Replacement Lenders (and no other Lenders) of the applicable Replacement Commitment Series providing such Replacement Loans in connection with any refinancing facilities permitted pursuant to [Section 2.14\(a\)](#).

In addition, notwithstanding the foregoing, this Agreement may be amended with the written consent of the Administrative Agent, the Borrower and all of the applicable Refinancing Lenders (and no other Lenders) of the applicable Refinancing Loan Series providing such Refinancing Loans in connection with any refinancing facilities permitted pursuant to [Section 2.14\(b\)](#).

In addition, notwithstanding anything to the contrary contained in this [Section 9.01](#) or any Loan Document, (a) the Borrower and the Administrative Agent may, without the input or consent of any other Lender, (i) effect amendments to this Agreement and the other Loan Documents as may be necessary in the reasonable opinion of the Borrower and the Administrative Agent to effect the provisions of [Section 2.13](#) or [Section 2.14](#) (provided, that the consents of any applicable Lender shall be required, to the extent specified in [Section 2.13](#), or [Section 2.14](#)), (ii) evidence the succession of another Person to the Borrower or Holdings or successive successions, and the assumption by the successor Person of the covenants, agreements and obligations of the Borrower or Holdings herein, (iii) add to the covenants of the Borrower or Holdings such further covenants, restrictions, conditions or provisions for the protection of the Lenders, or to surrender any right or power herein conferred upon the Borrower or Holdings, and to make the occurrence, or the occurrence and continuance, of a default in any such additional covenants, restrictions, conditions or provisions an Event of Default permitting the enforcement of all or any of the several remedies provided in this [Indenture Agreement](#) as herein set forth; provided, however, that in respect of any such additional covenants, restrictions, conditions or provisions such amendment, supplemented Agreement or waiver may provide for a particular period of grace after default (which period may be shorter or longer than that allowed in the case of other defaults) or may provide for an immediate enforcement upon such an Event of Default or may limit the remedies available to the Administrative Agent upon such an Event of Default or may limit the right of Required Lenders to waive such an Event of Default, (iv) evidence and provide for the acceptance of appointment hereunder by a successor or replacement Administrative Agent or under the Collateral Documents, (v) to provide for any Guarantee, (vi) to add security to or for the benefit of the Loans and, in the case of the Collateral Documents, to or for the benefit of the other secured parties named therein, or to confirm and evidence the release, termination or discharge of any Guarantee of the Loans or Lien securing the Loans or any Guarantee when such release, termination or discharge is permitted by this Agreement and the Collateral Documents and (vii) (a) [reserved], (b) if the Administrative Agent and the Borrower have jointly identified an obvious error, ambiguity, defect, inconsistency or any error or omission of a technical nature, in each case, in any provision of the Loan Documents, then the Administrative Agent and the Borrower shall be permitted to amend such provision, (c) guarantees, collateral security documents and related documents executed by Subsidiaries in connection with this Agreement may be in a form reasonably determined by the Administrative Agent and may be amended, supplemented or waived without the consent of any Lender if such amendment, supplement or waiver is delivered in order to (x) comply with local Law, (y) cure ambiguities, omissions, mistakes or defects or (z) cause such guarantee, collateral security document or other document to be consistent with this Agreement and the other Loan Documents and (d) the Borrower and the Administrative Agent may, with the prior written consent of the Required Lenders, effect immaterial amendments to the schedules and/or the exhibits to this Agreement and the other Loan Documents, in each case, as in effect on the Closing Date, if the Required Lenders have reasonably determined that such amendments are appropriate or to account for events or circumstances occurring after the Closing Date, which would have been included if such events or circumstances had occurred prior to the Closing Date.

SECTION 9.02 Notices and Other Communications; Facsimile Copies.

(a) *General.* Unless otherwise expressly provided herein, all notices and other communications provided for hereunder or any other Loan Document shall be in writing (including by facsimile or other electronic transmission). All such written notices shall be mailed, faxed or delivered (including electronically) to the applicable address, facsimile number or electronic mail address, as follows:

(i) if to the Borrower or the Administrative Agent, to the address, facsimile number or electronic mail address specified for such Person on Schedule 9.02 or to such other address, facsimile number or electronic mail address as shall be designated by such party in a notice to the other parties; and

(ii) if to any other Lender, to the address, facsimile number or electronic mail address specified in its Administrative Questionnaire or to such other address, facsimile number or electronic mail address as shall be designated by such party in a notice to the Borrower and the Administrative Agent.

All such notices and other communications shall be deemed to be given or made upon the earlier to occur of (i) actual receipt by the relevant party hereto and (ii) (A) if delivered by hand or by courier, when signed for by or on behalf of the relevant party hereto, (B) if delivered by mail, four (4) Business Days after deposit in the mail, postage prepaid, (C) if delivered by facsimile, when sent and receipt has been confirmed, and (D) if delivered by electronic mail, when delivered; provided that notices and other communications to the Administrative Agent pursuant to Article 2 shall not be effective until actually received by such Person. In no event shall a telephone or voice-mail message be effective as a notice, communication or confirmation hereunder; provided, however, this sentence shall not limit Section 8.04.

(b) *Effectiveness of Facsimile or Other Electronic Documents and Signatures.* Loan Documents may be transmitted and/or signed by facsimile or other electronic transmission (including portable document format). The effectiveness of any such documents and signatures shall, subject to applicable Law, have the same force and effect as manually signed originals and shall be binding on all Loan Parties, the Agents and the Lenders. The Administrative Agent may also require that any such documents and signatures be confirmed by a manually signed original thereof; provided that the failure to request or deliver the same shall not limit the effectiveness of any facsimile or other electronic document or signature.

(c) *Reliance by Agents and Lenders.* The Administrative Agent and the Lenders shall be entitled to rely and act upon any notices (including telephonic Loan Notices) purportedly given by or on behalf of the Borrower even if (i) such notices were not made in a manner specified herein, were incomplete or were not preceded or followed by any other form of notice specified herein, or (ii) the terms thereof, as understood by the recipient, varied from any confirmation thereof. The Borrower shall indemnify each Agent-Related Person and each Lender from all losses, costs, expenses and liabilities resulting from the reliance by such Person on each notice purportedly given by or on behalf of the Borrower in accordance with Section 9.05.

SECTION 9.03 No Waiver; Cumulative Remedies. No failure by any Lender or the Administrative Agent to exercise, and no delay by any such Person in exercising, any right, remedy, power or privilege hereunder or under any other Loan Document shall operate as a waiver thereof, nor shall any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege. The rights, remedies, powers and privileges herein provided, and provided under each other Loan Document, are cumulative and not exclusive of any rights, remedies, powers and privileges provided by Law.

