

Home Builders Network Home Builders Contract.

A. Mutual agreement and duties.

1. The Home Builders Network is a software company and is not a home builder or a real estate firm. Moving forward in this contract the term HBN refers to Home Builders Network and the term Builder refers to a Home Builder or General Contractor that signed this contract.
2. Home Building Construction process is a very complex process from marketing sales to the actual building of the home. Joining with HBN it is agreed that taking care of the consumer with respect, fairness and honesty for their best interest is the top most important goal we will strive to achieve. Using our system it is intended to improve efficiencies so the consumer has the best building choices, processes at the most reasonable prices.
3. You the Home Builder are expected to be available to meet consumers and their agents to answer questions, when possible these meetings should take place within 72 hours or less. During the first meeting we expect you to ask and receive a copy of the HBN – Buyers agreement so you have a clear understanding who the consumer is and who the consumers Agent is. Each Consumer has different needs but we expect you to reach out (Phone, Text, Email or in-person) to each consumer you have met two additional times within ten days after the initial meeting to confirm if any new questions have been unanswered.
4. If HBN chooses you as part of our HBN system, you can continue to build homes with your existing and future customers through your own marketing efforts as long as you're not using HBN marketing images, house plans or systems. Consumers that are generated or want our plans will need to go through the HBN process regardless of where the lead came from and pay all commissions as listed below.
5. HBN may offer you a membership into our system. This membership has yearly dues and has no guarantee if you will get business and how much you can make or loss as part of being a member. Active approved members will be given to each real estate sales person when they have a possible buyer in your county. If they call to set up a time to meet the builder your responsiveness is important.
6. In efforts to control overhead cost and a better system HBN model is not to handle emails, text or phone calls from Home Builders. Every Builder in our agent network is expected to join the private Facebook group: "HBN – Home Builders". In this group discussion you can share best practices, requested future improvements or trouble shooting problems in this private group where everyone can learn together and share together. Note: posting non HBN content or a strong negative presence is grounds to be removed from the group and our system terminated.

B. Commission

1. You the Home Builder are responsible to pay commission for every home that is built where the home buyer lead was generated through the HBN system, regardless of the house design or who owns the design.
2. If HBN terminates the use of our system you are still responsible to pay commission for any active, future leads or older leads that develop after the termination date.
3. Your commission is in two parts and is paid directly to the Real Estate Agent's Broker and the Home Builders Network.

- a. Real Estate Agents Commission.
 - 3% of the base price of the home and due at the last construction draw but before occupancy. Plan Modifications and upgrades will not earn a agent commission.
 - Commission due to the agent that has the closest date signed HBN-Buyers Agreement to the last draw (Payment Due). If you had multiple HBN- Buyers agreement and/or agent invoices, we suggest you contact every party before payment is made to avoid confusion and lawsuits.
 - Real Estate Agents signed their own agreement to be part of our system, in this agreement they were instruction to Issue a “Notice To Owner” and supply you with an invoice.
 - In rare cases where the real estate agent has not supplied an invoice and is not responsive to communications, it is the builder’s responsibility to contact HBN. All Commissions are due regardless of situation, If a commission cannot be paid then those funds will be reallocated to HBN and ear marked for new house plans to be designed for all parties to benefit.
- b. Home Builders Network Commission.
 - 3% of the complete sale price minus the land but includes land improvements if made.
 - Commission due to “Home Builders Network” at the first draw or before the erection of level two floor begins, whichever comes first.
 - A copy of your complete home builder’s contract is due to HBN within ten days of executed signatures. As software improvements happen if a invoicing, billing or contract module is developed it is agreed that the builder will use these improvements to track pricing, cost & Etc.
 - HBN- has the right to issue a “Notice to Owner”.

C. Survey Questionnaires

1. HBN uses a short ten question survey from the agent, home buyers and builders to help determined how to offer better services and or terminate agents & builders from the HBN program. As an Builder we expect you to participate in these surveys and respond within two working days.
2. Surveys will be sent via email to the Home Builder at any time for a general check on how things are happening in our business but you should expect a survey to be sent to you the Home Builder after you visit with each HBN Consumer and agent. You should also expect a survey after the home closes and the consumer can occupy the home.
3. Surveys are HBN’s way to determine if we want to keep certain Home Builders or Sales Agents in our system. We understand you can’t please everyone, but please take the survey process serious as we keep a private algorithm scoring system to help determine the partners in our system.

D. Contracts

1. You may use your own building contract or HBN may offer a sample contract you can use at your own discretion. If you use the HBN contract and have suggestion please share so we can make it better. As always we expect you to consult your own attorney to review contracts.
2. Required contract pages that are required to be included in your consumer building contract are:

- Home Builders Network Disclaimer page.
- House Specifications. (This matching the websites and line items pricing.)

