

THE NEW HOME COMPANY INC.

LEAD INDEPENDENT DIRECTOR CHARTER

(Adopted February 12, 2018)

Background:

The Nominating and Corporate Governance Committee has adopted this description of the Lead Independent Director position.

Responsibilities:

The specific responsibilities of the Lead Independent Director are to:

1. Set agendas for and preside over executive sessions of non-employee Directors and independent Directors and report to the Board of Directors (“**Board**”), as appropriate, concerning those sessions.
2. Collaborate with the Chairman of the Board (“**Chairman**”) and senior management regarding agendas for Board meetings and recommend matters for the Board to consider and information to be provided to the Board.
3. Chair all meetings of the Board when the Chairman is not present.
4. Serve as a liaison and supplemental channel of communication between Directors and the Chairman and senior management without inhibiting direct communications between the Chairman, senior management and other Directors.
5. Serve as a liaison and be available for consultation and communication between the Board and stockholders.
6. Organize performance evaluations of the CEO and other directors.
7. Advise the Chairman concerning the retention of advisors and consultants who report directly to the Board.

The foregoing description of responsibilities is not intended to impose any different or higher standard of care than that prescribed by applicable law for directors. The Lead Independent Director position is not an officer position with the Company.

Appointment of Lead Independent Director:

The Lead Independent Director shall be nominated by the Nominating and Corporate Governance Committee and confirmed by a majority of the independent Directors of the Board to serve for such term as determined by those Directors or until such earlier time as she or he ceases to be a Director, resigns as Lead Independent Director, or is replaced as Lead Independent Director

by a majority vote of the independent Directors.

Qualifications of Lead Independent Director:

The Lead Independent Director must be independent within the meaning of the Listing Standards of the New York Stock Exchange and may not be an officer of the Company. Additional characteristics for the Nominating and Corporate Governance Committee to consider in making a nomination for Lead Independent Director include: (i) sound judgment and confidence to stand up for proper course of action in difficult times, (ii) understanding of the company, its industry and strategy, (iii) forward-looking vision for the company, (iv) interpersonal skills necessary to: build consensus, foster communication, be a trusted sounding board for directors, and communicate with stockholders on complex issues, and (v) time and desire to properly perform the role.

Absence of Lead Independent Director:

If the Lead Independent Director is not present at an executive session of non-employee Directors or independent Directors, another non-employee or independent Director designated by the Lead Independent Director shall preside at that executive session.