

SOLAR ENERGY SYSTEM ADDENDUM

SunStreet Solar Home Program - (Solar 20/20 Plan or Purchase from SunStreet)

Binding Effect of Solar Program Documents

- Buyer has received either a Conditional or Final Subdivision Public Report issued by the California Bureau of Real Estate ("**BRE**") for the Home being purchased.
- The Public Report references the Residential Solar Energy Program and the System (defined below) offered by Seller. The Public Report also references various Solar Energy Program documents that may affect your Home purchase. The Public Report allows Seller to enter into a binding agreement with Buyer for the purchase of the Home. The Close of Escrow for the Home is subject to BRE's issuance and Buyer's receipt of a Final Subdivision Public Report for the Home, but Close of Escrow is NOT subject to review of the Solar Energy Program documents by the BRE.
- If Buyer has received a Conditional Subdivision Public Report for the Home and Buyer is dissatisfied with the Final Subdivision Public Report because of a material change in the setup of the offering (including a material change in the Solar Energy Program documents), provision is made for the return of Buyer's entire sum paid.

THIS SOLAR ENERGY SYSTEM ADDENDUM ("Addendum") is executed with and incorporated into the Purchase Agreement and Deposit Receipt and Escrow Instructions (the "**Purchase Agreement**") dated as of the day of , , between Bingwen Zhang, Fengxia Wang (collectively, "**Buyer**" or "**You**") and Seller as defined in the Purchase Agreement, regarding the residential real property described above, located in the City/County of Irvine / Orange, California (the "**Property**").

1. **Defined Terms.** All initially-capitalized terms below have the same meanings given them in the Agreement, and all references in this Addendum to the Agreement shall be deemed to include this Addendum and any other addenda and riders attached to the Agreement, all of which are incorporated into this Addendum.
2. **Solar Energy System Election.** The Property will be equipped with a roof-mounted solar photo voltaic system and other equipment (collectively, the "**PV System**") that converts solar energy to electricity for use in the home. You may elect to either (1) purchase the PV System's energy without owning the PV System, by entering into a Solar 20/20 Plan Agreement and Covenants (the "**Solar Plan**"), or (2) purchase the PV System by entering into a "**Solar Purchase Agreement.**" The terms of the Solar Plan and the Solar Purchase Agreement are each contained in a separate written agreement between you and SunStreet Energy Group, LLC, a Delaware limited liability company that is registered to do business in California ("**System Owner**"). In order to consummate the purchase of the Property you must execute, at or prior to the Close of Escrow, either the Solar Plan or the Solar Purchase Agreement.

2.1 **Solar Plan.**

2.1.1 **Energy Price.** The Solar Plan is a financial arrangement between System Owner (who retains ownership of the PV System) and you as the Property owner, in which (i) you agree to permit System Owner to operate, maintain and repair the PV System on the roof of the home, and (ii) you agree to purchase from System Owner all the electricity generated by the PV System ("**Generated Electricity**") for a twenty (20) year period based on a rate (the "**Energy Price**") per kilowatt hour of electricity produced. You will be required to start paying for Generated Electricity on the later of the Placed in Service Date or Close of Escrow (as defined in the Solar Plan). The Energy Price may fluctuate over the term of the Solar Plan as residential electric utility rates fluctuate, as it is based on a fixed 20% discount from a blended rate calculated using the local electric utility's tiered rate structure and taking into account other charges and taxes charged by the local utility, as well as the estimated energy consumption of the home. The Generated Electricity is not stored and if it exceeds the demand in the home, the Generated Electricity is supplied to the local electric grid for which you may receive a corresponding credit (reduction) on your electric utility bill, subject to the net metering laws applicable to the electric utility.

2.1.2 **Resale.** Under the Solar Plan, either: (i) you must transfer the Solar Plan to any subsequent purchaser of your Property without penalty, or (ii) you or the subsequent purchaser must purchase the PV System for an amount calculated in accordance with Annex IV of the Solar Plan (the "**Option Price**"). You will also have the option to purchase the PV System for the Option Price at the expiration of the term of the Solar Plan; otherwise, at such expiration of the term, you and System Owner may mutually agree to extend the term of the Solar Plan or System Owner shall remove the PV System from the Property at its cost.

