



Type I Standard Relocation Program Guaranteed Buyout Offer for Homeowners

U.S. Domestic Policy

A relocation of your job and home is an exciting time of change for you and your family. There are opportunities to broaden your career experiences for personal growth and development and to give your family the opportunity to meet new people and experience new places as you settle into your new community.

The relocation of employees also contributes to Lowe's' ability to stay flexible and competitive. We also acknowledge that, as with any change, relocation can present you and your family with unique challenges. For that reason, we have partnered with Weichert Workforce Mobility (Weichert) as well as a number of other top rate service providers, to provide you with a program of relocation support to reduce normal move disruptions, and enable you to get settled in your new home and job as quickly as possible.

This relocation policy outlines the services made available to you to help facilitate your move, including selling your current residence and finding a new community and home.

Please take the time to read through this policy and familiarize yourself with it and Weichert's services before you begin planning your relocation. Recognizing that relocating can be a disruptive time, the Company, through your designated Weichert Relocation Consultant, will assist you and your family throughout your move.

Our very best wishes for success in your new location!

**Weichert Workforce Mobility
Lowe's Team
800-648-3303**



Table of Contents

<u>Summary of Benefits</u>	2
<u>Eligibility</u>	3
<u>Weichert Workforce Mobility</u>	4
<u>Relocation Administration</u>	5
<u>Lump Sum Payment for Relocation and Transition Expenses</u>	6
<u>House Hunting</u>	6
<u>Temporary Lodging</u>	6
<u>Final Move Trip</u>	6
<u>Miscellaneous Expense Allowance</u>	7
<u>Home Sale Assistance Program</u>	8
<u>Marketing Assistance</u>	10
<u>Listing Your Home</u>	11
<u>Guaranteed Buyout Offer (GBO)</u>	12
<u>Amended Value Sale</u>	15
<u>Independent Sale</u>	17
<u>Loss on Sale</u>	18
<u>Destination Support Services</u>	19
<u>Destination Services</u>	20
<u>Home Purchase Closing Cost Assistance</u>	21
<u>Duplicate Housing Assistance</u>	23
<u>Moving to the New Location</u>	24
<u>Tax Assistance</u>	26



Summary of Benefits

Provision	Description
Eligibility	Current and new employees of Lowe's in the U.S. who are homeowners and are required to transfer at the Company's request and designated by Lowe's as eligible to receive the relocation benefits outlined in this policy.
Relocation and Transition Expenses	<p>You will receive a lump sum payment calculated to assist with the following:</p> <ul style="list-style-type: none"> • House hunting expenses for you and another adult household member for one (1) trip • Temporary lodging expenses for you at the new location • Travel expenses for return trips or family member visitation trips while in temporary lodging • Final move trip expenses incurred by you and your household members • Miscellaneous Expense Allowance
Home Sale Assistance	<p>Lowe's provides the following home sale assistance:</p> <ul style="list-style-type: none"> • Marketing Assistance • Guaranteed Buyout Offer (GBO) • Amended Value Sale and Incentive Bonus • Independent Sale for ineligible properties • Loss on Sale Assistance <p>NOTE: You are required to speak with your Weichert Relocation Consultant prior to taking any steps to list or market your home and you must list your home with a Weichert-referred agent. Failure to do so may make you ineligible for Home Sale Assistance.</p>
Destination Services	The Lowe's relocation program offers you professional home finding counseling through Weichert.
Home Purchase Assistance	<p>Lowe's provides for reimbursement of reasonable and customary home purchase expenses.</p> <p>NOTE: You are required to contact your Weichert Relocation Consultant prior to contacting any real estate agent in the new location and you must purchase your home via a Weichert-referred agent. Failure to do so will make you ineligible for Home Purchase Assistance.</p>
Duplicate Housing Expenses	Lowe's provides for reimbursement of up to 60 days of duplicate housing expenses on your former home including taxes, insurance, first mortgage interest, HOA dues plus up to \$300/month for reasonable and necessary utilities and property maintenance
Moving Your Household Goods	<p>Weichert will coordinate the following:</p> <ul style="list-style-type: none"> • Shipping of normal family household goods via van line and protection with replacement value insurance coverage • Shipping of one (1) automobile if distance exceeds 500 miles; two (2) automobiles may be shipped if distance exceeds 1,000 miles • Storage for up to 30 days
Tax Assistance	Gross-up provided to assist with federal, state, local and FICA taxes for most nondeductible relocation expenses



Eligibility

The relocation program was developed to facilitate the movement of Lowe's employees in the U.S. who are homeowners and are required to transfer at the Company's request and designated by Lowe's as eligible to receive the relocation benefits outlined in this policy. Lowe's does not provide relocation benefits for temporary or training assignments. The Company will only provide one (1) relocation benefit within a twenty-four (24) month period.

Family

Your family members eligible for assistance under this policy include all current permanent household members who will continue to reside with you in the new location.

Distance Requirement

In order to be eligible for relocation as described in this policy, your relocation must meet the IRS 50-mile distance test. The distance between your former residence and your new job site must be at least 50 miles greater than the distance between your former residence and your former job site.

In addition, you must relocate to within **forty (40) miles** of your new work location **and** the move must represent a permanent change of residence that is at least **fifty (50) miles** further than your previous residence.

Time Limit

You are eligible for the benefits extended in this policy for up to 12 months following your effective date of transfer. All expense reports related to your relocation are required to be submitted within 60 days of the date incurred within this 12-month period.

One Set of Benefits

In the event an additional member of your household is asked to relocate by Lowe's, you are eligible to receive only one set of benefits.

Important!

DO NOT contact a real estate professional before speaking to your Weichert Relocation Consultant.

If You Leave the Company

If you terminate from the company within 24 months of your effective transfer date or if you receive a relocation benefit but do not relocate, all relocation payments will cease and you will be required to repay all or part of the expenses incurred by Lowe's for your relocation. Also, for those who relocate to Alaska or Hawaii, Lowe's will not cover the expense to move you back to the mainland in the event you terminate from the company. You must sign and return the Lowe's Reimbursement Agreement to Weichert Workforce Mobility before any relocation benefits can be processed.

Disclaimer

Lowe's reserves the right to end, suspend or amend the relocation policy. Further, Lowe's retains ultimate discretionary authority to interpret the provisions of this policy and to determine eligibility for benefits. This policy shall not be considered or construed as an employment contract and does not constitute a guarantee of employment for any minimum or specified period of time.

