Form 5500

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Annual Return/Report of Employee Benefit Plan

This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6057(b) and 6058(a) of the Internal Revenue Code (the Code).

▶ **Complete all entries in accordance with the instructions to the Form 5500.**

OMB Nos. 1210-0110
1210-0089

2016

This Form is Open to Public Inspection

Part I Annual Report Identification Information

For calendar plan year 2016 or fiscal plan year beginning 01/01/2016 and ending 12/31/2016

A This return/report is for:
- [ ] a multiemployer plan
- [ ] a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions.)
- [X] a single-employer plan
- [ ] a DFE (specify) ____

B This return/report is:
- [ ] the first return/report
- [ ] the final return/report
- [ ] an amended return/report
- [ ] a short plan year return/report (less than 12 months)

C If the plan is a collectively-bargained plan, check here. . . . . ▶ [ ]

D Check box if filing under:
- [X] Form 5558
- [ ] automatic extension
- [ ] the DFVC program
- [ ] special extension (enter description)

Part II Basic Plan Information—enter all requested information

1a Name of plan
RAMEY-ESTEP HOMES, INC. 401(K) RETIREMENT SAVINGS PLAN

1b Three-digit plan number (PN) ▶ 001

1c Effective date of plan
09/05/1990

2a Plan sponsor's name (employer, if for a single-employer plan)
Mailing address (include room, apt., suite no. and street, or P.O. Box)
City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions)

RAMEY-ESTEP HOMES, INC.

2901 PIGEON ROOST RD
RUSH, KY 41168

2901 PIGEON ROOST RD
RUSH, KY 41168

2b Employer Identification Number (EIN)
61-0595497

2c Plan Sponsor's telephone number
606-928-9835

2d Business code (see instructions)
624100

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	Filed with authorized/valid electronic signature.	07/26/2017	TISH EVANS
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

Preparer's name (including firm name, if applicable) and address (include room or suite number)	Preparer's telephone number

3a	Plan administrator's name and address [X] Same as Plan Sponsor	**3b** Administrator's EIN	
		3c Administrator's telephone number	
4	If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report:	**4b** EIN	
a	Sponsor's name	**4c** PN	
5	Total number of participants at the beginning of the plan year	**5**	125
6	Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines **6a(1), 6a(2), 6b, 6c,** and **6d**).		
a(1)	Total number of active participants at the beginning of the plan year	**6a(1)**	100
a(2)	Total number of active participants at the end of the plan year	**6a(2)**	141
b	Retired or separated participants receiving benefits	**6b**	0
c	Other retired or separated participants entitled to future benefits	**6c**	27
d	Subtotal. Add lines **6a(2)**, **6b**, and **6c**.	**6d**	168
e	Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.	**6e**	1
f	Total. Add lines **6d** and **6e**.	**6f**	169
g	Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	**6g**	92
h	Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested	**6h**	1
7	Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	**7**	

8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions:

2F 2G 2E 2J 2K 2T 3D

b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:

9a Plan funding arrangement (check all that apply)
- **(1)** [X] Insurance
- **(2)** [ ] Code section 412(e)(3) insurance contracts
- **(3)** [X] Trust
- **(4)** [ ] General assets of the sponsor

9b Plan benefit arrangement (check all that apply)
- **(1)** [X] Insurance
- **(2)** [ ] Code section 412(e)(3) insurance contracts
- **(3)** [X] Trust
- **(4)** [ ] General assets of the sponsor

10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

a Pension Schedules
- **(1)** [X] **R** (Retirement Plan Information)
- **(2)** [ ] **MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary
- **(3)** [ ] **SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary

b General Schedules
- **(1)** [X] **H** (Financial Information)
- **(2)** [ ] **I** (Financial Information – Small Plan)
- **(3)** [X] 1 **A** (Insurance Information)
- **(4)** [X] **C** (Service Provider Information)
- **(5)** [ ] **D** (DFE/Participating Plan Information)
- **(6)** [ ] **G** (Financial Transaction Schedules)

Part III Form M-1 Compliance Information (to be completed by welfare benefit plans)

11a If the plan provides welfare benefits, was the plan subject to the Form M-1 filing requirements during the plan year? (See instructions and 29 CFR 2520.101-2.) ....………..… ☐ Yes ☐ No

If "Yes" is checked, complete lines 11b and 11c.

11b Is the plan currently in compliance with the Form M-1 filing requirements? (See instructions and 29 CFR 2520.101-2.) ……..... ☐ Yes ☐ No

11c Enter the Receipt Confirmation Code for the 2016 Form M-1 annual report. If the plan was not required to file the 2016 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code_____________________

SCHEDULE A (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Insurance Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).