SECTION 9.04 Expenses. Holdings and the Borrower, jointly and severally, agree to reimburse (1) the Administrative Agent in accordance with the Agent Fee Letter and (2) the Administrative Agent and the Lenders for all of their costs, fees and expenses incurred in connection with the enforcement or preservation of any rights under this Agreement, the other Loan Documents and any other documents prepared in connection herewith or therewith, including in each case the reasonable fees, disbursements and other charges of one outside counsel to the Administrative Agent and one outside counsel to the Lenders as a whole, and if reasonably necessary, one additional local counsel to the Administrative Agent in each relevant jurisdiction and one local counsel to the Lenders, taken as a whole, in each relevant jurisdiction (which may include a single special counsel acting in multiple jurisdictions).

SECTION 9.05 Indemnification by the Borrower. The Borrower shall indemnify and hold harmless the Administrative Agent, each Lender and their respective Affiliates and their and their respective Affiliates' directors, officers, employees, controlling persons, counsel, agents, attorneys-in-fact, trustees and advisors (collectively the "Indemnitees") from and against any and all liabilities, losses, damages, claims and expenses (including Attorney Costs (which shall be limited to one (1) counsel, at any given time, to the Administrative Agent and one (1) additional counsel for all other Indemnitees taken as a whole and solely in the case of a conflict of interest among or between Indemnitees, one (1) additional counsel to all similarly affected Indemnitees taken as a whole, and if reasonably necessary, one (1) local counsel, at any given time, to the Administrative Agent in each relevant jurisdiction and one (1) additional local counsel for all other Indemnitees taken as a whole in each relevant jurisdiction (which may include a single special counsel acting in multiple jurisdictions), and solely in the case of a conflict of interest, one (1) additional local counsel to all similarly affected Person, taken as a whole)) of any kind or nature whatsoever which may at any time be imposed on, incurred by or asserted against any such Indemnitee, in each case, in any way relating to or arising after the Closing Date (or, in the case of the Administrative Agent only, in its capacity as such, the Closing Date) out of or in connection with (a) the enforcement, performance or administration of any Loan Document or any other agreement, letter or instrument delivered in connection with the transactions contemplated thereby or the consummation of the transactions contemplated thereby (including enforcing the Borrower's indemnification obligations hereunder), (b) any Commitment or Loan or the use or proposed use of the proceeds therefrom, or (c) any actual or prospective claim, litigation, investigation or proceeding relating to any of the foregoing, whether based on contract, tort or any other theory (including any investigation of, preparation for, or defense of any pending or threatened claim, investigation, litigation or proceeding) and regardless of whether any Indemnitee is a party thereto (and regardless of whether such matter is instituted by a third party or by the Borrower or any other Loan Party) (all the foregoing, collectively, the "Indemnified Liabilities") in all cases, whether or not caused by or arising, in whole or in part, out of the negligence of the Indemnitee; provided that such indemnity shall not, as to any Indemnitee, be available to the extent that such liabilities, obligations, losses, damages, penalties, claims, actions, judgments, suits, costs, expenses or disbursements (x) have been determined in the final, non-appealable judgment of a court of competent jurisdiction to have resulted from the gross negligence or willful misconduct of such Indemnitee (or any of its Related Indemnitees) or (y) arise from claims of any of the Indemnitees solely against one (1) or more Indemnitees (other than claims against an Indemnitee in its capacity as Administrative Agent) that have not resulted from the action, inaction, participation or contribution of the Borrower, Holdings or any Affiliates of the foregoing or any of their respective officers, directors, stockholders, partners, members, employees, agents, representatives or advisors; provided further that Section 3.01 (instead of this Section 9.05) shall govern indemnities with respect to Taxes, except that Taxes representing losses, claims, damages, etc., with respect to a non-Tax claim shall be governed by this Section 9.05 (without duplication of Section 3.01). No Indemnitee shall be liable for any damages arising from the use by others of any information or other materials obtained through Syndtrak, IntraLinks, the internet, email or other similar information transmission systems in connection with this Agreement, in each case, except to the extent any such damages are found in a final non-appealable judgment of a court of competent jurisdiction to have resulted from the gross negligence or willful misconduct of such Indemnitee nor shall any Indemnitee or any Loan Party have any liability for any special, punitive, indirect or consequential damages relating to this Agreement or any other Loan Document or arising out of its activities in connection herewith or therewith (whether before or after the Closing Date); provided that nothing contained in this sentence shall limit the Borrower's indemnification and reimbursement obligations under this Agreement. The Borrower shall not be liable for any settlement in respect of any Indemnified Liabilities effected without the Borrower's consent (which consent shall not be unreasonably withheld), but if settled with the Borrower's prior written consent, or (without limitation of the Borrower's obligations set forth above) if there is a final judgment against an Indemnitee, the Borrower agrees to indemnify and hold harmless each Indemnitee in the manner set forth above.

The Borrower shall not, without the prior written consent of the affected Indemnitee (which consent shall not be unreasonably withheld or delayed), effect any settlement of any pending or threatened Indemnified Liability against such Indemnitee in respect of which indemnity could have been sought hereunder by such Indemnitee unless such settlement (a) includes an unconditional release of such Indemnitee from all liability or claims that are the subject matter of such claimed or threatened Indemnified Liability, (b) does not include any statement as to any admission of fault, culpability or failure to act by or on behalf of such Indemnitee and (c) includes customary confidentiality provisions reasonably acceptable to such Indemnitee.

In the case of an investigation, litigation or other proceeding to which the indemnity in this Section 9.05 applies, such indemnity shall be effective whether or not such investigation, litigation or proceeding is brought by any Loan Party, its directors, shareholders or creditors or an Indemnitee or any other Person, whether or not any Indemnitee is otherwise a party thereto and whether or not any of the transactions contemplated hereunder or under any of the other Loan Documents is consummated. All amounts due under this Section 9.05 shall be reimbursed within ten (10) Business Days of written demand therefor (together with reasonable backup documentation). The agreements in this Section 9.05 shall survive the resignation of the Administrative Agent, the replacement of any Lender and the Termination Date.

For purposes hereof, “Related Indemnitee” of an Indemnitee means (1) any Controlling Person or Controlled affiliate of such Indemnitee, (2) the respective partners, directors, officers, or employees of such Indemnitee or any of its Controlling Persons or Controlled affiliates and (3) the respective agents, advisors or other representatives of such Indemnitee or any of its Controlling Persons or Controlled affiliates, in the case of this clause (3), acting on behalf of or at the instructions of such Indemnitee, Controlling Person or such Controlled affiliate; provided that each reference to a Related Indemnitee in this sentence pertains to a Related Indemnitee involved in performing services under this Agreement and the Facilities. Notwithstanding the foregoing, if it is found by a final, non-appealable judgment of a court of competent jurisdiction in any such action, proceeding or investigation that any loss, claim, damage or liability of any Indemnitee has resulted from the gross negligence or willful misconduct of such Indemnitee (or any of its Related Indemnitees), such Indemnitee will repay such portion of the reimbursed amounts previously paid to such Indemnitee under this Section that is attributable to expenses incurred in relation to the act or omission of such Indemnitee which is the subject of such finding.