2.1.3 **Buyer Obligations.** The System Owner under the Solar Plan will be responsible for the maintenance and repair of the PV System; provided that you will be responsible for (i) notifying System Owner of any problems with the PV System, (ii) maintaining working internet and electrical connections for the purposes of ongoing monitoring of the PV System, (iii) keeping all trees, other vegetation and any other obstructions from overshadowing or blocking the PV System's access to sunlight, and (iv) the costs of repairing any damage to the PV System caused by you, your guests or other invitees. If you fail to make payment for the Generated Electricity or otherwise fail to perform your other obligations under the Plan, you may have to pay certain fees to System Owner, as set forth in Section 7.01(b) of the Plan.

2.1.4 Other Solar Documents. By entering into the Solar Plan, your Property will be subject to a recorded Grant of Easements for Solar Energy Equipment (the "**Solar Equipment Easement**") which is for the purpose of permitting System Owner to design, lay-out, install, operate, maintain, repair, replace, improve, expand and remove the PV System on your home, among many other important rights and obligations, including a right of access to eliminate shading. Your Property will also be subject to a Notice of an Independent Solar Energy Producer Contract (the "**Solar Notice**") that describes the Solar Plan and that you will be asked to sign and acknowledge. The Solar Notice will be recorded against the Property at the Close of Escrow, as required by California law. You agree to pay, as a closing cost, the fee charged by the County Recorder to record the Solar Notice. The System Owner will also file with the California Secretary of State, and record against the Property at the Close of Escrow, a UCC-1 Financing Statement ("**UCC-1**") to provide notice of System Owner's ownership, as personal property, of the PV System. Sample copies of the form of the Solar Equipment Easement, the Solar Notice and UCC-1 are attached as exhibits to the Solar Plan.

2.2 Purchase of PV System.

2.2.1 Purchase Price. If you elect to purchase the PV System from System Owner by entering into the Solar Purchase Agreement, you will pay the PV System purchase price to System Owner through the Close of Escrow (unless installation of the PV System is delayed past Close of Escrow). BE ADVISED THAT IF YOU ARE FINANCING THE PURCHASE OF THE PROPERTY, SELLER WILL NOT APPROVE THE ADDITION OF THE PV SYSTEM PURCHASE PRICE TO THE AMOUNT OF YOUR LOAN.

2.2.2 Maintenance/Warranties. If you elect to purchase the PV System, at the Close of Escrow you will own the PV System and be responsible for its operation and maintenance. The PV System that you purchase will be subject to warranties provided by the manufacturer.

2.2.3 Release of Easement. At the Close of Escrow, Seller will be responsible for removing the Solar Equipment Easement from the Property as a matter of public record.

3. Governmental and Electric Utility Solar Programs and Incentives.

3.1 Governmental Incentives. Federal, State and local governmental jurisdictions may from time to time offer or make available to the owner of the PV System various tax credits or other financial incentives, excluding any State rebate paid to System Owner or Seller ("**Governmental Incentives**") for installing a PV System that serves a residential dwelling. The types of Governmental Incentives made available, if any, may include a federal income tax credit for a portion of the cost of the PV System and similar tax credits and exemptions. If you elect to purchase the PV System you will be entitled to the Governmental Incentives, except for any such Governmental Incentives that have already been directly applied by Seller to reduce the price of the PV System you purchase. If you elect to enter into the Solar Plan, then the System Owner (not you) is entitled to the Governmental Incentives. The rules and requirements applicable to Governmental Incentives and their availability are subject to change at any time, and particular Governmental Incentives may be available for a limited time only. The Solar Plan contains provisions regarding the Governmental Incentives retained by the System Owner.