E. Pricing

1. Pricing items you CANNOT DO when meeting the consumer or advertise!
 - You cannot change the base House Price.
 - You cannot change the price of the listed options.
 - You cannot refuse to work with a consumer because you do not like the price. If the price does not work for you then let the consumer know your schedule is full at this time and report price increase request to HBN and risk losing the job.
 - You cannot offer a totally new plan that you have or they want to created and make up a price. HBN does offer a full custom new plan design service so you the builder do not have to deal with this time consuming task that may not move forward. This can be found in the links section of every house plans detail page on any website with HBN software installed.
2. Pricing Items you CAN DO!
 - You can create a price for upgrades that are not listed.
 - You can modify a listed upgrade with changes and change the price on new modified upgrade price.
 - You can make small modifications in a plan and offer that modification as an upgrade.

F. Reporting

1. Line Item Take-off w/pricing viewing – Currently it is offered as a PDF file that has to be created on the HBN side so expect any request to take one business day to respond. Note: Homes with no upgrade options showing have the older line items pricing and is not as detailed broken down for example it has the total drywall sheet count but does not say how many per floor for delivery. Items In-process: The older line-items pricing is being updated weekly and in the future an instant online line item Take-off PDF pricing will become available around late 2021.
2. Line Item Take off Quantity differences- If during your review or build process you find an error in a house plan line item take off we expect you to report it immediately. To report these adjustments go to the form section under the “Service Partners” section in the HBN website footer section. Note: All 68 counties share the exact same line item take off for each house, there may be minor differences based on local building codes or labor techniques and the contingency funds are in place to help absorb any minor cost difference.
3. Line Item Take off Pricing: The database is setup for a master price list of items, the description list is the same throughout all 68 counties in Florida. Each County then has a price amount for each line item description that can differ by county. You can report a price concern by county but is not an instant change. We will have several builders working in each county and we are shooting for an average price rate for all those in that county. Often the pricing of individual items takes time for review with several builders and in some case how it compares to surrounding counties. If your numbers is slightly off we do expect a little give and take between all items in the list.
4. Standard Margins- After the house is priced out it then adds the percentage of standard margins to operate your business. These Standard Margins can be different in each of the 68 Florida Counties.

The Margins are targeted for both actual cost of the operation and what the National Building Association is reporting. These are under review at all times and include the following: County Sales Tax, Contingencies/Warranty, Overhead, Project Manager, and Net Profit. These can all be seen on the last page of each house plan take off.

5. Meetings- Occasionally we will have virtual meetings (Normally by County) to discuss all facets of the HBN System. These meeting will be live with several builders and the HBN staff. These meeting will be posted in the HBN –Builders private Facebook group. If your county is called to a meeting we expect you to have at least one member in the meeting to participate.

G. Required products to purchase

1. House Plans are to purchase using the House Plans form in the forms section with payment made at the time of Ordering. You have to use our architects for our house plans and the purchase is a onetime use to build for each HBN consumer lead/Buyer.
2. Items in the “House Specification” must be followed and used.
3. Items labeled as a “Buyers Group” in the line item take off are required to purchase through HBN source in efforts to offer better buying power.
4. Each builder is expected to offer a small selection of some touch and fell products that may be used in their house build to add value in the meetings.

H. Legal Info

1. This contract is automatically renewed every year until one party sends written termination of this agreement.
2. This contract constitutes the entire agreement between the parties. It supersedes all previous agreements. Each Provision of this contract is separable from every other provision of the contract. If any provision is unenforceable the remainder of the contract will remain valid & enforceable.
3. The following methods will be the sole dispute resolution mechanism. The parties must file a written notice of binding arbitration with each other. Arbitration may not be filed after the date that a claim based on the dispute would have been barred in a judicial proceeding by the applicable statute of limitations or repose.
4. Each Home Builder is required to follow all state compliance requirements and keep an active builders or general contractor’s license.
5. You agree that we can share this contract and surveys with any buyer, Agents or their legal representative that may find the need to confirm a connection or involvement with each party.
6. Although you are signing a contract with HBN you agree these terms & provisions will be extended to the Consumer and Real Estate Agent.
7. The Home Builder / Contractors and their company hereby hold harmless HBN and the HBN staff for all liabilities, including cost to defend HBN and staff.
8. The Home Builder / Contractor agree HBN does not guarantee any profits or success in using our system. Depending on your experience the home building can even have losses on projects.
9. HBN reserves the right to terminate our service using our sole reasonable discretion and without notice or liability. All active projects or active and non-active leads are still due a commission in the future if they build with you. All yearly membership fees are forfeited when termination occurs.

- 10. Builder/Contractor agrees any consumer found to build a house with your company that was generated through the HBN system but did not pay the commission fees will be charged and agrees to pay three times the commission that was due.
- 11. Builder / Contract understand HBN systems are all copyrighted, in addition building one of our homes requires each home to go through the HBN System. Our plans are copyright protected with average lawsuits \$250,000 even if you make major changes to our plans.

I. HBN may revise these terms of service / provisions at any time without notice.

Agreement, By signing below you the agent agree to the above terms/Provisions and will update HBN on any contact info changes listed below.

Print Builders Company Name	State License Number
Main Builders Contact Name	
Authorized Builder Signature	Date
Main Builder Phone	Main Builders Email

Builder’s contact for setting up appointments.

Contact Representative Name	Phone Number
Email	County Service Area

**Email with initials on five pages and last page completed to:
support@homebuildersnetwork.com**