▸ **File as an attachment to Form 5500.**

▸ Insurance companies are required to provide the information pursuant to ERISA section 103(a)(2).

OMB No. 1210-0110

2016

This Form is Open to Public Inspection

For calendar plan year 2016 or fiscal plan year beginning 01/01/2016 and ending 12/31/2016

A Name of plan
RAMEY-ESTEP HOMES, INC. 401(K) RETIREMENT SAVINGS PLAN

B Three-digit plan number (PN) ▸ 001

C Plan sponsor's name as shown on line 2a of Form 5500
RAMEY-ESTEP HOMES, INC.

D Employer Identification Number (EIN)
61-0595497

Part I Information Concerning Insurance Contract Coverage, Fees, and Commissions

Provide information for each contract on a separate Schedule A. Individual contracts grouped as a unit in Parts II and III can be reported on a single Schedule A.

1 Coverage Information:

(a) Name of insurance carrier
PRINCIPAL LIFE INSURANCE COMPANY

(b) EIN	(c) NAIC code	(d) Contract or identification number	(e) Approximate number of persons covered at end of policy or contract year	Policy or contract year (f) From	Policy or contract year (g) To
42-0127290	61271	441204	121	01/01/2016	12/31/2061

2 Insurance fee and commission information. Enter the total fees and total commissions paid. List in line 3 the agents, brokers, and other persons in descending order of the amount paid.

(a) Total amount of commissions paid	(b) Total amount of fees paid

3 Persons receiving commissions and fees. (Complete as many entries as needed to report all persons).

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid (c) Amount	(d) Purpose	(e) Organization code

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid (c) Amount	(d) Purpose	(e) Organization code

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		**(e)** Organization code
	(c) Amount	**(d)** Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		**(e)** Organization code
	(c) Amount	**(d)** Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		**(e)** Organization code
	(c) Amount	**(d)** Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		**(e)** Organization code
	(c) Amount	**(d)** Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		**(e)** Organization code
	(c) Amount	**(d)** Purpose	

Part II Investment and Annuity Contract Information

Where individual contracts are provided, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report.

4	Current value of plan's interest under this contract in the general account at year end	**4**	16616
5	Current value of plan's interest under this contract in separate accounts at year end	**5**	

6 Contracts With Allocated Funds:

a State the basis of premium rates ▶

b	Premiums paid to carrier	**6b**	
c	Premiums due but unpaid at the end of the year	**6c**	
d	If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, enter amount.	**6d**	

Specify nature of costs ▶

e Type of contract: (1) ☐ individual policies (2) ☐ group deferred annuity

(3) ☐ other (specify) ▶

f If contract purchased, in whole or in part, to distribute benefits from a terminating plan, check here ▶ ☐

7 Contracts With Unallocated Funds (Do not include portions of these contracts maintained in separate accounts)

a Type of contract: (1) ☐ deposit administration (2) ☐ immediate participation guarantee

(3) ☐ guaranteed investment (4) ☒ other ▶ FLEXIBLE INVESTMENT ANNUITY

b	Balance at the end of the previous year			**7b**	40427
c	Additions: (1) Contributions deposited during the year	**7c(1)**			
	(2) Dividends and credits	**7c(2)**	224		
	(3) Interest credited during the year	**7c(3)**			
	(4) Transferred from separate account	**7c(4)**			
	(5) Other (specify below) ▶	**7c(5)**			
	(6)Total additions			**7c(6)**	224
d	Total of balance and additions (add lines **7b** and **7c(6)**).			**7d**	40651
e	Deductions:				
	(1) Disbursed from fund to pay benefits or purchase annuities during year	**7e(1)**	1787		
	(2) Administration charge made by carrier	**7e(2)**	40		
	(3) Transferred to separate account	**7e(3)**			
	(4) Other (specify below) ▶ CONTRACT TERM/NOT MATURED	**7e(4)**	22063		
	(5) Total deductions			**7e(5)**	23890
f	Balance at the end of the current year (subtract line **7e(5)** from line **7d**)			**7f**	16761

Part III Welfare Benefit Contract Information

If more than one contract covers the same group of employees of the same employer(s) or members of the same employee organizations(s), the information may be combined for reporting purposes if such contracts are experience-rated as a unit. Where contracts cover individual employees, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report.