Notice to Corporate and Executive Officers

Lowe's has the sole right to revise, amend, or discontinue this policy in order to ensure full compliance with the Sarbanes-Oxley Act of 2002. If you are a Corporate or Executive Officer, please contact your HR Director to review benefits, restrictions, and modifications applicable to your move. Certain benefits available to Lowe's Corporate and Executive Officers differ from the benefits described herein.



Weichert Workforce Mobility

Weichert Workforce Mobility is a full-service relocation management firm retained by Lowe's to assist you with each step of your relocation. Weichert has years of experience and a vast array of resources at its disposal. You will have one single point of responsibility at Weichert, your relocation consultant, who will provide service, answer questions, and address issues that arise.

In addition to normal business hours, your relocation consultant is available evenings and weekends to assist you with any aspect of your relocation.

Weichert offers comprehensive services to make your move successful, including departure, destination, transition, and administrative benefits.



Weichert's MyWIN[®] Employee and Family web site contains simple and intuitive interfaces, which allow retrieval of vital information in just a few easy clicks. Once Weichert receives your authorization for relocation from Lowe's, you will receive an invitation via email to create your MyWIN[®] account online. You will have access to:

- Relocation resources, tools, and information
- Relocation policies and related documents
- Viewing online messages about your relocation
- Submitting and tracking expense reimbursement requests

Make the most of MyWIN[®] at your convenience, but never hesitate to contact your consultant whenever you are in doubt or need assistance with your relocation.



Relocation Administration

Upon notification of your relocation, you will have a Weichert Consultant as your main point of contact throughout your move. Your Weichert Consultant will guide you through each step of the relocation process, answer your questions, and help coordinate all aspects of your move, unless otherwise specified. Listed below are highlights of the services your Weichert Consultant will provide to you:

- General information
- Arranging for expense reimbursements and your lump sum payment
- Assistance in finding a new residence
- Moving you and your family to the new location

We encourage you to become fully involved in your move and work closely with the professionals who have been made available to assist you throughout the relocation process. By working closely with your Weichert Consultant, you will be able to effectively manage your move.

Expense Reimbursement

Most ordinary expenses involved in moving from one location to another are covered under this policy. Any questions of interpretation should be discussed with your Weichert Consultant ***before you take action.***

NOTE: DO NOT USE A LOWE'S CORPORATE CREDIT CARD FOR RELOCATION RELATED EXPENSES!

All relocation expenses must be submitted on the Weichert Relocation Expense Report Form and *must not* be combined with regular business expenses or submitted on a Lowe's business expense report form. In order to determine the tax liability for reimbursed expenses, all relocation expenses must be reported accurately. Your expense reimbursements and/ or allowances can be processed once your relocation has been authorized and you have completed and submitted the Electronic Funds Transfer Form provided by Weichert.

Where relocation-related expenses are specifically reimbursable, consistent guidelines apply:

- **Your completed expense reports together with your original receipts should be forwarded directly to Weichert, either electronically or via hard copy**
- All reimbursable expenses must be reasonable and appropriate
- Receipts must be submitted for all reimbursable relocation related expenses greater than \$25.00, unless otherwise specified
- All relocation benefits are reflected in U.S. dollars
- All reimbursable moving expenses must be incurred within 12 months from the effective date of transfer and submitted for payment within 60 days from the date the expense is incurred
- Only expenses specifically outlined in the policy will be reimbursed
- It is important not to include any business expenses on relocation expense forms

Please be sure to keep a copy of your submitted expense reports (including copies of the receipts) for your records.

Time Off to Move

Relocation benefit eligible employees are offered three (3) workdays to move.



Relocation and Transition Expenses

Following your initiation with your Weichert Consultant, you will receive a lump sum payment to assist with the relocation and transition expenses described below and on the following page. The calculation of your lump sum payment will be based on your origin and destination locations, your family size and your departure location status as a homeowner. Please note that the costs attributed to individual components are those in effect as of the date of the actual payment request and may vary from amounts used in earlier estimates of your lump sum payment.

The expense categories listed below are provided only as a guideline to assist you with budgeting your lump sum payment and you are not required to submit relocation expense reports or receipts for these expenses. The funds are yours to spend as you deem necessary for expenses incurred in connection with your relocation and you may retain any portion of the lump sum payment not spent on the expense categories listed below.

House Hunting

Your lump sum payment is calculated to assist with expenses for one (1) house hunting trip to narrow down communities and properties in the new location. Expenses for you and another adult household member may include travel, lodging, meals and dependent care.

Temporary Lodging

Your lump sum payment is calculated to assist with temporary lodging expenses in case you must report to work in the new location prior to your family and/or household goods move. Temporary living is meant to be for a limited amount of time and requires you to focus your efforts on obtaining a new residence quickly. If you need assistance in finding temporary hotel lodging, contact the Lowe's Travel Department at 336-658-4248. If your personal situation requires a stay for longer than 30 days, then your Weichert Counselor can assist you in finding short-term furnished housing, often at a more attractive rate. However, you will bear any additional costs if you cannot obtain and occupy adequate housing in the time frames described above.

Return Trips

When your family has not relocated, the Lowe's policy provides, as part of the lump sum, assistance with travel expenses for home visits. .

Final Move Trip

Your lump sum payment is calculated to assist with one-way transportation for you and your family to travel to the new location including reasonable and customary en route expenses such as: Travel, meals, and lodging.

Tax Assistance

Gross-up will be provided for taxable expenses within the lump sum payment.



Miscellaneous Expense Allowance

Your lump sum payment will also include an allowance to assist with many of the incidental expenses that may occur as a direct result of your transfer. The Miscellaneous Expense Allowance portion of your lump sum payment is intended to assist with incidental expenses that may include, but are not limited to:

- Driver's license/automobile registration
- Carpet/drapery cleaning and/or altering
- Pet transportation/boarding/shots/deposits
- Cable hook-up
- Dismantling or installation of audio-video equipment, antenna, etc.
- Utility deposits/hook-up/installation
- Appliance reinstallation or hook-up adjustments
- Housecleaning services (new or old locations)
- Gratuities to movers
- Professional tax service
- Childcare or elder care expenses
- Medical examinations for re-entry to school
- Non-refundable portion of tuition, club dues, service contracts and memberships
- Shipment of items not covered under the movement of household goods, including bulky item charges
- Crating expenses in excess of \$1000 on items not covered under the movement of household goods
- Costs associated with the shipment of grandfather clocks, pianos, pool tables or hot tubs
- Disassembling or reassembling furniture, gym sets, playhouses, animal pens/runs, outdoor buildings, etc.
- Transportation of boats, campers, or other similar items that don't fit on the truck
- Appraisals on valuable household goods
- Overnight mail charges
- Expenses associated with extended temporary living beyond the scope of the lump sum payment calculation
- Expenses associated with house hunting trips beyond the scope of the lump sum payment calculation
- Expenses associated with duplicate housing beyond policy limits
- Any other items unique to your personal move not covered by this policy

Please contact your Weichert Consultant with questions regarding items not included in the list above.