SECTION 9.06 Marshalling; Payments Set Aside. Neither the Administrative Agent nor any Lender shall be under any obligation to marshal any assets in favor of any Loan Party or any other Person or against or in payment of any or all of the Loan Obligations. To the extent that any payment by or on behalf of the Borrower is made to any Agent or any Lender, or any Agent or any Lender exercises its right of setoff, and such payment or the proceeds of such setoff or any part thereof is subsequently invalidated, declared to be fraudulent or preferential, set aside or required (including pursuant to any settlement entered into by such Agent or such Lender in its discretion) to be repaid to a trustee, receiver or any other party, in connection with any proceeding under any Debtor Relief Law or otherwise, then (a) to the extent of such recovery, the obligation or part thereof originally intended to be satisfied, and all Liens, rights and remedies therefor or related thereto, shall be revived and continued in full force and effect as if such payment or payments had not been made or such enforcement or setoff had not occurred, and (b) each Lender severally agrees to pay to the Administrative Agent upon demand its applicable share of any amount so recovered from or repaid by any Agent, plus interest thereon from the date of such demand to the date such payment is made at a rate per annum equal to the applicable Federal Funds Effective Rate from time to time in effect.

SECTION 9.07 Successors and Assigns. (a) The provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns permitted hereby, except that the Borrower may not assign or otherwise transfer any of its rights or obligations hereunder without the prior written consent of each Lender and the acknowledgement of the Administrative Agent, and any such assignment without such consent shall be null and void (for the avoidance of doubt, any such transfer that occurs pursuant to a transaction permitted under Section 6.11 is permitted hereunder without any such consent), and no Lender may assign or otherwise transfer any of its rights or obligations hereunder except (i) to an Eligible Assignee in accordance with the provisions of Section 9.07(b), or (ii) by way of pledge or assignment of a security interest subject to the restrictions of Section 9.07(g) or Section 9.07(i), as the case may be. Nothing in this Agreement, expressed or implied, shall be construed to confer upon any Person (other than the parties hereto, their respective successors and assigns permitted hereby, Participants to the extent provided in Section 9.07(e)) and, to the extent expressly contemplated hereby, the Indemnitees) any legal or equitable right, remedy or claim under or by reason of this Agreement.

(b) Any Lender may at any time assign to one or more Eligible Assignees all or a portion of its rights and obligations under this Agreement; provided that (i) except in the case of an assignment to a Lender or an Affiliate of a Lender or an Approved Fund with respect to a Lender, the aggregate amount of such assignment, determined as of the date the Assignment and Assumption with respect to such assignment is delivered to the Administrative Agent shall not be less than \$1,000,000, in the case of any assignment in respect of any Loans (provided, however, that concurrent assignments to or by Approved Funds will be treated as a single assignment for the purpose of meeting the minimum transfer requirements), (ii) each of the Administrative Agent (except in the case of an assignment to a Lender, an Affiliate of a Lender or an Approved Fund (but subject to clause (iv) below)), and, so long as no Event of Default has occurred and is continuing, the Borrower consents to such assignment, (iii) each partial assignment shall be made as an assignment of a proportionate part of all the assigning Lender's rights and obligations under this Agreement with respect to the Loans or the Commitment assigned, except that this clause (iii) shall not prohibit any Lender from assigning all or a portion of its rights and obligations among separate Facilities on a non-pro rata basis, (iv) the parties (other than the Borrower unless its consent to such assignment is required hereunder) to each assignment shall execute and deliver to the Administrative Agent an Assignment and Assumption together with a processing and recordation fee of \$3,500 (which fee (x) the Borrower shall not have an obligation to pay except as required in Section 3.07 and (y) may be waived or reduced by the Administrative Agent in its discretion) and (v) the assigning Lender shall deliver any Notes evidencing such Loans to the Borrower or the Administrative Agent if requested.

Subject to acceptance and recording thereof by the Administrative Agent pursuant to Section 9.07(c), from and after the effective date specified in each Assignment and Assumption, the Eligible Assignee thereunder shall be a party to this Agreement and, to the extent of the interest assigned by such Assignment and Assumption, have the rights and obligations of a Lender under this Agreement, and the assigning Lender thereunder shall, to the extent of the interest assigned by such Assignment and Assumption, be released from its obligations under this Agreement (and, in the case of an Assignment and Assumption covering all of the assigning Lender's rights and obligations under this Agreement, such Lender shall cease to be a party hereto but shall continue to be entitled to the benefits of Section 3.01, Section 3.04 and Section 9.05 with respect to facts and circumstances occurring prior to the effective date of such assignment and shall continue to be bound by Section 9.08). Upon request, the Borrower (at its expense) shall execute and deliver a Note to the assignee Lender; provided that if the Borrower has previously issued an assigning Lender a Note, then the Borrower shall have no obligation to deliver a Note to the assignee Lender except upon the surrender by the assigning Lender of its Note (or receipt by the Borrower of a certificate of loss including reasonably satisfactory indemnification provisions).

(c) The Administrative Agent, acting solely for this purpose as an agent of the Borrower, shall maintain at the Administrative Agent's Office a copy of each Assignment and Assumption delivered to it and a register for the recordation of the names and addresses of the Lenders, and the Commitments of, and principal amounts (and stated interest amounts) of the Loans, owing to each Lender pursuant to the terms hereof from time to time (the "Register"). The entries in the Register shall be conclusive, absent manifest error, and the Borrower, the Agents and the Lenders shall treat each Person whose name is recorded in the Register pursuant to the terms hereof as the owner of its interests in the Loans and amounts due under the Loan Documents as set forth in the Register and as a Lender hereunder for all purposes of this Agreement, notwithstanding notice to the contrary. The Register shall be available for inspection by the Borrower, any Agent, any Lender (solely with respect to such Lender's interest), at any reasonable time and from time to time upon reasonable prior notice. Notwithstanding anything to the contrary contained in this Agreement, the Loans and Loan Obligations are intended to be treated as registered obligations for U.S. federal income Tax purposes. Any right or title in or to any Loans and Loan Obligations (including with respect to the principal amount and any interest thereon) may only be assigned or otherwise transferred through the Register. This Section 9.07 shall be construed so that the Loans and Loan Obligations are at all times maintained in "registered form" within the meaning of Sections 163(f), 871(h)(2) and 881(c)(2) of the Code, Treasury Regulation Section 5f.103-1(c) or Section 1.163-5(b) of the United States Proposed Treasury Regulations (or, in each case, any amended or successor version) and any other related regulations (or any successor provisions of the Code or such regulations).

(d) The words "execution," "signed," "signature" and words of like import in any Assignment and Assumption shall be deemed to include electronic signatures or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable Law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act or any other similar state laws based on the Uniform Electronic Transactions Act.