8 Benefit and contract type (check all applicable boxes)

a ☐ Health (other than dental or vision)	**b** ☐ Dental	**c** ☐ Vision	**d** ☐ Life insurance
e ☐ Temporary disability (accident and sickness)	**f** ☐ Long-term disability	**g** ☐ Supplemental unemployment	**h** ☐ Prescription drug
i ☐ Stop loss (large deductible)	**j** ☐ HMO contract	**k** ☐ PPO contract	**l** ☐ Indemnity contract
m ☐ Other (specify) ▶			

9 Experience-rated contracts:

a Premiums: (1) Amount received	**9a(1)**			
(2) Increase (decrease) in amount due but unpaid	**9a(2)**			
(3) Increase (decrease) in unearned premium reserve	**9a(3)**			
(4) Earned ((**1**) + (**2**) - (**3**))			**9a(4)**	0
b Benefit charges (1) Claims paid	**9b(1)**			
(2) Increase (decrease) in claim reserves	**9b(2)**			
(3) Incurred claims (add **(1)** and **(2)**)			**9b(3)**	0
(4) Claims charged			**9b(4)**	
c Remainder of premium: (1) Retention charges (on an accrual basis) --				
(A) Commissions	**9c(1)(A)**			
(B) Administrative service or other fees	**9c(1)(B)**			
(C) Other specific acquisition costs	**9c(1)(C)**			
(D) Other expenses	**9c(1)(D)**			
(E) Taxes	**9c(1)(E)**			
(F) Charges for risks or other contingencies	**9c(1)(F)**			
(G) Other retention charges	**9c(1)(G)**			
(H) Total retention			**9c(1)(H)**	0
(2) Dividends or retroactive rate refunds. (These amounts were ☐ paid in cash, or ☐ credited.)			**9c(2)**	
d Status of policyholder reserves at end of year: (1) Amount held to provide benefits after retirement			**9d(1)**	
(2) Claim reserves			**9d(2)**	
(3) Other reserves			**9d(3)**	
e Dividends or retroactive rate refunds due. (Do not include amount entered in line **9c(2)**.)			**9e**	

10 Nonexperience-rated contracts:

a Total premiums or subscription charges paid to carrier	**10a**	
b If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, other than reported in Part I, line 2 above, report amount.	**10b**	

Specify nature of costs.

Part IV Provision of Information

11 Did the insurance company fail to provide any information necessary to complete Schedule A? ☐ Yes ☒ No

12 If the answer to line 11 is "Yes," specify the information not provided. ▶

SCHEDULE C (Form 5500)	Service Provider Information	OMB No. 1210-0110
Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ **File as an attachment to Form 5500.**	**2016** **This Form is Open to Public Inspection.**

For calendar plan year 2016 or fiscal plan year beginning 01/01/2016 and ending 12/31/2016

A Name of plan
RAMEY-ESTEP HOMES, INC. 401(K) RETIREMENT SAVINGS PLAN

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
RAMEY-ESTEP HOMES, INC.

D Employer Identification Number (EIN)
61-0595497

Part I Service Provider Information (see instructions)

You must complete this Part, in accordance with the instructions, to report the information required for **each person** who received, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of monetary value) in connection with services rendered to the plan or the person's position with the plan during the plan year. If a person received **only** eligible indirect compensation for which the plan received the required disclosures, you are required to answer line 1 but are not required to include that person when completing the remainder of this Part.

1 Information on Persons Receiving Only Eligible Indirect Compensation

a Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions).. . . . . [X] Yes [ ] No

b If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

FIDELITY INVESTMENTS INSTITUTIONAL

04-2647786

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

LEIF CLARKE WEALTH MANAGEMENT INC

2165 CARTER AVENUE
ASHLAND, KY 41101

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
27	ADVISOR	10433	Yes [ ] No [X]	Yes [ ] No [ ]		Yes [ ] No [ ]

(a) Enter name and EIN or address (see instructions)

FIDELITY INVESTMENTS INSTITUTIONAL

04-2647786

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
37 60 64 65	RECORDKEEPER	4033	Yes [X] No [ ]	Yes [X] No [ ]	0	Yes [X] No [ ]

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes [ ] No [ ]	Yes [ ] No [ ]		Yes [ ] No [ ]

2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)						
(b) Service Code(s)	**(c)** Relationship to employer, employee organization, or person known to be a party-in-interest	**(d)** Enter direct compensation paid by the plan. If none, enter -0-.	**(e)** Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	**(f)** Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	**(g)** Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	**(h)** Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)						
(b) Service Code(s)	**(c)** Relationship to employer, employee organization, or person known to be a party-in-interest	**(d)** Enter direct compensation paid by the plan. If none, enter -0-.	**(e)** Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	**(f)** Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	**(g)** Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	**(h)** Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)						
(b) Service Code(s)	**(c)** Relationship to employer, employee organization, or person known to be a party-in-interest	**(d)** Enter direct compensation paid by the plan. If none, enter -0-.	**(e)** Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	**(f)** Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	**(g)** Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	**(h)** Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