Tax Assistance

Gross-up will be provided for taxable expenses within the lump sum payment.



Home Sale Assistance Program

Home Eligibility

The home typically considered eligible for home sale assistance is your primary occupied-single family dwelling, condominium, or townhouse in the United States that is your primary residence. This also includes land customarily considered part of a residential lot and all personal property normally sold with a residence according to local custom. If you have any questions regarding your home's eligibility, please contact your Weichert Relocation Consultant prior to beginning the relocation process.

Homes considered *ineligible* for home sale assistance may include, but are not limited to, the following:

- Cooperative apartments
- Condominiums in complexes with more than a 20% vacancy rate, or more than a 20% rate of units owned by absentee investors for rental purposes, or with condominium associations not in sound financial condition
- Mobile homes or houseboats
- Income producing properties
- Farms or homes with excessive acreage (+5 acres, unless typical for area)
- Homes valued in excess of \$1,000,000 or with a value less than \$50,000
- Homes that are partially completed or under substantial renovation including new homes that are under construction
- Homes without operational electrical, plumbing and heating systems
- Homes deemed ineligible through building inspections
- Homes that do not meet all code requirements or that do not have necessary permits
- Vacant lots appraised as contributory value only
- Homes with composite hardboard siding built before 1995, corrosive drywall, synthetic stucco (EIFS), black mold, radon, lead paint or asbestos
- Homes that fail to pass all or a portion of required inspections
- Homes that cannot be financed by a lending institution
- Homes that are not FHA, VA, Fannie Mae and Freddie Mac loan eligible
- Homes with unresolved title issues related to bankruptcies, foreclosures, IRS liens, short sales, etc.
- Homes with underground storage tanks
- Homes with marketability problems or stigma
- Homes with severed mineral rights
- Homes that do not conform to local neighborhood standards (type, size, etc.)
- Homes with zoning or easement disputes
- Homes with building code violations

Weichert is not authorized to purchase your home if any environmental toxins exist in excess of the recommended level by the Federal Environmental Protection Agency (EPA). Should Lowe's determine through professional consultation that a serious problem exists, the Company reserves the right to exclude your home from the Home Sale Program.

Lowe's reserves the right, in its sole discretion, to determine all home eligibility. If your principal residence is ultimately deemed ineligible, the [Independent Sale Option](#) detailed on page 17 is available to you. Expenses related to selling vacation/ secondary homes or investment properties are not covered by this policy.



Home Sale Assistance Program Overview

Your Weichert Relocation Consultant will provide you with the necessary expertise to facilitate the sale of your home through the services described below.

Marketing Your Home

The home sale process will begin with listing your home. Your Weichert Relocation Consultant will help you select a qualified real estate agent and together they will determine selling strategies targeted to help you receive the best possible offer for your home. You will additionally be provided with tips to increase market value, plus on-going marketing and negotiating strategies. The advantage of successfully marketing your home and selling to an outside buyer is that you may receive a greater cash return than the Guaranteed Buyout Offer (GBO) and you may be eligible to receive an incentive bonus.

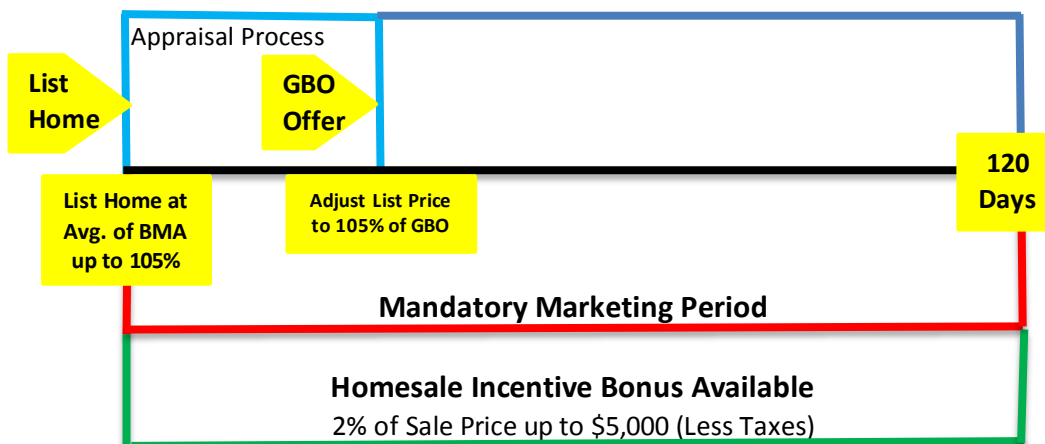
Guaranteed Buyout Offer (GBO)

Once your home is listed, two independent appraisers will appraise your home to determine the Guaranteed Buyout Offer (GBO). This offer will be your “safety net” providing you with a guaranteed price, should your home not sell on the open market.

Amended Value Sale

If, while you market your home before or after receiving the Guaranteed Buyout Offer (GBO), you receive a qualified offer on your home from an outside buyer as described on page 15 ([Analyzing the Offer](#)) you have an opportunity to “amend” the Guaranteed Buyout Offer (GBO) from Weichert to reflect the buyer’s offer. If you are successful in achieving an Amended Value Sale, you will be relieved of the necessity of closing with the buyer and you will be assured of receiving the net proceeds based upon the greater of the Amended Value Sale price or Guaranteed Buyout Offer (GBO). You may also be eligible to receive an incentive bonus of 2% of the sales price of your home up to a maximum of \$5,000, less taxes.

Home Sale Program Timeline





Home Sale Assistance Program Detail

Marketing Your Home

As soon as the Company authorizes your relocation, your Weichert Relocation Consultant will contact you to explain the first step—the listing and marketing of your home. Placing your home on the market competitively priced is a critical element in successfully marketing your home. Throughout the home sale process, your Weichert Relocation Consultant will continuously track your agent's efforts to market your home. The goal of these efforts is to help you obtain the best offer for your home within a reasonable time frame.