3.2 Utility Company Incentives. The installation of a PV System which is interconnected with the transmission grid of the local electric utility, and the production of Generated Electricity may entitle you or the System Owner to renewable energy credits or other financial incentives from the local electric utility ("**Utility Incentives**"). The types of Utility Incentives made available may include (i) payment for solar renewable energy credits based upon the Kilowatt Hours of electricity generated by the PV System and (ii) credits or payments for excess electricity generated by the PV System and not used at the Property under 'net metering'; however, Utility Incentives exclude any State rebate paid directly to System Owner or Seller. If you elect to purchase the PV System, you will be entitled to retain the Utility Incentives, except for any such Utility Incentives that have already been directly applied by Seller to reduce the price of the PV System you purchase. If you elect to enter into the Solar Plan, then the System Owner will retain or receive any available Utility Incentives, other than any credits or payments from the local electric utility for Generated Electricity in excess of the electricity you consume in a calendar month.

3.3 Processing Applications for Electric Utility Solar Programs and Incentives. Interconnection of the PV System to the electric transmission grid and eligibility for participation in the Utility Incentive program requires compliance with the solar program requirements of the local electric utility. Seller or the System Owner will make the initial application and any reservation deposits as required by the local electric utility, and sign any agreements such as an interconnection agreement, that are required during the application process. Seller and/or the System Owner will complete installation of the PV System and supply any required documentation relating to the PV System to the local electric utility. Once the PV System is installed, Seller or the System Owner will notify the local electric utility and obtain approval of the installation, and arrange for the installation of the meter that will measure the amount of electricity generated by the PV System and used by the customer. At this stage you may be required to sign a final contract with the local electric utility as the customer. You agree to sign any such required contract and other documentation to the extent required for participation in the Utility Incentives program of the local electric utility or as may be required under the terms of the Solar Plan. Such documentation must be approved by the local electric utility before the PV System may be activated and the local electric utility may take 30 or more days to issue its approval. The Utility Incentives program may also require you to

provide proof to the local electric utility that you carry homeowner's liability insurance in an amount required by the utility. If you elect to enter into a Solar Plan with the System Owner, then you also agree to assign any Utility Incentives to the System Owner, other than any credit or payment from the local utility for Generated Electricity in excess of the electricity you consume. You agree to cooperate in good faith with Seller and the System Owner to implement this Section for participation in the Utility Incentives program and to execute any additional documents or take any additional action that is necessary or required by the local electric utility, Seller, the System Owner or the Solar Plan to facilitate such participation.

4. **Solar Payment Election.** Buyer shall make its election to either (i) enter into a Solar Plan or (ii) purchase the PV System, not later than 5 business days from the Effective Date of the Purchase Agreement ("**Election Date**"). **Buyer must make its election by completing, signing and delivering to Seller the Solar Payment Election Addendum attached to this Addendum by the Election Date.** If Buyer fails to deliver a completed signed Solar Payment Election Addendum to Seller on or before the Election Date, such failure shall constitute Buyer's conclusive election to enter into a Solar Plan with the System Owner. **By making your election, or having been deemed to have made an election, you acknowledge and represent to Seller that (i) you have received and read this Addendum, (ii) Seller has offered and given you a reasonable opportunity to evaluate this Addendum in order to make an informed decision on whether to enter into the Solar Plan or to purchase the PV System, (iii) Seller has advised you to consider consulting with legal and/or technical experts when deciding whether to enter into the Solar Plan or purchase the PV System, (iv) you have been provided with the Solar Plan or Solar Purchase Agreement, as applicable, in substantially the form to be signed by Buyer, (v) you acknowledge that Seller's representatives are not authorized to make any representations about the PV System that are not contained in the written PV System materials provided to you by Seller and System Owner, and that you have not relied on any representations made by Seller's representatives or any other agent or employee of the Seller about the PV System that differ from the written PV System materials, and (vi) you have voluntarily decided to either enter into the Solar Plan or purchase the PV System as a result of your own investigations, evaluations and the recommendations of your own expert(s) and advisor(s).**