(e) Any Lender may at any time, with the consent of the Borrower, so long as no Event of Default has occurred and is continuing, but without the consent of, or notice to, the Administrative Agent, sell participations to any Person (other than a natural person, the Borrower, Holdings or any Affiliate of the Borrower or Holdings or (unless a Default or Event of Default has occurred and is continuing) a Competitor) (each, a "Participant") in all or a portion of such Lender's rights and/or obligations under this Agreement (including all or a portion of its Commitment and/or the Loans owing to it); provided that (i) such Lender's obligations under this Agreement shall remain unchanged, (ii) such Lender shall remain solely responsible to the other parties hereto for the performance of such obligations and (iii) the Borrower, the Agents and the other Lenders shall continue to deal solely and directly with such Lender in connection with such Lender's rights and obligations under this Agreement. Any agreement or instrument pursuant to which a Lender sells such a participation shall provide that such Lender shall retain the sole right to enforce this Agreement and the other Loan Documents and to approve any amendment, modification or waiver of any provision of this Agreement or the other Loan Documents; provided that such agreement or instrument may provide that such Lender will not, without the consent of the Participant, agree to any amendment, waiver or other modification described in the clauses (a) through (i) of the first proviso to Section 9.01 that directly and adversely affects such Participant. Subject to Section 9.07(f), the Borrower agrees that each Participant shall be entitled to the benefits of Section 3.01 and Section 3.04 (subject to the requirements and limitations therein, including the requirements under Section 3.01(f) and Section 3.06 read as if a Participant were a Lender (it being understood that the documentation required thereunder shall be delivered to the participating Lender and the Administrative Agent)) to the same extent as if it were a Lender and had acquired its interest by assignment pursuant to Section 9.07(b); provided that such Participant agrees to bound by such Sections, including for the avoidance of doubt to be subject to the provisions of Section 3.01(f) and Section 3.06 as if it were an assignee under paragraph (b) of this Section. To the extent permitted by Law, each Participant also shall be entitled to the benefits of Section 9.09 as though it were a Lender; provided that such Participant agrees to be subject to Section 2.11 as though it were a Lender. Each Lender that sells a participation shall, acting solely for this purpose as an non-fiduciary agent of the Borrower, maintain a register on which it enters the name and address of each Participant and the principal amounts (and stated interest) of each Participant's interest in the Loans or other obligations under the Loan Documents (the "Participant Register"); provided that no Lender shall have any obligation to disclose all or any portion of the Participant Register (including the identity of any Participant or any information relating to a Participant's interest in any Commitments or any Loans or its other obligations under any Loan Document) to any Person except to the extent that such disclosure is necessary to establish that such Commitment or Loan or other obligation is in registered form under Section 5f.103-1(c) of the United States Treasury Regulations or Section 1.163-5(b) of the United States Proposed Treasury Regulations (or, in each case, any amended or successor version). The entries in the Participant Register shall be conclusive absent manifest error, and such Lender (and the Borrower, to the extent that the Participant requests payment from the Borrower) shall treat each person whose name is recorded in the Participant Register as the owner of such participation for all purposes of this Agreement notwithstanding any notice to the contrary.

(f) A Participant shall not be entitled to receive any greater payment under Section 3.01 or Section 3.04 than the applicable Lender would have been entitled to receive with respect to the participation sold to such Participant.

(g) Any Lender may at any time, without the consent of, or notice to, the Borrower or the Administrative Agent, pledge or assign a security interest in all or any portion of its rights under this Agreement (including under its Note, if any) to secure obligations of such Lender, including any pledge or assignment to secure obligations to a Federal Reserve Bank or any central bank having jurisdiction over such Lender; provided that no such pledge or assignment shall release such Lender from any of its obligations hereunder or substitute any such pledgee or assignee for such Lender as a party hereto.

(h) [Reserved].

(i) Notwithstanding anything to the contrary contained herein, any Lender (a “Pledging Lender”) shall have the right from time to time in its discretion and without the consent of Borrower to pledge, securitize, encumber, hypothecate, or otherwise transfer (a “Pledge”) all or any portion of its interest in the Loan to an Eligible Assignee (each, a “Pledgee”); provided that unless and until the applicable Pledgee actually becomes a Lender in compliance with the other provisions of this Section 9.07, (i) no such Pledge shall release the Pledging Lender from any of its obligations under the Loan Documents and, (ii) such Pledgee shall not be entitled to exercise any of the rights of a Lender under the Loan Documents even though such Pledgee may have acquired ownership rights with respect to the pledged interest through foreclosure or otherwise (unless such Pledgee is an Eligible Assignee which has complied with the requirements of Section 9.07(b)).

SECTION 9.08 [Reserved].

SECTION 9.09 Setoff. In addition to any rights and remedies of the Lenders provided by Law, upon the occurrence and during the continuance of any Event of Default, after obtaining the prior written consent of the Administrative Agent, each Lender is authorized at any time and from time to time, without prior notice to the Borrower or any other Loan Party, any such notice being waived by the Borrower (on its own behalf and on behalf of each other Loan Party) to the fullest extent permitted by Law, to set off and apply any and all deposits (general or special, time or demand, provisional or final) at any time held by, and other Indebtedness at any time owing by, such Lender to or for the credit or the account of the respective Loan Parties against any and all Loan Obligations owing to such Lender hereunder or under any other Loan Document, now or hereafter existing, irrespective of whether or not such Lender shall have made demand under this Agreement or any other Loan Document and although such Loan Obligations may be contingent or unmatured or denominated in a currency different from that of the applicable deposit or Indebtedness; provided that in the event that any Defaulting Lender shall exercise any such right of setoff, (x) all amounts so set off shall be paid over immediately to the Administrative Agent for further application in accordance with the provisions of Section 2.15 and, pending such payment, shall be segregated by such Defaulting Lender from its other funds and deemed held in trust for the benefit of the Administrative Agent and the Lenders and (y) the Defaulting Lender shall provide promptly to the Administrative Agent a statement describing in reasonable detail the Loan Obligations owing to such Defaulting Lender as to which it exercised such right of setoff. Each Lender agrees promptly to notify the Borrower and the Administrative Agent after any such set off and application made by such Lender; provided that the failure to give such notice shall not affect the validity of such setoff and application. The rights of the Administrative Agent and each Lender under this Section 9.09 are in addition to other rights and remedies (including other rights of setoff) that the Administrative Agent and such Lender may have.

SECTION 9.10 Interest Rate Limitation. Notwithstanding anything to the contrary contained in any Loan Document, the interest paid or agreed to be paid under the Loan Documents shall not exceed the maximum rate of non-usurious interest permitted by applicable Law (the "Maximum Rate"). If any Agent or any Lender shall receive interest in an amount that exceeds the Maximum Rate, the excess interest shall be applied to the principal of the Loans or, if it exceeds such unpaid principal, refunded to the Borrower. In determining whether the interest contracted for, charged, or received by an Agent or a Lender exceeds the Maximum Rate, such Person may, to the extent permitted by applicable Law, (a) characterize any payment that is not principal as an expense, fee, or premium rather than interest, (b) exclude voluntary prepayments and the effects thereof, and (c) amortize, prorate, allocate, and spread in equal or unequal parts the total amount of interest throughout the contemplated term of the Loan Obligations hereunder.