Your Weichert Relocation Consultant's objectives are to:

- Help you identify a qualified broker to assist you in marketing and listing your home in a highly effective manner
- Work with your real estate agent to develop a strategic marketing plan to sell your home at the best possible market value
- In conjunction with your real estate agent, suggest any repairs and/or improvements that will increase the marketability of your home (e.g., neutralizing paint colors, replacing worn flooring or improving curb appeal)
- Work with you throughout the process of you selling your home

How the Marketing Process Works

The following is a step-by-step process of marketing assistance services provided by your Weichert Relocation Consultant.

1. Agent Selection

Your Weichert Relocation Consultant will place a referral with two (2) area real estate agents who will visit your home and prepare a complete Employee Relocation Council (ERC) Market Analysis.

You are required to speak with your Weichert Relocation Consultant prior to taking any steps to list or market your home and you must list your home with a Weichert referred agent. Failure to do so may make you ineligible for Home Sale Assistance and the incentive bonus.

2. Market Analysis

The two real estate agents will be asked by your Weichert Relocation Consultant to complete a market analysis on your home that will be used to prepare a marketing strategy. The market analysis will describe the current marketplace along with the agent's opinion of the most probable sales price for your home. The analysis also contains a suggested sales action plan with recommendations for preparing your home for optimum market attention.



3. Listing Your Home

Your Weichert Relocation Consultant will ask you to select one real estate agent from the two you have interviewed. He or she will then work with you and your selected agent to develop a marketing strategy and establish a list price that is both attractive and realistic in the local market.

You are required to list your home at the most probable sale price as determined by the average of the two broker market analyses (BMAs) within 105% of that amount. Once you receive your Guaranteed Buyout Offer (GBO), you are then required to list your home within 105% of that amount. Failure to adjust your list price will make you ineligible for Home Sale Assistance and the incentive bonus. Once you receive the Guaranteed Buyout Offer (GBO), you are required to market your home for the minimum marketing period.

Listing Exclusion Clause

When you speak with your Weichert Relocation Consultant, he or she will discuss the necessity of including specific language in the listing agreement with your broker. The reason for this clause is to allow for cancellation of the listing agreement if necessary for Weichert to close with the buyer. This clause is considered “standard operating procedure” among agents who work with Relocation Counselors and those who list homes for corporate transferees.

4. Monitoring the Marketing Process

Your Weichert Relocation Consultant will work with you and your real estate agent throughout the marketing process to ensure maximum exposure for your home, provide feedback on the marketing process, and recommend strategy modifications, if needed.

5. Negotiating a Sale

When you have an interested buyer and receive an offer, your Weichert Relocation Consultant will be a valuable resource as you negotiate a price and a contract of sale.

You must submit ALL offers received to your Weichert Relocation Consultant for review and consideration. DO NOT DECLINE any offers. DO NOT SIGN a contract (or any other document) with the buyers or take any money as a deposit from the real estate agent or prospective buyer. You must negotiate all reasonable offers in good faith.



Guaranteed Buyout Offer (GBO)

There may be circumstances in which your efforts to sell your home within the marketing period do not result in a sale. For this reason, Lowe's provides a Guaranteed Buyout Offer (GBO) through Weichert as a "safety net" for you. Weichert will assist you by making an offer to purchase your home at a value established by independent fee appraisers.

The appraisal process will begin shortly after your home is listed.

1. Appraiser Selection

When you begin the appraisal process, you will be given a list of appraisers in your area and asked to select two (2) appraisers from this list. You are encouraged to interview the appraisers to assist in making your decision. If you do not feel qualified to make the selection, ask your real estate agent for guidance.

Once you've made your selection, please contact your Weichert Consultant. He or she will call the appraisers and request they contact you directly to arrange a convenient time for an inspection of your home.

2. Appraisals

An appraisal is an estimate of the anticipated sales price of your home over a reasonable selling period. Appraisers estimate value primarily by comparing your home to the sales of similar properties making detailed adjustments for the differences between those properties and your home. The appraisers consider location, size, age, condition, and marketability.

When the appraisers arrive to inspect your home, you should be prepared to discuss any facts that may be important in determining the value of your home:

- Any improvements you have made to the home that may or may not be visible to the appraisers
- Any information on similar homes that have recently sold in your area

Your home will be appraised in "as is" condition, so it is important your home shows favorably to maximize the appraised value and resale efforts. Your Weichert Consultant and your real estate agent will assist in suggesting specific fix-up items to help maximize your marketing efforts.

The appraisers may also ask for a copy of the land survey and a copy of the title policy that you received when you closed on your home. They may need these items to obtain the correct legal description.

Relocation Appraisals vs. Mortgage Appraisals

If you recently financed your home purchase or refinanced your mortgage you may have received a mortgage appraisal. Mortgage appraisals stress that the value of the property be derived on the prevailing market conditions as of the date of the appraisal. In a Relocation Appraisal, the appraiser estimates the property's anticipated sales price using a forecasting adjustment. The appraiser is expected to consider the impact of market conditions anticipated during your property's reasonable marketing time and base the value on this additional analysis. **This distinction is important to keep in mind as your property is appraised to determine the Guaranteed Buyout Offer (GBO).**

3. Determining the Guaranteed Buyout Offer (GBO)

Your Guaranteed Buyout Offer (GBO) will equal the average of two independent appraisals. However, if the variance between the two appraisals is greater than 5% of the higher amount, a third appraisal will be ordered. In this case, your offer will be determined by averaging the two closest appraisals.



Your Weichert Consultant will present you with your Guaranteed Buyout Offer (GBO) once the appraisal reports have been received and reviewed. The entire process should be completed within 30 days from the date of the last appraiser's inspection.

Inspections

The Weichert Consultant may also order any necessary inspections including:

- A routine pest inspection
- Other inspections such as, but not limited to, roof, electrical, well, septic, plumbing, structural (engineering), general home, etc. if recommended by appraiser(s)

All required repairs as a result of the inspection reports must be completed by a licensed professional and verified. Failure to resolve repairs will make you ineligible for Home Sale Assistance.

Title Search

In addition to arranging for the appraisals and inspections, a title search will be initiated in order to prepare for closing. Please inform your real estate agent that Weichert is bringing the title up-to-date. This can avoid a duplicate title search. Often an agent will arrange for a title search upon notification from a lender of a buyer's loan approval.

Offer Period

Your Weichert Consultant will call you with your Guaranteed Buyout Offer (GBO) and outline the timing and process of the home sale program. The Guaranteed Buyout Offer (GBO) has a defined acceptance period during which you will continue marketing your home knowing you have a set "safety net." Your offer acceptance period begins the day your Contract of Sale is postmarked. You are required to continue marketing your home for a minimum of 120 days from your original list date before you may accept the offer.