Part I Service Provider Information (continued)

3. If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received $1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0

(d) Enter name and EIN (address) of source of indirect compensation		**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
INVS CORP BOND Y - INVESCO CANADA	5140 YONGE STREET, SUITE 900 TORONTO, ON M2N 6 CA	0.25%

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0

(d) Enter name and EIN (address) of source of indirect compensation		**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
INVS DIVRS DIVD Y - INVESCO INVEST	11 GREENWAY PLAZA, SUITE 100 HOUSTON, TX 77046	0.25%

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0

(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
JANUS TRITON I - JANUS SERVICES LL 43-1804048	0.10%

Part I Service Provider Information (continued)

3. If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received $1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0

(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
WF DISCOVERY IS - BOSTON FINANCIAL P.O. BOX 8480 BOSTON, MA 02266	0.15%

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation

(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation

(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.

Part II Service Providers Who Fail or Refuse to Provide Information

4 Provide, to the extent possible, the following information for each service provider who failed or refused to provide the information necessary to complete this Schedule.

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

Part III Termination Information on Accountants and Enrolled Actuaries (see instructions)
(complete as many entries as needed)

a Name: **b** EIN:
c Position:
d Address: **e** Telephone:

Explanation:

a Name: **b** EIN:
c Position:
d Address: **e** Telephone:

Explanation:

a Name: **b** EIN:
c Position:
d Address: **e** Telephone:

Explanation:

a Name: **b** EIN:
c Position:
d Address: **e** Telephone:

Explanation:

a Name: **b** EIN:
c Position:
d Address: **e** Telephone:

Explanation:

SCHEDULE H (Form 5500)	Financial Information	OMB No. 1210-0110
Internal Revenue Service	This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code).	2016
Department of Labor Employee Benefits Security Administration		
Pension Benefit Guaranty Corporation	▶ **File as an attachment to Form 5500.**	**This Form is Open to Public Inspection**

For calendar plan year 2016 or fiscal plan year beginning 01/01/2016 and ending 12/31/2016

A Name of plan
RAMEY-ESTEP HOMES, INC. 401(K) RETIREMENT SAVINGS PLAN

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
RAMEY-ESTEP HOMES, INC.

D Employer Identification Number (EIN)
61-0595497

Part I Asset and Liability Statement

1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. **Round off amounts to the nearest dollar.** MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a	0	0
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)	0	0
(2) Participant contributions	1b(2)	0	0
(3) Other	1b(3)	0	0
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	1563	4559
(2) U.S. Government securities	1c(2)	0	0
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)	0	0
(B) All other	1c(3)(B)	0	0
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)	0	0
(B) Common	1c(4)(B)	0	0
(5) Partnership/joint venture interests	1c(5)	0	0
(6) Real estate (other than employer real property)	1c(6)	0	0
(7) Loans (other than to participants)	1c(7)	0	0
(8) Participant loans	1c(8)	126048	99303
(9) Value of interest in common/collective trusts	1c(9)	0	0
(10) Value of interest in pooled separate accounts	1c(10)	0	0
(11) Value of interest in master trust investment accounts	1c(11)	0	0
(12) Value of interest in 103-12 investment entities	1c(12)	0	0
(13) Value of interest in registered investment companies (e.g., mutual funds)	1c(13)	1858793	1994872
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)	39948	16616
(15) Other	1c(15)	0	0

		(a) Beginning of Year	(b) End of Year
1d Employer-related investments:			
(1) Employer securities	1d(1)	0	0
(2) Employer real property	1d(2)	0	0
e Buildings and other property used in plan operation	1e	0	0
f Total assets (add all amounts in lines 1a through 1e)	1f	2026352	2115350
Liabilities			
g Benefit claims payable	1g	0	0
h Operating payables	1h	0	0
i Acquisition indebtedness	1i	0	0
j Other liabilities	1j	0	0
k Total liabilities (add all amounts in lines 1g through1j)	1k	0	0
Net Assets			
l Net assets (subtract line 1k from line 1f)	1l	2026352	2115350