SECTION 9.11 Counterparts. This Agreement and each other Loan Document may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Delivery by telecopier or other electronic transmission (including portable document format) of an executed counterpart of a signature page to this Agreement and each other Loan Document shall be effective as delivery of an original executed counterpart of this Agreement and such other Loan Document. The Agents may also require that any such documents and signatures delivered by telecopier or other electronic means be confirmed by a manually signed original thereof; provided that the failure to request or deliver the same shall not limit the effectiveness of any document or signature delivered by telecopier or other electronic transmission.

SECTION 9.12 Integration. This Agreement, together with the other Loan Documents, comprises the complete and integrated agreement of the parties on the subject matter hereof and thereof and supersedes all prior agreements, written or oral, on such subject matter. In the event of any conflict between the provisions of this Agreement and those of any other Loan Document, the provisions of this Agreement shall control; provided that the inclusion of supplemental rights or remedies in favor of the Agents or the Lenders in any other Loan Document shall not be deemed to be a conflict with this Agreement. Each Loan Document was drafted with the joint participation of the respective parties thereto and shall be construed neither against nor in favor of any party, but rather in accordance with the fair meaning thereof.

SECTION 9.13 Survival. All representations and warranties made hereunder and in any other Loan Document or other document delivered pursuant hereto or thereto or in connection herewith or therewith shall survive the execution and delivery hereof and thereof. Such representations and warranties have been or will be relied upon by each Agent and each Lender, regardless of any investigation made by any Agent or any Lender or on their behalf and notwithstanding that any Agent or any Lender may have had notice or knowledge of any Default at the time of any Borrowing and shall continue in full force and effect until the Termination Date. The provisions of Article 3 and Article 8 and Section 9.05, 9.08, 9.15 and 9.16 shall survive and remain in full force and effect following the Termination Date.

SECTION 9.14 Severability. If any provision of this Agreement or the other Loan Documents is held to be illegal, invalid or unenforceable, the legality, validity and enforceability of the remaining provisions of this Agreement and the other Loan Documents shall not be affected or impaired thereby. The invalidity of a provision in a particular jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction. Without limiting the foregoing provisions of this Section 9.14, if and to the extent that the enforceability of any provisions in this Agreement relating to Defaulting Lenders shall be limited by Debtor Relief Laws, as determined in good faith by the Administrative Agent, then such provisions shall be deemed to be in effect only to the extent not so limited.

SECTION 9.15 GOVERNING LAW.

(a) THIS AGREEMENT AND EACH OTHER LOAN DOCUMENT (OTHER THAN ANY LOAN DOCUMENT EXPRESSLY GOVERNED BY THE LAWS OF ANOTHER JURISDICTION) SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK.

(b) ANY LEGAL ACTION OR PROCEEDING WITH RESPECT TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT SHALL BE BROUGHT IN THE COURTS OF THE STATE OF NEW YORK SITTING IN NEW YORK CITY IN THE BOROUGH OF MANHATTAN OR OF THE UNITED STATES FOR THE SOUTHERN DISTRICT OF SUCH STATE, AND BY EXECUTION AND DELIVERY OF THIS AGREEMENT, EACH OF THE BORROWER, EACH AGENT AND EACH LENDER CONSENTS, FOR ITSELF AND IN RESPECT OF ITS PROPERTY, TO THE EXCLUSIVE JURISDICTION OF THOSE COURTS AND APPELLATE COURTS FROM ANY THEREOF (OTHER THAN WITH RESPECT TO ACTIONS BY ANY AGENT OR ANY LENDER IN RESPECT OF RIGHTS UNDER ANY COLLATERAL DOCUMENT GOVERNED BY A LAW OTHER THAN THE LAWS OF THE STATE OF NEW YORK OR WITH RESPECT TO ANY COLLATERAL SUBJECT THERETO). EACH OF THE BORROWER, EACH AGENT AND EACH LENDER IRREVOCABLY WAIVES ANY OBJECTION, INCLUDING ANY OBJECTION TO THE LAYING OF VENUE OR BASED ON THE GROUNDS OF FORUM NON CONVENIENS, WHICH IT MAY NOW OR HEREAFTER HAVE TO THE BRINGING OF ANY ACTION OR PROCEEDING IN SUCH JURISDICTION IN RESPECT OF ANY LOAN DOCUMENT OR OTHER DOCUMENT RELATED THERETO.

SECTION 9.16 WAIVER OF RIGHT TO TRIAL BY JURY. EACH PARTY TO THIS AGREEMENT HEREBY EXPRESSLY WAIVES ANY RIGHT TO TRIAL BY JURY OF ANY CLAIM, DEMAND, ACTION OR CAUSE OF ACTION ARISING UNDER ANY LOAN DOCUMENT OR IN ANY WAY CONNECTED WITH OR RELATED OR INCIDENTAL TO THE DEALINGS OF THE PARTIES HERETO OR ANY OF THEM WITH RESPECT TO ANY LOAN DOCUMENT, OR THE TRANSACTIONS RELATED THERETO, IN EACH CASE WHETHER NOW EXISTING OR HEREAFTER ARISING, AND WHETHER FOUNDED IN CONTRACT OR TORT OR OTHERWISE; AND EACH PARTY HEREBY AGREES AND CONSENTS THAT ANY SUCH CLAIM, DEMAND, ACTION OR CAUSE OF ACTION SHALL BE DECIDED BY COURT TRIAL WITHOUT A JURY, AND THAT ANY PARTY TO THIS AGREEMENT MAY FILE AN ORIGINAL COUNTERPART OR A COPY OF THIS Section 9.16 WITH ANY COURT AS WRITTEN EVIDENCE OF THE CONSENT OF THE SIGNATORIES HERETO TO THE WAIVER OF THEIR RIGHT TO TRIAL BY JURY.

SECTION 9.17 Binding Effect. This Agreement shall become effective when it shall have been executed by the Borrower and the Administrative Agent shall have been notified by each Lender that each such Lender has executed it and thereafter shall be binding upon and inure to the benefit of the Borrower, each Agent and each Lender and their respective successors and permitted assigns.

SECTION 9.18 U.S.A PATRIOT Act Notice. Each Lender that is subject to the PATRIOT Act and the Administrative Agent (for itself and not on behalf of any Lender) hereby notifies the Borrower that pursuant to the requirements of the PATRIOT Act, it is required to obtain, verify and record information that identifies the Borrower and each other Loan Party, which information includes the name and address of the Borrower and each other Loan Party and other information that will allow such Lender or the Administrative Agent, as applicable, to identify the Borrower and each other Loan Party in accordance with the PATRIOT Act.