Once you receive your Guaranteed Buyout Offer (GBO), you are required to adjust the list price of your home to within 105% of the GBO amount. You are required to continue marketing your home for the minimum period before you may accept the GBO offer.

If you are unable to sell your home during the offer acceptance period and accept the Guaranteed Buyout Offer (GBO), you and your spouse or partner (and all title holders) should sign the Weichert Contract of Sale and return both copies to your Weichert Consultant along with the other supporting documents. Your execution of the Contract of Sale is a legal transaction. You will need to sign the Contract of Sale and all other related documents. You will be expected to convey all rights to the property, which include any mineral rights you may have.

The signed Weichert Contract of Sale and related documents must be received by your Weichert Consultant on or prior to the expiration date of your offer. The contract will be dated on the day all necessary documents are completed and signed by you and your Weichert Consultant. Please note: All required repairs must be completed prior to the signing of the Weichert Contract of Sale.



Declining the Guaranteed Buyout Offer (GBO)

You may decline the Guaranteed Buyout Offer (GBO) at any time up to execution of the buyout. If you decline the Guaranteed Buyout Offer (GBO), you forfeit the following benefits: Loss on Sale and Home Sale Incentive Bonus.

Customary seller's expenses will be reimbursed as outlined on page 17; however, tax assistance will not be provided.

If you decline the Guaranteed Buyout Offer (GBO) and remove your home from the program, you will not be allowed to re-enter the home into the program in the future.

Vacating the Home

You have 60 days from the date you sign the Weichert Contract of Sale to vacate the property provided a resale closing does not occur sooner. If you cannot move within 60 days, please let your Weichert Consultant know and you may be granted additional time to vacate, if circumstances warrant.

After you and Weichert have signed the Contract of Sale, you will continue to be responsible for the costs of mortgage, tax, maintenance, repairs, utilities, insurance, etc., until you actually vacate and all conditions of the Weichert Contract of Sale have been satisfied (e.g. agreed upon repairs, clear title, deeds received and approved, etc.). Prior to vacating, you will be expected to cooperate fully with all attempts by Weichert to market the home by allowing prospective purchasers to view the premises by appointment during reasonable hours.

Once you vacate and all conditions of the Weichert Contract of Sale have been satisfied, Weichert will make all future mortgage, tax, and other carrying payments on your home. They will also assume payment of maintenance and utility costs. Your equity statement will reflect mortgage interest through your executed Weichert contract date, your vacate date, or the date all conditions of the Weichert Contract of Sale have been satisfied, whichever comes last.

When you vacate, it will be necessary to leave the home in cleanly swept condition. In order to avoid paying additional cleaning charges later, the home must be clean and you must remove all personal property, trash or debris. If necessary, cleaning charges will be withheld from the refund of your \$500 vacate holdback.

DO NOT TURN OFF ANY UTILITIES!

Utilities

Since sudden cold weather can cause damage due to freezing, do not turn off any utilities when you vacate the home. The utilities must be left in your name until you contract with Weichert or vacate the home, whichever is later. At that time, you should request final readings from the utility companies serving your home. Your Weichert Consultant will instruct your real estate agent to transfer the utilities into the real estate company's name until the home closes with new buyers. The day you vacate is customarily the date utilities are transferred to the real estate company. If you receive a utility bill covering a period of time when payment was not your responsibility, please submit the invoice to your Weichert Consultant for payment.



Insurance

You will need to cancel your homeowner's insurance policy effective when Weichert signs the Contract of Sale or you vacate, whichever is later. Any refund due to you from the insurance company will be paid directly to you. Make note to discuss this with your insurance agent and follow-up if necessary.

CAUTION: If you are vacating your home prior to contracting with Weichert, contact your insurance agent to arrange coverage during any periods the home will be unoccupied. Most homeowner's insurance policies state coverage is void if the dwelling is unoccupied for a specific period of time.

Amended Value Sale

Achieving an Amended Value Sale is of benefit to you and the Company. The Company avoids the significant expense of purchasing, maintaining, and reselling your home through Weichert, and you receive the highest possible price for your home.

If at any time during your marketing period, you receive an offer through the efforts of your real estate agent, you must submit the offer to your Weichert Consultant. DO NOT DECLINE ANY OFFERS. DO NOT SIGN a contract (or any other document) with the buyers or take any money as a deposit from the real estate agent or prospective buyer.

Advantages of an Amended Value Sale

- You may receive a greater net return than the Guaranteed Buyout Offer (GBO)
- You may be eligible to receive a 2% incentive bonus up to a maximum of \$5,000, less taxes, based upon the sale price of your home
- You will be relieved of the responsibilities of property ownership upon the Weichert contract date, your vacate date, or the date all conditions of the Weichert Contract of Sale have been satisfied, whichever comes last
- You will be relieved of the necessity of closing with the buyer
- After contracting with Weichert, you will be assured of receiving the net proceeds based upon the Amended Value Sale even if the original sale falls through and does not close

Analyzing the Offer

Your Weichert Consultant will review the terms of the offer in an effort to determine whether the offer is bona fide (made in good faith), and to confirm that it is not subject to the sale of the buyer's property, does not contain any unusual or unreasonable terms, and is not subject to interim financing.

You must negotiate all reasonable offers. Declining or failing to negotiate a reasonable offer could make you ineligible to continue in the home sale program.



The buyer may order inspections that could include:

- A routine pest inspection
- Other inspections such as roof, electrical, well, septic, plumbing, structural (engineering), general home, etc.

All required repairs as a result of the inspection reports or buyer's requirements must be resolved or completed. In the event required repairs are not completed, the estimated costs to complete repairs will be deducted from your equity.

Buyer's Offer Less Than Guaranteed Buyout Offer (GBO)

Lowe's retains discretionary authority to authorize Weichert to accept offers of at least 95% of your sales price. You will remain eligible to receive your net equity based on the Guaranteed Buyout Offer (GBO) and your Home Incentive Bonus (HIB) based on your sales price less any applicable deductions for items not covered under the policy.

Amending the Contract of Sale

Once the final offer has been approved, your Weichert Consultant will ask you to "amend" the amount in your Weichert Contract of Sale to reflect the buyer's offer and to sign and return the Contract of Sale. Once Weichert executes your "amended" Contract of Sale, should the sale with your buyer fall through, you will still receive the "amended" price for your home.

