

LIMITED LIABILITY COMPANY OPERATING AGREEMENT
of
K. HOVNANIAN'S TERRACES AT ABSECON INLET, LLC

THE UNDERSIGNED (the "Member") is executing this Limited Liability Company Operating Agreement (the "Agreement") for the purpose of forming a New Jersey Limited Liability Company (the "Company") pursuant to the provisions of the Revised Limited Liability Company Act, P.L. 2012, c. 50, N.J.S.A. 42:2C-1 et seq., (the "Act") and does hereby provide as follows:

1. **Name.** The name of the Company shall be K. Hovnanian's Terraces at Absecon Inlet, LLC or such other name as the Member may from time to time hereafter designate.

2. **Definitions.** Capitalized or other terms not otherwise defined in this Agreement shall have the meanings set forth therefor in the Act.

3. **Purpose.** The Company is formed for the purpose of engaging in any lawful business. The Company shall have the power to engage in all activities and transactions which the Member deems necessary or advisable in connection with the foregoing.

4. **Offices.**

(a) The principal place of business and office of the Company shall be located at 110 Fieldcrest Avenue, Floor 5, Edison, NJ 08837 and the Company's business shall be conducted from there or such other place or places as the Member may designate from time to time.

(b) The registered office of the Company in the State of New Jersey shall be located at Princeton South Corporate Center, 100 Charles Ewing Blvd, Suite 160, Ewing, New Jersey, 08628. The name and address of the registered agent of the Company for service of process on the Company in the State of New Jersey shall be Corporation Service Company, Princeton South Corporate Center, 100 Charles Ewing Blvd, Suite 160, Ewing, New Jersey, 08628. The Member may from time to time change the registered agent or office of the Company pursuant to procedures adopted by the New Jersey Department of the Treasury.

5. **Member and Management.** The initial transferable interest of the Member shall constitute 100% of the transferable interests in the Company. Except as otherwise provided herein, the business and affairs of the Company shall be managed by the Member. The Member shall have the power to do any and all acts necessary or convenient to or for the furtherance of the purposes described herein, including all powers, statutory or otherwise, possessed by the Member under the laws of the State of New Jersey. The Member is hereby designated as an organizer, within the meaning of the Act, to execute, deliver and file the Certificate of Formation of the Company (and any amendments and/or restatements thereof) and any other certificates (and any amendments

and/or restatements thereof) necessary for the Company to qualify to do business in a jurisdiction in which the Company may wish to conduct business. The execution by the Member of any of the foregoing certificates (and any amendments and/or restatements thereof) shall be sufficient.

6. **Term.** The term of the Company shall commence on the date of filing of the certificate of formation of the Company in accordance with the Act and shall have perpetual existence until the Company is dissolved and its affairs are wound up in accordance with the Act.

7. **Capital Contribution.** The Member has contributed the capital reflected on the books and records of the Company as of the date hereof as its initial capital contribution. The transferrable interest of the Member with respect to its capital contribution is as set forth on Schedule B attached hereto.

8. **Additional Contributions.** The Member may make, but shall not be required to make, additional capital contributions to the Company.

9. **Transfer of Member Interest; Death of Member.** The Member shall have the right to transfer his or her transferable interest to another person in accordance with the Act, and the transferee shall have such rights and obligations as are provided by the Act. If the Member dies, the personal representative or legal representative may exercise the rights of a transferee as provided for in the Act.

10. **Resignation.** The Member shall not have the right to resign from the Company prior to the dissolution and winding up of the Company.

11. **Allocations and Distributions.** The Company's profits and losses shall be allocated to the Member. Distributions shall be made to the Member at the times and in the amounts as determined by the Member.

12. **Return of Capital.** The Member has no right to receive any distributions which include a return of all or any part of such Member's capital contribution, provided that upon the dissolution and winding up of the Company, the assets of the Company shall be distributed as provided in Section 56 of the Act.

13. **Member's Liability.** The Member shall not have any liability for the debts, obligations or liabilities of the Company, nor shall the Member have any liability to the Company except for those matters listed in Section 11 (g)(1)-(5) of the Act.