SECTION 9.19 No Advisory or Fiduciary Relationship. In connection with all aspects of each transaction contemplated hereby, each of Holdings and the Borrower acknowledge and agrees that (a) the Facilities provided for hereunder and any related arranging or other services in connection therewith (including in connection with any amendment, waiver or other modification hereof or of any other Loan Document) are an arm's-length commercial transaction between Holdings and the Borrower, on the one hand, and the Agents and the Lenders, on the other hand, and Holdings and the Borrower are capable of evaluating and understanding and understand and accept the terms, risks and conditions of the transactions contemplated hereby and by the other Loan Documents (including any amendment, waiver or other modification hereof or thereof); (b) in connection with the process leading to such transaction, each of the Agents and the Lenders is and has been acting solely as a principal and is not the agent or fiduciary, for the Borrower; and (c) the Agents and the Lenders have not provided and will not provide any legal, accounting, regulatory or tax advice with respect to any of the transactions contemplated hereby (including any amendment, waiver or other modification hereof or of any other Loan Document) and Holdings and the Borrower have consulted their own legal, accounting, regulatory and tax advisors to the extent they have deemed appropriate.

ARTICLE X

GUARANTEES; RELEASE OF GUARANTOR

SECTION 10.01 Guarantee. Each of the Guarantors hereby unconditionally guarantees, jointly and severally with each other Guarantor, to each Lender and to the Administrative Agent and its successors and assigns, irrespective of the validity and enforceability of this Agreement, any other Loan Document or the obligations of the Borrower hereunder or thereunder, that: (i) the due and punctual payment of the principal of, premium, if any, and interest on the Loans, whether at maturity or on an interest payment date, by acceleration, pursuant to any prepayment pursuant to Section 2.03, Change of Control Offer, or otherwise, to the extent lawful, and all other obligations of the Borrower to the Lenders or the Administrative Agent hereunder or thereunder shall be promptly paid in full when due, all in accordance with the terms hereof and thereof, including all amounts payable to the Administrative Agent under Section 9.05 hereof, and (ii) in case of any extension of time of payment or renewal of any Loans or any of such other obligations, the same shall be promptly paid in full when due or performed in accordance with the terms of the extension or renewal, whether at stated maturity, by acceleration or otherwise.

If the Borrower fails to make any payment when due of any amount so guaranteed for whatever reason, each Guarantor shall be obligated, jointly and severally with each other Guarantor, to pay the same immediately. Each Guarantor hereby agrees that its obligations hereunder shall be continuing, absolute and unconditional, irrespective of, and shall be unaffected by, the validity, regularity or enforceability of the Loans, this Agreement, the Collateral Documents, the absence of any action to enforce the same, any waiver or consent by any Lender or the Administrative Agent with respect to any provisions hereof or thereof, the recovery of any judgment against the Borrower, any action to enforce the same or any other circumstance which might otherwise constitute a legal or equitable discharge or defense of such Guarantor. If any Lender or the Administrative Agent is required by any court or otherwise to return to the Borrower or any Guarantor, or any custodian, trustee, liquidator or other similar official acting in relation to the Borrower or such Guarantor, any amount paid by the Borrower or any Guarantor to the Administrative Agent or such Lender, this Article X, to the extent theretofore discharged with respect to any Guarantee, shall be reinstated in full force and effect. Each Guarantor agrees that it shall not be entitled to any right of subrogation in relation to the Lenders in respect of any obligations guaranteed hereby by such Guarantor until payment in full of all such obligations. Each Guarantor further agrees that, as between such Guarantor, on the one hand, and the Lenders of Loans and the Administrative Agent on the other hand, (i) the maturity of the obligations guaranteed hereby may be accelerated as provided in Article VII hereof for the purposes of such Guarantee, notwithstanding any stay, injunction or other prohibition preventing such acceleration in respect of the obligations guaranteed hereby and (ii) in the event of any acceleration of such obligations as provided in Article VII hereof such obligations (whether or not due and payable) shall forthwith become due and payable by such Guarantor, jointly and severally with each other Guarantor, for the purpose of this Article X. In addition, without limiting the foregoing, upon the effectiveness of an acceleration under Article VII, the Administrative Agent may make a demand for payment on the Loans under any Guarantee provided hereunder and not discharged.

SECTION 10.02 Obligations of each Guarantor Unconditional. Nothing contained in this Article X or elsewhere in this Agreement or in any other Loan Document is intended to or shall impair, as between each Guarantor and the Lenders, the obligations of such Guarantor which are absolute and unconditional, to pay to the Lenders the principal of, premium, if any, and interest on the Loans as and when the same shall become due and payable in accordance with the provisions of their Guarantee or is intended to or shall affect the relative rights of the Lenders and creditors of such Guarantor, nor shall anything herein or therein prevent the Administrative Agent or any Lender from exercising all remedies otherwise permitted by applicable Law upon any Default under this Agreement in respect of cash, property or securities of such Guarantor received upon the exercise of any such remedy.

Upon any distribution of assets of a Guarantor referred to in this Article X, the Administrative Agent, subject to the provisions of Article VIII, and the Lenders shall be entitled to rely upon any order or decree made by any court of competent jurisdiction in which such dissolution, winding up, liquidation or reorganization proceedings are pending, or a certificate of the liquidating trustee or agent or other person making any distribution to the Administrative Agent or to such Lenders for the purpose of ascertaining the persons entitled to participate in such distribution, the holders of other indebtedness of such Guarantor, the amount thereof or payable thereon, the amount or amounts paid or distributed thereon and all other facts pertinent thereto or to this Article X.

SECTION 10.03 Release of a Guarantor. ix) If (i) all or substantially all of the assets of any Guarantor other than Holdings or all of the Capital Stock of any Guarantor other than Holdings is sold (including by consolidation, merger, issuance or otherwise) or disposed of (including by liquidation, dissolution or otherwise) by Holdings or any of its Subsidiaries, (ii) unless Holdings elects otherwise, any Guarantor other than Holdings is designated an Unrestricted Subsidiary in accordance with the terms of this Agreement or becomes an Excluded Subsidiary (other than pursuant to clause (a) of the definition of "Excluded Subsidiary" except in the circumstances set forth in clause (i) above), (iii) the Termination Date shall have occurred, or (iv) in accordance with Section 9.01, then in each case such Guarantor or the Person acquiring such assets (in the event of a sale or other disposition of all or substantially all of the assets of a Guarantor), as the case may be, shall be deemed automatically and unconditionally released and discharged from any of its obligations under this Agreement without any further action on the part of the Administrative Agent or any Lender.

(a) An Unrestricted Subsidiary or an Excluded Subsidiary that Holdings has, at its option, caused to become a Guarantor shall be deemed automatically and unconditionally released and discharged from all obligations under its Guarantee upon written notice from Holdings to the Administrative Agent to such effect, without any further action required on the part of Holdings, the Administrative Agent or any Lender. For the avoidance of doubt, any such release of an Unrestricted Subsidiary or Excluded Subsidiary, as the case may be, from its obligations under its Guarantee shall be deemed a redesignation of such Subsidiary as an Unrestricted Subsidiary or Excluded Subsidiary, as applicable, which redesignation must be made in accordance with the terms of this Agreement.