Closing an Amended Value Sale

Weichert will acquire your home, according to the terms of the amended Weichert Contract of Sale with you. Weichert will also fully honor the terms of the Purchase Agreement with the buyers.

Weichert will make every effort to close the transaction with the buyer. However, since Weichert has already purchased your home, you will not be impacted if the sale to the buyer is not eventually consummated. Your equity payment will be based upon the Amended Value Sale Price.

Responsibility for your property (includes maintenance of your home, payments for utilities, mortgage, taxes, and premiums for insurance) remains with you until the last of the following occur:

- You have vacated your home
- All conditions of the Weichert Contract of Sale have been satisfied (e.g. agreed upon repairs, clear title, deeds received and approved, etc.)
- The Weichert Contract of Sale is fully executed (signed by both you *and* Weichert)

Equity

Your equity is calculated as of the Weichert contract date, your vacate date, or the date all conditions of the Weichert Contract of Sale have been satisfied, whichever is later. You will need to coordinate the timing of your equity check with your Weichert Consultant.

It is important to note that certain items are not covered under the policy and will be deducted from your final equity, if you have agreed to any of these additional seller's expenses:

- Repairs and improvements requested by the buyer
- Buyer's closing costs
- Homeowner warranties



- Buyer's incentives
- Real estate commission above the prevailing rate in your current location
- Any real estate agent's transaction handling fees other than the broker's market-based commission
- Costs associated with closing dates beyond 60 days of vacating or contracting with Weichert

Independent Sale

If your principal residence is considered ineligible for Weichert's Home Sale Assistance Program as set forth on page 8 ([Home Eligibility](#)) you will be eligible to receive direct reimbursement of reasonable and customary home sale expenses to sell your home on your own. Expenses related to selling vacation/ secondary homes or investment properties are not covered by this policy.

Reimbursement of Expenses

Standard and actual home sale expenses will be reimbursed, if you sell your home independently within twelve (12) months of your hire date or effective date of transfer. Reimbursed expenses include:

- Real estate commission at the prevailing rate in your current location
- Closing attorney's fees
- Real estate recording fees and transfer taxes
- Termite or other inspection fees that may be necessary for mortgage purposes
- Title insurance for benefit of your buyer where required by law

Discount points incurred through negotiation with FHA, VA and conventional financing **are not** reimbursable.

If your home is considered to be ineligible for the Home Sale Assistance Program and you sell your home independently within 120 days of your list date, you will be eligible to receive loss on sale benefits of up to 20% of the final sale price capped at \$25,000 and the home sale incentive bonus.

If your home is eligible for the Home Sale Assistance Program and you choose to sell your home independently, you will not be eligible to receive loss on sale benefits or home sale incentive bonus benefits. Additionally, you may not re-enter the Home Sale Assistance Program at a later date.

Tax Assistance

You will receive tax assistance for home sale expenses only if your home is ineligible for the Home Sale Assistance Program.



Loss on Sale

While Lowe's cannot guarantee stability in the real estate market, the financial hardship associated with a loss on sale is recognized. You may realize a loss on the sale of your home if you sell it for less than your original purchase price. If this occurs, you may be eligible for Loss on Sale assistance. **Loss on Sale assistance will not be provided for any portion of the loss due to personal neglect, other failure on your part to maintain the home properly, or capital improvements/upgrades (whether or not reflected in the purchase price of the home).**

You must fully comply with all marketing assistance guidelines described in this policy to be eligible for Loss on Sale assistance.

Calculation of Actual Loss on Sale

The calculation of the actual Loss on Sale is based on the original purchase price of the home (the recorded sales price on the HUD1 Settlement Statement) minus the sale price (Amended Value sale or Guaranteed Buyout Offer, whichever is applicable).

Calculation of Loss on Sale Assistance

If your home is sold through an Amended Value Sale, Lowe's will cover the actual loss on sale up to 20% of the Guaranteed Buyout Offer (GBO) capped at \$25,000. If your home is not sold during the mandatory marketing period and is purchased by Lowe's, your actual loss on sale will be covered up to 15% of the Guaranteed Buyout Offer (GBO) capped at \$25,000. If you decline the Guaranteed Buyout and sell your home independently, you will not be eligible for the Loss on Sale benefit.

Tax Assistance

Payment of Loss on Sale will be coordinated and paid by Weichert and will be reported as taxable income. Tax assistance will be provided.



Destination Support Services

Family Integration Assistance

Family integration assistance to the new location is provided through the Impact Group. This service is intended to assist with finding recreational activities and services to help your family quickly acclimate to the new area.

Spouse/Partner Job Search Assistance

The relocation process can be a stressful and complicated time for everyone in the family, especially a working spouse/partner. Lowe's knows re-establishing a career in a new location can be overwhelming so we have partnered with IMPACT Group to help ensure success in your new location.

New technologies offer easier access to job postings, but also add another layer of complexity in the process. The key to success with our Spouse/Partner Job Search Assistance is the one-to-one transition consultant. This coach will guide your job search process.

Services include:

- Resume, CV and cover letter development
- Professional association chapters and contacts
- Development of professional networking contacts
- Professional licensure research and information
- Identification of potential employers
- Interviewing and negotiating coaching
- Entrepreneur support

Learn:

- How to develop an individual career plan
- Interview best practices
- Social media management
- Networking techniques and skills
- Negotiating strategies
- Alternative career options

IMPAXIS, your personal career search website, helps users discover more jobs and organize the search process.

- Daily job leads for your new location
- Access to proprietary business databases
- 40+ hours of online career planning workshops
- Networking opportunities with local professionals
- Virtual interview practice tool



Destination Services

Planning Your House Hunting Trip

Selecting a new community and home is one of the most important decisions you will make as a result of your job transfer. The Company's relocation program offers you professional home finding counseling through Weichert. The Company encourages you to take advantage of this valuable service.

Your Weichert Consultant will discuss your family's specific needs, preferences, and lifestyle. After review of your requirements, your Weichert Consultant will select a local real estate professional who is experienced in the areas of interest to you.

You are required to contact your Weichert Consultant prior to contacting any real estate agent in the new location, and you must purchase your home via an Weichert-referred agent. Failure to do so may make you ineligible for Home Purchase Assistance.

Your Weichert Consultant and real estate agent will work together to organize your home finding trip so it is productive. By planning in advance, the agent will be prepared to take you on area tours and discuss items of interest to you and your family. Preparation gives you a better chance of quickly finding a residence to fit your needs at a price you can afford.

