

CONDITIONAL STATEMENT - NOTICE TO PROSPECTIVE BUYER

Taylor Morrison of California, LLC ("**Seller**"), advises prospective buyers of residences in the Sage at Elderberry Park ("**Community**") of the following pursuant to California Business & Professions Code Section 11018.12(f):

- (A) As of the date of this Notice, the California Department of Real Estate ("**DRE**") has issued a Conditional Public Report ("**Conditional Report**") for the Phase but has not yet issued a Final Subdivision Public Report ("**Final Report**") for the Phase.
- (B) If you decide to enter into an agreement to purchase a residence in the Phase ("**Purchase Agreement**") prior to issuance of the Final Report, your obligation to purchase the residence will not be revocable at will once Seller has accepted your offer to purchase. A purchase agreement entered into under authority of the Conditional Report for the Phase may only be terminated as provided in the Purchase Agreement.
- (C) A Purchase Agreement entered into under authority of the Conditional Report for the Phase (prior to issuance of a Final Report for the Phase) will provide that: (i) no funds are to be released from escrow until a Final Report for the Phase has been issued by the DRE; and (ii) the purchaser has the right, at the purchaser's option, to terminate the Purchase Agreement and receive a full refund of all amounts previously deposited in escrow by the purchaser if a Final Report has not been issued by the DRE within six (6) months following the date of issuance of the Conditional Report (or by the expiration date of any renewal of the Conditional Report) or the purchaser is dissatisfied with the Final Report delivered to the purchaser due to a material change (pursuant to Business & Professions Code Section 11012) in the offering previously described in the Conditional Report.
- (D) The following information, which was not available at the time of issuance of the Conditional Report for the Phase, is required before the DRE will issue the Final Public Report for the Phase:
 - 1. Evidence that the Amended and Restated Declaration of Covenants, Conditions, Restrictions and Reservation of Easements for Elderberry Park ("**Declaration**" or "**CC&Rs**") has been recorded in the Official Records of the County;
 - 2. Evidence that the Articles of Incorporation of Elderberry Park Community Association ("**association**") have been filed with the California Secretary of State;
 - 3. Evidence that the Supplemental Declaration of Covenants, Conditions and Restrictions and Notice of Addition of Territory for Elderberry Park for the phase has been recorded in the Official Records of the County (not applicable for Phase 1);
 - 4. A current preliminary title report of a licensed title insurance company for all subdivision interests to be included in the Final Subdivision Public Report must be issued and provided to the DRE after recording of the above referenced documents;
 - 5. If applicable, evidence that the Grant Deed to the Association for the phase has been reviewed and accepted by the DRE and signed, acknowledged and deposited in escrow for recordation in accordance with escrow instructions;
 - 6. Evidence that the DRE has reviewed the budget for the Association;
 - 7. Evidence that financial arrangements acceptable to the DRE have been made to secure the Subdivider's obligation to pay the Association's regular assessments;
 - 8. Evidence that the DRE has reviewed the Subsidy Agreement between Subdivider and the Association;
 - 9. Evidence that financial arrangements acceptable to the DRE have been made to secure the Subdivider's obligation to make subsidy payments pursuant to the Subsidy Agreement between Subdivider and the Association; and
 - 10. Evidence financial arrangements acceptable to the DRE have been made to secure the Subdivider's obligation to complete the future common area pursuant to the Planned Construction Statements reviewed by the DRE.

- (E) No person acting as a principal or agent shall sell or lease or offer for sale or lease lots or parcels in a subdivision for which a conditional public report has been issued except as provided in Division 4, Part 2, Chapter 1, Article 2 of the California Business & Professions Code Sections 11010, et seq.

BUYER:

Signature: _____

Print Name: _____

_____ Date

Signature: _____

Print Name: _____

_____ Date

Signature: _____

Print Name: _____

_____ Date

Signature: _____

Print Name: _____

_____ Date

Signature: _____

Print Name: _____

_____ Date

SELLER'S AUTHORIZED REPRESENTATIVE:

TAYLOR MORRISON OF CALIFORNIA, LLC,
a California limited liability company

By: _____

_____ Date

Name: _____

Title: _____