SECTION 10.04 Execution and Delivery of Guarantee. The execution by each Guarantor of this Agreement (or a joinder to this Agreement) together with an executed guarantee substantially in the form included in Exhibit I evidences the Guarantee of such Guarantor.

SECTION 10.05 Limitation on Guarantor Liability. Notwithstanding anything to the contrary in this Article X, each Guarantor, the Administrative Agent and each Lender hereby confirms that it is the intention of all such parties that the Guarantee of such Guarantor not constitute a fraudulent conveyance under applicable fraudulent conveyance provisions of the Bankruptcy Law or any comparable provision of state law. To effectuate that intention, the Administrative Agent, the Lenders and the Guarantors hereby irrevocably agree that the obligations of each Guarantor under its Guarantee are limited to the maximum amount that would not render the Guarantor's obligations subject to avoidance under applicable fraudulent conveyance provisions of the Bankruptcy Law or any comparable provision of state law.

SECTION 10.06 Article X not to Prevent Events of Default. The failure to make a payment on account of principal, premium, if any, or interest, if any, on the Loans by reason of any provision in this Article X shall not be construed as preventing the occurrence of any Event of Default under Section 7.01 hereof.

SECTION 10.07 Waiver by the Guarantors. To the extent permitted by applicable Law, each Guarantor hereby irrevocably waives diligence, presentment, demand of payment, demand of performance, filing of claims with a court in the event of insolvency of bankruptcy of the Borrower, any right to require a proceeding first against the Borrower, the benefit of discussion, protest, notice and all demand whatsoever and covenants that this Guarantee shall not be discharged except by complete performance of the obligations contained in this Agreement, any other Loan Document and in this Article X.

SECTION 10.08 Subrogation and Contribution. Upon making any payment with respect to any obligation of the Borrower under this Article, the Guarantor making such payment shall be subrogated to the rights of the payee against the Borrower with respect to such obligation; *provided*, that the Guarantor may not enforce either any right of subrogation, or any right to receive payment in the nature of contribution, or otherwise, from any other Guarantor, with respect to such payment so long as any amount payable by the Borrower hereunder or under any other Loan Document remains unpaid.

Each Guarantor that makes a payment under its Guarantee shall be entitled, upon payment in full of all guaranteed obligations under this Agreement, to seek and receive contribution from and against each other Guarantor in an amount equal to such other Guarantor's pro rata portion of such payment based on the respective net assets of all the Guarantors at the time of such payment determined in accordance with GAAP.

SECTION 10.09 Stay of Acceleration. If acceleration of the time for payment of any amount payable by the Borrower under this Agreement or any other Loan Document is stayed upon the insolvency, bankruptcy or reorganization of the Borrower, all such amounts otherwise subject to acceleration under the terms of this Agreement are nonetheless payable by the Guarantors hereunder forthwith on demand by the Administrative Agent or the Lenders.

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SCHEDULE 1.01

Unrestricted Subsidiaries

77 HUDSON STREET JOINT DEVELOPMENT, L.L.C.
AL TAHALUF AL AQARY LLC (AL TAHALUF REAL ESTATE LIMITED LIABILITY COMPANY)
EASTERN NATIONAL TITLE AGENCY TEXAS, INC.
GTIS-HOV HOLDINGS X LLC
GTIS-HOV HOLDINGS XII LLC
GTIS-HOV HOLDINGS XIII LLC
GTIS-HOV HOLDINGS XIV LLC
GTIS-HOV RESIDENCES AT COLUMBIA PARK LLC
GTIS-HOV RESIDENCES AT COLUMBIA PARK PARENT LLC
HOVNANIAN INSURANCE AGENCY, LLC
HOVSITE HOLDINGS II LLC
HOVSITE HOLDINGS III LLC
HOVSITE II CASA DEL MAR LEASEHOLD LLC
HOVSITE II CASA DEL MAR LLC
HOVSITE III AT PARKLAND LLC
K. HOVNANIAN 77 HUDSON STREET INVESTMENTS, L.L.C.
K. HOVNANIAN AGENCY HOLDINGS, LLC
K. HOVNANIAN AMERICAN MORTGAGE, L.L.C.
K. HOVNANIAN AT 77 HUDSON STREET URBAN RENEWAL COMPANY, L.L.C.
K. HOVNANIAN AT DELRAY BEACH, L.L.C.
K. HOVNANIAN AT FAIRWAY ESTATES, LLC
K. HOVNANIAN AT HAZEL RUN GLEN, LLC
K. HOVNANIAN AT MANALAPAN LANDING, LLC
K. HOVNANIAN AT MYSTIC DUNES, LLC
K. HOVNANIAN AT PORT IMPERIAL INVESTMENT, LLC
K. HOVNANIAN AT PORT IMPERIAL URBAN RENEWAL VI, L.L.C.
K. HOVNANIAN AT THE BOULEVARDS AT WESTFIELDS, LLC
K. HOVNANIAN AT TRENTON II, L.L.C.
K. HOVNANIAN AT TRENTON URBAN RENEWAL, L.L.C.
K. HOVNANIAN GT INVESTMENT, L.L.C.
K. HOVNANIAN GT IX INVESTMENT, LLC
K. HOVNANIAN GT V INVESTMENT, LLC
K. HOVNANIAN GT VI INVESTMENT, LLC
K. HOVNANIAN GT VII INVESTMENT, LLC
K. HOVNANIAN GT VIII INVESTMENT, LLC
K. HOVNANIAN GT X INVESTMENT, LLC
K. HOVNANIAN GT XI INVESTMENT, LLC
K. HOVNANIAN GT XII INVESTMENT, LLC
K. HOVNANIAN GT XIII INVESTMENT, LLC
K. HOVNANIAN GT XIV INVESTMENT, LLC
K. HOVNANIAN HOUSTON MARVIDA, LLC
K. HOVNANIAN HOVSITE II INVESTMENT, LLC
K. HOVNANIAN HOVSITE III INVESTMENT, LLC
K. HOVNANIAN M.E. INVESTMENTS, LLC

K. HOVNANIAN OSPREY RANCH, LLC
K. HOVNANIAN TERRA LAGO INVESTMENT, LLC
K. HOVNANIAN'S FOUR SEASONS AT BELLE TERRE, LLC
K. HOVNANIAN'S FOUR SEASONS AT CAROLINA OAKS, LLC
K. HOVNANIAN'S FOUR SEASONS AT KENT ISLAND II, LLC
K. HOVNANIAN'S FOUR SEASONS AT KENT ISLAND III, LLC
K. HOVNANIAN'S FOUR SEASONS AT SCENIC MANOR, LLC
MILLENNIUM TITLE AGENCY, LTD.
MM-BEACHFRONT NORTH II, L.L.C.
PORT IMPERIAL PARTNERS, LLC
TERRA LAGO INDIO LLC
WHI-REPUBLIC, LLC

Contact: J. Larry Sorsby
Executive Vice President & CFO
732-747-7800

Jeffrey T. O'Keefe
Vice President, Investor Relations
732-747-7800

HOVNANIAN ENTERPRISES ANNOUNCES REFINANCING TRANSACTION

MATAWAN, NJ, September 25, 2023 – Hovnanian Enterprises, Inc. (NYSE: HOV) (the “Company”), a leading national homebuilder, announced today that it has entered into an agreement with existing investors to consummate a refinancing transaction that extends the maturities of over \$600 million of the Company’s secured debt to the fourth quarters of fiscal 2028 and fiscal 2029. Additionally, it has entered into an agreement with existing lenders to amend and extend its \$125 million secured revolving credit facility to mature in June 2026.