Once your real estate agent is contacted, he or she will provide the following information:

- Schools, churches, etc.
- Commuting times
- Child and elder care services
- Apartment homes/houses for viewing

CAUTION: Although the Internet can be a useful tool to gain information on housing in the new area, keep in mind you need to use the approved real estate agent assigned to you to obtain information or to view any home you find on the Internet. This will avoid confusion as to which agent you are working with and any possible real estate commission disputes.

You should delay your home purchase decision in the new location until you have an estimated value on your present home and you have been pre-qualified by a mortgage lender. Home purchase decisions made with unrealistic expectations of current equity may result in over-commitment at the new location.



Home Purchase Closing Cost Assistance

Lowe's will assist with reasonable and customary home purchase closing costs provided you sign a contract to purchase a home in the new area and close within twelve (12) months of your effective date of transfer and provided you contacted your Weichert Consultant prior to contacting a real estate agent for listing your home in the old location and for purchasing a home in the new location.

CAUTION: If you elect to use a lender other than those recognized by Lowe's and listed on the following page, your reimbursement will be capped at 1.0% of your new first mortgage amount.

Closing costs for Home Purchase Assistance will be direct billed to Lowe's provided you use a Lowe's preferred mortgage lender. One time closing costs include:

- Normal attorney's fees
- Discount points beginning at 7% Mortgage Interest Rates
- Normal lender processing, commitment and underwriting fees
- Appraisal fees
- Tax service fees
- Title insurance (lender's coverage only)
- Recording fees (including tax stamps)
- Credit reports
- Survey fees
- Flood certification
- Inspections required by the lender

You may also submit for reimbursement of inspections (i.e. pest, radon and general home) via a Weichert Expense Report Form.

Tax Assistance

Gross-up will be provided for non-deductible home purchase closing costs.

CAUTION: If you elect to build a home in the new location, you may incur additional expenses as opposed to purchasing an existing home. (i.e. closing cost on a lot not covered). Be aware in making your decision that policy benefits will not be extended to include these additional expenses if you decide to build.



Future Relocation Home Eligibility

Keep in mind that certain home types may not be eligible for home sale assistance should you be relocated by Lowe's in the future. You are advised to review the [Home Eligibility](#) section of this policy as you search for a new home in the destination location. Lowe's will reimburse you for the cost of inspections (i.e. pest, radon and general home) performed on the new home via a Weichert Relocation Expense Report Form.

You should also be aware that Lowe's will not cover prepayment penalties on existing loans should you be relocated by the Company in the future. As you consider the loan options available to you as you purchase a new home, be sure to inquire whether the mortgage terms include a prepayment penalty.

National Mortgage Lender Program

The Company has established a relationship with the national lenders listed below to provide you with a wide variety of mortgage services. You may choose any lender; however, using the services of a National Lender Program offers many advantages:

- Direct billing, eliminating the need to provide cash at closing for reimbursable costs
- Competitive rates
- Pre-approval prior to leaving on your home finding trip

CAUTION: If you elect to use a lender other than those recognized by Lowe's, your reimbursement will be capped at 1.0% of your new first mortgage amount.

Your Weichert Consultant will describe the program to you during your initial conversation. You can then contact Lowe's preferred national lenders directly for more information:

Quicken Loans	(800)-581-6683 or www.RelocationAuthorization@QuickenLoans.com
Premia Relocation Mortgage	1-866-591-0655 or https://www.premiarelocationmortgage.com/premia/content/Lowes/relo.html
Wells Fargo Home Mortgage	1-800-525-3902 or https://www.wellsfargorelo.com/Lowes0148



Duplicate Housing Expenses

If you are actively marketing your home for sale, you may find that you need to close on your new home or secure a lease on a permanent rental residence before you complete the sale of your former home. If you are faced with the expense of temporarily maintaining two homes, you may be reimbursed for up to 60 days of expenses that apply to your former home only and may include:

- Mortgage interest (first mortgage only)
- Real estate taxes
- HOA fees (limited to fees for maintenance of common areas)
- Dwelling insurance
- Reasonable and necessary utilities and maintenance (limited to routine lawn care, pool care, snow removal, etc.) up to \$300 per month

Coverage is limited to the period between the beginning of your obligation to the expenses of an owned or leased permanent residence in your new location and the ending of your obligation to the expenses of your home in your departure location. The total coverage period may not exceed 60 days.

A completed Weichert Relocation expense report form along with all supporting statements for the duplicate housing period must be submitted to Weichert to process reimbursement of all eligible expenses, **including** any items less than \$25.00. You must also provide a copy of your new permanent residence purchase statement or lease agreement.

Tax Assistance

Gross-up will be provided for non-deductible duplicate housing expenses. The Company will **not** provide tax assistance for property taxes and mortgage interest, as these expenses are tax deductible.

Obtaining an Equity Advance

If you need an advance of your equity to purchase a home in the new location, your Weichert Consultant will provide you with an equity advance.

- The advance is based on the *estimated equity* in your home defined as Current Market Value of your home (based on the Guaranteed Buyout Offer (GBO) once it is available to you), less any remaining mortgage principal(s), liens, pro-rations of taxes, interest, estimates of repairs, sales concessions, etc.
- You may receive up to 90% of the *estimated equity* once the Guaranteed Buyout Offer (GBO) is available to you.
- Once you contract with Weichert, the equity advance will be deducted from your final equity.

Please remember the following when requesting an equity advance.

- The equity advance must be used for, and is limited to, the amount required to purchase your primary residence in the new location
- You and your spouse or partner (and all title holders) must sign a promissory note prior to the advance being issued
- You will need to provide your Weichert Consultant with a copy of the purchase agreement for your new home before the equity advance can be processed

Notice to Corporate and Executive Officers

Corporate and Executive Officers of Lowe's are ineligible to receive equity loans or advances in order to ensure full compliance with the Sarbanes-Oxley Act of 2002. If you are a Corporate or Executive Officer, please contact your HR Director to review benefits, restrictions, and modifications applicable to your move.



Moving to the New Location

To enable you and your family to make an effective transition to the new area, the Company's relocation program provides for a range of move-related assistance. Weichert will coordinate these services:

- Pre-move survey of your household goods by the moving company
- Complete packing of all items
- Transportation of your household goods to your new residence
- Replacement value insurance coverage for your household goods
- Unloading and placement of all furniture in your new residence
- Storage of your household goods for up to 30 days, if required

Shipment of Household Goods

You will need to plan to be present during all phases of your move—pack, load, delivery, and unloading. Your own planning, preparation, and involvement during the process will contribute to a successful move.