5. **Solar Energy CC&Rs.** The Property and certain other homes in the Community may be subject to a recorded Declaration of Solar Energy Covenants, Conditions and Restrictions ("**Solar CC&Rs**") that prohibits the shading of roof-top solar collectors of the PV System, as more fully described in the Solar CC&Rs. The purpose of the Solar CC&Rs is to protect the exposure to sunlight of such roof-top solar collectors on the Property and on neighboring homes, during certain daylight hours. The Solar CC&Rs reserve to the System Owner a right of entry, after notice, to cure the shading of any PV System that is subject to a Solar Plan. The Solar CC&Rs contain restrictions and guidelines on the height of trees at maturity and other improvements, and on the maintenance or location of trees and other improvements. The Solar CC&Rs also disclose that because of the prohibition against the shading of solar energy systems and the dimensions of the Property, the Property may not be large enough to accommodate (i) the planting of medium or large trees in the yard of the Property, (ii) the construction of upper-floor additions or roof-top structures on the Property, and (iii) the growth of some trees to mature height on the Property. You should be aware that a neighboring lot might not be subject to the Solar CC&Rs, in which case that neighboring lot might not be prohibited from shading solar collectors installed on the roof of your Home. You will be provided a copy of any Solar CC&Rs applicable to the Property. You are advised to fully read and understand the Solar CC&Rs.

6. **System Owner Relationship.** Both System Owner and Seller are affiliated with Lennar Corporation, meaning that Lennar Corporation has an ownership interest in both System Owner and Seller. However, neither System Owner nor Seller has a direct interest in the other.

7. **System Performance.** The performance of the PV System will vary depending on a number of factors that are unique to the design of the home and the PV System and to the use of electric power in your home. Seller assumes no liability for either the performance of the PV System or the performance of maintenance or warranty service on the PV System. **Further, the PV System is intended for household purposes only and no Generated Electricity may be used to heat a swimming pool.**

8. **No Liability For Seller.** Buyer acknowledges and agrees that:

8.1 Neither Seller nor any of its successors or assigns is a party to or bound by any of the provisions of the Solar Plan; and

8.2 All terms of the Solar Plan and all performance, warranty and other aspects of the PV System are set forth in the written materials that are provided to you. Neither Seller, its sales representatives nor any of its affiliates or assigns (excluding the System Owner) have made representations or warranties to Buyer of any kind, type or nature regarding the PV System, including but not limited to energy cost savings, tax benefits, cash grants or rebates, other than as stated in this Addendum or the Solar Plan or Solar Purchase Agreement. Any maintenance and warranties in connection with a Solar Plan are from the System Owner and Buyer will look solely to the System Owner regarding the PV System, and if the Buyer purchases the PV System, then any warranties of the PV System are from the manufacturer.

9. **Counterparts.** This Addendum may be executed in counterparts, a complete set of which shall form a single Addendum.

10. **Conflicts.** In the event of any conflict between this Addendum and the Purchase Agreement, this Addendum shall control. In all other respects, the Purchase Agreement shall remain in full force and effect.

Community: Harper

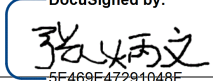
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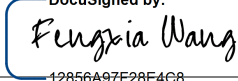
Homesite: 0061

Tract: 17732

Cost Center: 10629510061

11. **Entire Agreement.** The Purchase Agreement, with this Addendum, contain the entire agreement between Buyer and Seller concerning the matters set forth herein. All prior discussions, negotiations and contracts, whether oral or written, are hereby superseded by these documents. No addition to or modification of this Addendum or the Purchase Agreement shall be effective unless set forth in writing and signed by Buyer and an authorized agent of Seller.