“This refinancing significantly enhances our balance sheet and reduces risk,” stated Ara K. Hovnanian, Chairman of the Board, President, and Chief Executive Officer. “We have taken significant steps to strengthen our balance sheet, including reducing our total debt by \$668 million since the beginning of fiscal 2020. This refinancing transaction will extend maturities of all of our secured debt maturing in fiscal 2026 by a few years, with minimal impact to annual interest incurred. In addition, we will extend the maturity of our revolving credit facility by two years. As we move forward, we will continue to focus on both growing our land position to increase profitability and further repairing our balance sheet by growing equity and reducing debt.”

Transaction Details:

- The Company will issue and sell in a private placement \$225.0 million aggregate principal amount of new 8.0% Senior Secured 1.125 Lien Notes due 2028 and \$430.0 million aggregate principal amount of new 11.75% Senior Secured 1.25 Lien Notes due 2029 (the “New Secured Notes”).
- The Company has called for redemption all outstanding amounts of each series of its existing secured notes consisting of 7.75% Senior Secured 1.125 Lien Notes due 2026, 10.5% Senior Secured 1.25 Lien Notes due 2026, 11.25% Senior Secured 1.5 Lien Notes due 2026 and 10.0% Senior Secured 1.75 Lien Notes due 2025, in each case conditioned upon receipt of the proceeds from the sale of the New Secured Notes.
- The Company entered into a Third Amendment to the Credit Agreement governing its \$125 million secured revolving credit facility which will, among other things, extend the final scheduled maturity thereof by two years to June 30, 2026, upon effectiveness at closing.
- The transactions are expected to close on October 5, 2023, upon the satisfaction of customary closing conditions.

Key Benefits include:

- Increased maturity runway: The transaction refinances all of the Company’s secured debt maturing in fiscal 2026 and proactively extends these maturities until the fourth quarters of fiscal 2028 and fiscal 2029.
- Nominal increase in interest incurred: Given the recent rise in interest rates, we are pleased that the transaction will result in almost no increase in annual interest incurred.
- Extending the revolver maturity: The transaction extends the maturity of the revolver, which was the nearest term maturity, from next fiscal year to the third quarter of fiscal 2026.

ABOUT HOVNIANIAN ENTERPRISES, INC.:

Hovnianian Enterprises, Inc., founded in 1959 by Kevork S. Hovnianian, is headquartered in Matawan, New Jersey and, through its subsidiaries, is one of the nation's largest homebuilders with operations in Arizona, California, Delaware, Florida, Georgia, Illinois, Maryland, New Jersey, Ohio, Pennsylvania, South Carolina, Texas, Virginia and West Virginia. The Company's homes are marketed and sold under the trade name K. Hovnianian® Homes. Additionally, the Company's subsidiaries, as developers of K. Hovnianian's® Four Seasons communities, make the Company one of the nation's largest builders of active lifestyle communities.

Additional information on Hovnianian Enterprises, Inc. can be accessed through the "Investor Relations" section of the Hovnianian Enterprises' website at <http://www.khov.com>. To be added to Hovnianian's investor e-mail list, please send an e-mail to IR@khov.com or sign up at <http://www.khov.com>.

FORWARD-LOOKING STATEMENTS

All statements in this press release that are not historical facts should be considered as "Forward-Looking Statements" within the meaning of the "Safe Harbor" provisions of the Private Securities Litigation Reform Act of 1995. Such statements involve known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such forward-looking statements include but are not limited to statements related to the Company's goals and expectations with respect to its financial results for future financial periods and statements regarding demand for homes, mortgage rates, inflation, supply chain issues, customer incentives and underlying factors. Although we believe that our plans, intentions and expectations reflected in, or suggested by, such forward-looking statements are reasonable, we can give no assurance that such plans, intentions or expectations will be achieved. By their nature, forward-looking statements: (i) speak only as of the date they are made, (ii) are not guarantees of future performance or results and (iii) are subject to risks, uncertainties and assumptions that are difficult to predict or quantify. Therefore, actual results could differ materially and adversely from those forward-looking statements as a result of a variety of factors. Such risks, uncertainties and other factors include, but are not limited to, (1) changes in general and local economic, industry and business conditions and impacts of a significant homebuilding downturn; (2) shortages in, and price fluctuations of, raw materials and labor, including due to geopolitical events, changes in trade policies, including the imposition of tariffs and duties on homebuilding materials and products and related trade disputes with and retaliatory measures taken by other countries; (3) fluctuations in interest rates and the availability of mortgage financing, including as a result of bank sector instability; (4) adverse weather and other environmental conditions and natural disasters; (5) the seasonality of the Company's business; (6) the availability and cost of suitable land and improved lots and sufficient liquidity to invest in such land and lots; (7) reliance on, and the performance of, subcontractors; (8) regional and local economic factors, including dependency on certain sectors of the economy, and employment levels affecting home prices and sales activity in the markets where the Company builds homes; (9) increases in cancellations of agreements of sale; (10) increases in inflation; (11) changes in tax laws affecting the after-tax costs of owning a home; (12) legal claims brought against us and not resolved in our favor, such as product liability litigation, warranty claims and claims made by mortgage investors; (13) levels of competition; (14) utility shortages and outages or rate fluctuations; (15) information technology failures and data security breaches; (16) negative publicity; (17) high leverage and restrictions on the Company's operations and activities imposed by the agreements governing the Company's outstanding indebtedness; (18) availability and terms of financing to the Company; (19) the Company's sources of liquidity; (20) changes in credit ratings; (21) government regulation, including regulations concerning development of land, the home building, sales and customer financing processes, tax laws and the environment; (22) operations through unconsolidated joint ventures with third parties; (23) significant influence of the Company's controlling stockholders; (24) availability of net operating loss carryforwards; (25) loss of key management personnel or failure to attract qualified personnel; and (26) certain risks, uncertainties and other factors described in detail in the Company's Annual Report on Form 10-K for the fiscal year ended October 31, 2022 and the Company's Quarterly Reports on Form 10-Q for the quarterly periods during fiscal 2023 and subsequent filings with the Securities and Exchange Commission. Except as otherwise required by applicable securities laws, we undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events, changed circumstances or any other reason.