The [Miscellaneous Expense Allowance](#) is intended to assist you with expenses unique to your personal move and for items not covered by this policy. Please note the Company will not pay for the shipping of the following items. If you have any questions, contact your Weichert Consultant or Lowe's Relocation Department representative.

- Boats, campers, trailers or other items that will not fit on the van
- Grandfather clocks, pianos, pool tables, hot tubs
- Large playground equipment
- Valuables such as jewelry, money, coins, coin and stamp collections, irreplaceable photos, stocks, bonds, deeds, wills, and other legal documents

Playground and Similar Equipment

The Company will pay for the shipping of playground, gym equipment, swimming pools, animal pens/runs and similar items if there is room on the van; however, these items must be disassembled prior to your move day. If the movers disassemble and reassemble these items, you will be responsible for payment of these costs at the time of service.

Items Excluded From Shipment

The following items cannot be included in the shipment of your household goods. If you have any questions, contact your Weichert Consultant or Lowe's Relocation Department representative.

- Motor homes
- Farm machinery
- Firewood, rocks, sand, soil, etc.
- Perishable food items, refrigerated or frozen
- Aerosol cans, propane tanks, flammable liquids and other hazardous materials
- Airplanes
- Plants, animals
- Tool or storage sheds, outdoor buildings
- Lumber, bricks, blocks, cement, tiles, and building materials



Insurance

Your household goods are protected with replacement value coverage. Please notify your Weichert Consultant or Lowe's Relocation Department representative of any individual items or collection of related items that exceed \$10,000 in value. If you do not notify Lowe's or Weichert and a loss does occur, the maximum insurance coverage for such items is \$10,000.

Items of Extraordinary Value (Including Antiques)

It is recommended that items of extraordinary value such as antiques, fine art, furs, silver, china, crystal, photography equipment, oriental rugs, baseball cards, comics, other collectibles, etc. be professionally appraised prior to your move. If purchased within the last year, the value may be substantiated with a sales receipt. The Company will not pay for appraisals or any special handling and packaging of antiques or other high-value items.

Packing and Loading

Careful packing and proper loading are very important steps in assuring a successful move. It is important that the mover packs all your household goods. The driver will prepare a complete inventory list of your household goods describing the condition of each item (nicks, scratches, dents, etc.). Review the inventory carefully to make sure you agree with the driver's description before you sign the inventory. The inventory is an important document in the settlement of claims for loss and damage.

Unloading

Check with your Weichert Move Coordinator about delivery times at the new location. Be sure to give them all possible telephone numbers where you can be reached en route and in the new location.

As your goods are being unloaded, you must check off each item on your inventory sheets. Make notations on the sheets of missing or damaged items immediately and have the driver sign it. Limited assembly of beds will be completed prior to the driver leaving your home. Disposal of cartons is included in the move services.

Billing

The van line will send the invoice for your move directly to Lowe's or Weichert. If you transport household goods not covered by the policy or incur unauthorized charges, you will be expected to pay for these items at the time of delivery.

Tipping

Tips to the movers are not covered under this policy. You may use your [Miscellaneous Expense Allowance](#).

Automobiles

If necessary, the Company will pay to ship one (1) automobile to the new location with your household goods if the distance to the new location exceeds 500 miles. Two (2) automobiles may be shipped if the distance exceeds 1000 miles.

Storage in the New Location

You should make every effort to move directly to your permanent residence. However, storage of your household goods may be covered for up to 30 days if necessary.



Tax Assistance

Under current IRS regulations, the Company is required to report all relocation expenses paid to you, or paid on your behalf, as compensation on your W-2. The only exceptions are certain expenses incurred with the movement of your household goods and final trip expenses, which are defined by the IRS as excludable from your taxable income. Other than these specified limited exclusions, the total of all other relocation payments, including the tax gross up (defined below), will appear on your W-2 issued in January of the following year.

Because the inclusion of additional “compensation” related to your relocation could increase your tax liability for all of your taxable earnings, it is strongly recommended you seek guidance from a tax professional regarding how your pending relocation may impact you financially, prior to your move.

The Company will provide tax assistance for most taxable benefits through a process called tax gross up. Weichert will calculate the amount of tax gross up to which you are entitled and report it to the Lowe's Payroll department. The Company, through the Payroll department, will make payments directly to the applicable taxing authorities. These payments are intended to help offset the additional tax liability associated with your relocation benefits.

Please take note of these important factors pertaining to the Company-provided tax assistance benefit:

- The income tax gross up on your relocation expenses will be calculated at the current IRS supplemental rate (25%) and state (if applicable). Your tax gross up may or may not compensate you “fully” for all tax liabilities
- Tax assistance provided by the Company is based on federal, state, Social Security, Medicare and local income taxes, up to the taxing authority limit and must be a part of your payroll record
- Certain relocation expenses *may be* deductible on your individual tax return and are not grossed up for tax purposes (see Tax Treatment Table which follows)
- Although Lowe's provides some tax assistance related to your relocation, **you** are responsible for calculating, reporting and paying all personal federal, state and local income taxes for which you are liable, including any additional federal income tax liability beyond the IRS supplemental rate (25%)
- In the event that you resign, or if you are terminated from the Company for certain reasons, Lowe's at its discretion, may limit the tax gross up to cover only Social Security and Medicare tax liabilities, and will not gross up for other federal, state, or local taxes

Weichert will send you a detailed tax assistance package that itemizes all relocation expenses for the tax year, including the tax gross up payments the Company provided on your behalf. The tax package is provided to you for information purposes only and has no impact on the filing of your tax return(s).

Because relocation related expenses and the associated tax gross-ups can cross tax years, it is strongly recommended you seek guidance from a tax professional for any year in which you receive relocation-related services.



Tax Treatment Table

Keep in mind some relocation items are not eligible for gross-up. The table below outlines which relocation payments will be tax assisted.

Relocation Provision	Taxable	Deductible/ Excludable (Non-Taxable)	Grossed Up
Lump Sum Payment	✓		Yes
Home Sale Assistance		Billed directly to Company	
Home Sale Incentive Bonus	✓		No
Independent Sale			
▪ Eligible home	✓		No
▪ Ineligible home	✓		Yes
Loss on Sale	✓		Yes
Home Purchase Closing Cost Assistance	✓	Points may be deductible	Yes <i>excluding points</i>
Duplicate Housing Assistance	✓		Yes <i>excluding mortgage interest & taxes</i>
Household Goods Move		✓	
Storage (up to 30 days)		✓	