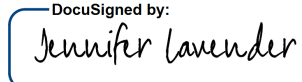
DocuSigned by:

5E469E47291048F...
Buyer - Bingwen Zhang
Date 1/18/2017

DocuSigned by:

12856A97F28E4C8...
Buyer - Fengxia Wang
Date 1/18/2017

Buyer -
Date _____

Buyer -
Date _____

SELLER: Lennar Homes of California, Inc., A California Corporation

DocuSigned by:

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Authorized Agent of Seller - Jennifer Lavender
Date 1/23/2017

Attachment: Solar Payment Election Addendum

ATTACHMENT TO SOLAR ENERGY SYSTEM ADDENDUM

SOLAR PAYMENT ELECTION ADDENDUM

SunStreet Solar Home Program - (Solar 20/20 Plan or Purchase from SunStreet)

This **SOLAR PAYMENT ELECTION ADDENDUM** ("**Election Addendum**") is executed with and incorporated into the Solar Energy System Addendum ("**Solar Addendum**") to the Purchase Agreement and Deposit Receipt and Escrow Instructions ("**Purchase Agreement**") dated as of the day of , , between Bingwen Zhang, Fengxia Wang (collectively, "**Buyer**") and Seller as defined in the Purchase Agreement, regarding the residential real property described above, located in the City/County of Irvine / Orange, California (the "**Property**").

1) **Defined Terms.** All initially-capitalized terms not defined herein shall have the meanings set forth in the Purchase Agreement and Solar Addendum, and all references to the Purchase Agreement in this Election Addendum shall be deemed to include the Solar Addendum, this Election Addendum and any other addenda and riders to the Purchase Agreement, which are all incorporated into this Election Addendum.

2) **Solar Payment Election.** Seller has stated and Buyer has acknowledged in the Solar Addendum that if Buyer is financing the purchase of the Property, Seller will not approve the addition of the PV System purchase price to the amount of Buyer's loan. Buyer hereby elects to:

If this box is checked, Buyer elects under Section 2.1 of the Solar Addendum to enter into a Solar 20/20 Plan Agreement and Covenants ("**Solar Plan**") and to purchase the Generated Electricity from the System Owner.

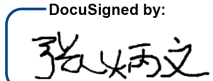
If this box is checked, Buyer elects under Section 2.2 of the Solar Addendum to purchase the PV System in the amount of \$ 9,090.00 to be paid in cash at Close of Escrow to the System Owner.

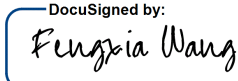
BUYER SHALL MAKE ITS ELECTION TO EITHER (i) ENTER INTO A SOLAR PLAN OR (ii) PURCHASE THE PV SYSTEM, NOT LATER THAN 5 BUSINESS DAYS FROM THE EFFECTIVE DATE OF THE PURCHASE AGREEMENT ("**ELECTION DATE**"). IF BUYER FAILS TO COMPLETE, SIGN AND DELIVER THIS ELECTION ADDENDUM TO SELLER ON OR BEFORE THE ELECTION DATE, SUCH FAILURE SHALL CONSTITUTE BUYER'S CONCLUSIVE ELECTION TO ENTER INTO A SOLAR PLAN WITH THE SYSTEM OWNER.

3) **Counterparts.** This Election Addendum may be executed in counterparts, a complete set of which shall form a single Election Addendum.

4) **Conflicts.** In the event of any conflict between this Election Addendum and the Purchase Agreement and Solar Addendum, this Election Addendum shall control. In all other respects, the Purchase Agreement and Solar Addendum shall remain in full force and effect.

5) **Entire Agreement.** The Purchase Agreement, Solar Addendum and this Election Addendum contain the entire agreement between Buyer and Seller concerning the matters set forth herein. All prior discussions, negotiations and contracts, whether oral or written, are superseded by these documents. No addition or modification of this Election Addendum or the Purchase Agreement shall be effective unless set forth in writing and signed by Buyer and an authorized agent of Seller.


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Buyer - Bingwen Zhang
Date 1/18/2017

DocuSigned by:

12856A97F28E4C8...
Buyer - Fengxia Wang
Date 1/18/2017

Buyer -
Date _____

Buyer -
Date _____

SELLER: Lennar Homes of California, Inc., A California Corporation

DocuSigned by:

65BD2DD5EA09486...
Authorized Agent of Seller - Jennifer Lavender
Date 1/23/2017