14. **Indemnification.** To the fullest extent permitted by the Act:

- (a) **Limitation on Liability.** For purposes of this Section 14, the term "Actor" means (a) the Member, (b) any member, manager, officer, director, partner or affiliate of the Member, and (c) any officer of the Company. No Actor shall be liable to the Company or its member or members for actions taken in good faith by the Actor in connection with the Company or its business; provided that an Actor shall in all instances remain liable for acts in breach of this Agreement or which constitute bad faith, fraud, willful

misconduct or gross negligence (except to the extent the Company is compensated for the same by insurance). All decisions, actions and omissions by an Actor will be evaluated under the business judgment rule which, for purposes of this Agreement, means that an Actor will not be liable to the Company for any decision, act or omission by that Actor where there is a reasonable basis to indicate that the act or omission was made in good faith. For purposes of the preceding sentence, (i) an Actor will be presumed in all cases to have acted, failed to act or otherwise discharged the Actor's duties (1) in good faith, (2) with the care an ordinarily prudent person in a like position would exercise under similar circumstances, and (3) in a manner the Actor reasonably believes to be in the best interests of the Company, and (ii) the burden will be on the person challenging the Actor's action, failure to act or other discharge of duties to establish by clear and convincing evidence facts rebutting the foregoing presumption.

- (b) **Indemnification.** To the fullest extent permitted by law, the Company, its receiver or trustee, as applicable, shall indemnify, defend and hold harmless each Actor, to the extent of the Company's assets, from, for and against any liability, damage, cost, expense, loss, claim or judgment incurred by the Actor arising out of any claim based upon acts performed or omitted to be performed by the Actor in connection with the business of the Company, including, without limitation, reasonable attorneys' fees and costs incurred by the Actor in the settlement or defense of such claim; provided, however, that no Actor shall be indemnified for claims based upon acts performed or omitted which constitute bad faith, fraud, willful misconduct or gross negligence.
- (c) **Savings Clause; Severability.** No repeal, amendment or modification of any portion of this Section 14, whether direct or indirect, shall eliminate or reduce its effect with respect to any act or failure to act of an Actor occurring prior to such repeal, amendment or modification. If any provision of this Agreement, or the application thereof to any person or circumstance, shall be invalid, illegal or unenforceable to any extent, the remainder of this Agreement and the application thereof shall not be affected and shall be enforceable to the fullest extent permitted by law.

15. Officers.

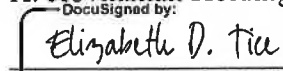
- (a) The Company, and the Member on behalf of the Company, acting singly or jointly, may employ and retain persons as may be necessary or appropriate for the conduct of the Company's business (subject to the supervision and control of the Member), including employees and agents who may be designated as officers with titles, including, but not limited to, "chairman," chief executive officer," "president," "vice president," treasurer," "secretary," "managing director," chief financial officer," "assistant treasurer" and "assistant secretary" as and to the extent authorized by the Member.
- (b) Each of the individuals listed under the heading "Officers of the Company" in Schedule A shall be the initial officers of the Company with the title listed opposite

its name. Each such officer shall be authorized to do and perform, or cause to be done and performed, all such acts, deeds and things directed by the Member or which such officer deems appropriate to effectuate the purposes of this Agreement and to make, negotiate, approve, execute and deliver, or cause to be made, negotiated, approved, executed and delivered, all such agreements, undertakings, documents, instruments or certificates in the name and on behalf of the Company or otherwise as each such officer may deem necessary or appropriate to effectuate or carry out fully the purpose and intent of this Agreement.

16. Governing Law. This Agreement shall be governed by, and construed under, the laws of the State of New Jersey, without regard to conflict of law rules.

IN WITNESS WHEREOF, the undersigned has duly executed this Agreement as of October 2, 2024.

By: Its Member:
K. Hovnanian Holdings NJ, L.L.C.

DocuSigned by:


Name: Elizabeth D. Tice
Title: Vice President

SCHEDULE A

Officers of the Company

Name

Michael Wyatt
Michael Weisslitz
Michael Marlovits
Kenneth Mahieu
Carl Erler
Jonathan Fisher
Tracy Siebold
Mark Warshauer
Shirleen Roberts

Title

Group President
Division President
Vice President – Group Controller
Vice President and Chief Legal Counsel
Division Counsel
SVP, Land Acquisition – East Group
Area Counsel
Area Counsel
Area Counsel

SCHEDULE B

<u>Name and Address of Member</u>	<u>Transferable Interest</u>
K. Hovnanian Holdings NJ, L.L.C. 90 Matawan Road, 5 th Floor, Matawan, NJ 07747	100%