

Meritage Green Home Bond Critical Path Timeline

Rationale

Meritage competitors inquired about issuing Green Home Bonds similar to Meritage's \$100M Green Home Bond under development. An important Meritage Green Home Bond purpose is to assert its competitive advantage as the green home and energy efficient market leader. Accordingly, this critical path timeline has been prepared to ensure expeditious Meritage Bond issuance.

Critical Path Timeline

1. Day 195 Issuance for Sale & NYSE Event / Press Conference / Marketing Launch
2. Day 175 Meetings with Meritage Institutional Investors & Investors who executed Expression of Interest Letters to discuss Bond purchase, NYSE Event & expected dates of second & third issuances
3. Day 165 Completion of Morningstar & S&P Ratings
4. Day 135 Finalization of Bond Tranches
5. Day 120 Operation of Servicer
6. Day 120 Markit or Other Third Party Bond Pricing
7. Day 90 Completion of Legal Opinions on representations, warranties, prospectus, forward-looking statements
8. Day 90 Submittal for Ratings & Markit or Other Bond Pricer
9. Day 90 Finalization of Prospectus, Collateral Value Statement & Tombstone & consult with key investors on content beforehand
10. Day 90 Completion of Green Appraisals by Axis
11. Day 90 Purchase of 350 Green Mortgages by Co-issuers / Acacia REIT and \$103M payment into Acacia Mortgage Trust
12. Day 80 Completion & Recording in Chain of Title of Green Value Scores
13. Day 75 Completion of Integrative Process / QualityBuilt Commissioning
14. Day 45 Execution of Agreement with Mortgage Originator & Co-Issuers with Acacia REIT buying loans from originator
15. Day 45 Execution of Agreement with Bond Distributor / Seller & Co-Issuers
16. Day 45 Completion of Lacey Due Care Certification & sustainable product certification for Lacey Due Care forest certification requirements
17. Day 30 Execution of Agreements of Co-Issuers with Meritage
18. Day 15 Meritage Identification of 350 Green Homes for Bond / initiate Integrative Process / commissioning & Green Value Scores
19. Day 1 Completion of Added Share Value Calculations & presentation to Meritage top management