Part II Income and Expense Statement

2 Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

Income		(a) Amount	(b) Total
a Contributions:			
(1) Received or receivable in cash from: **(A)** Employers	2a(1)(A)	45602	
(B) Participants	2a(1)(B)	103311	
(C) Others (including rollovers)	2a(1)(C)	45126	
(2) Noncash contributions	2a(2)	0	
(3) Total contributions. Add lines **2a(1)(A), (B), (C),** and line **2a(2)**	2a(3)		194039
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	108	
(B) U.S. Government securities	2b(1)(B)	0	
(C) Corporate debt instruments	2b(1)(C)	0	
(D) Loans (other than to participants)	2b(1)(D)	0	
(E) Participant loans	2b(1)(E)	4511	
(F) Other	2b(1)(F)	224	
(G) Total interest. Add lines **2b(1)(A)** through **(F)**	2b(1)(G)		4843
(2) Dividends: **(A)** Preferred stock	2b(2)(A)	0	
(B) Common stock	2b(2)(B)	0	
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	89028	
(D) Total dividends. Add lines **2b(2)(A)**, **(B)**, and **(C)**	2b(2)(D)		89028
(3) Rents	2b(3)		0
(4) Net gain (loss) on sale of assets: **(A)** Aggregate proceeds	2b(4)(A)	0	
(B) Aggregate carrying amount (see instructions)	2b(4)(B)	0	
(C) Subtract line **2b(4)(B)** from line **2b(4)(A)** and enter result	2b(4)(C)		0
(5) Unrealized appreciation (depreciation) of assets: **(A)** Real estate	2b(5)(A)	0	
(B) Other	2b(5)(B)	0	
(C) Total unrealized appreciation of assets. Add lines **2b(5)(A)** and **(B)**	2b(5)(C)		0

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		0
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		0
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		0
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		0
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		64099
c Other income	2c		0
d Total income. Add all **income** amounts in column (b) and enter total	2d		352009

Expenses

		(a) Amount	(b) Total
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	248506	
(2) To insurance carriers for the provision of benefits	2e(2)	0	
(3) Other	2e(3)	0	
(4) Total benefit payments. Add lines **2e(1)** through **(3)**	2e(4)		248506
f Corrective distributions (see instructions)	2f		0
g Certain deemed distributions of participant loans (see instructions)	2g		0
h Interest expense	2h		0
i Administrative expenses: **(1)** Professional fees	2i(1)	0	
(2) Contract administrator fees	2i(2)	0	
(3) Investment advisory and management fees	2i(3)	0	
(4) Other	2i(4)	14505	
(5) Total administrative expenses. Add lines **2i(1)** through **(4)**	2i(5)		14505
j Total expenses. Add all **expense** amounts in column (b) and enter total	2j		263011

Net Income and Reconciliation

		(a) Amount	(b) Total
k Net income (loss). Subtract line **2j** from line **2d**	2k		88998
l Transfers of assets:			
(1) To this plan	2l(1)		0
(2) From this plan	2l(2)		

Part III Accountant's Opinion

3 Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

a The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) ☒ Unqualified **(2)** ☐ Qualified **(3)** ☐ Disclaimer **(4)** ☐ Adverse

b Did the accountant perform a limited scope audit pursuant to 29 CFR 2520.103-8 and/or 103-12(d)? ☐ Yes ☒ No

c Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: KELLEY GALLOWAY SMITH GOOLSBY, PSC **(2)** EIN: 61-1129886

d The opinion of an independent qualified public accountant is **not attached** because:

(1) ☐ This form is filed for a CCT, PSA, or MTIA. **(2)** ☐ It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Part IV Compliance Questions

4 CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete lines 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete lines 4j and 4l. MTIAs also do not complete line 4l.

During the plan year:		Yes	No	Amount
a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.)	4a		X	
b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)	4b		X	

			Yes	No	Amount
c	Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)	4c		X	
d	Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)	4d		X	
e	Was this plan covered by a fidelity bond?	4e	X		250000
f	Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	4f		X	
g	Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?	4g		X	
h	Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?	4h		X	
i	Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	4i	X		
j	Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.)	4j		X	
k	Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?	4k		X	
l	Has the plan failed to provide any benefit when due under the plan?	4l		X	
m	If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	4m		X	
n	If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3	4n			
o	Defined Benefit Plan or Money Purchase Pension Plan Only: Were any distributions made during the plan year to an employee who attained age 62 and had not separated from service?	4o			

5a Has a resolution to terminate the plan been adopted during the plan year or any prior plan year? If "Yes," enter the amount of any plan assets that reverted to the employer this year ☐ **Yes** ☒ **No** **Amount:**

5b If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

5b(1) Name of plan(s)	**5b(2)** EIN(s)	**5b(3)** PN(s)

5c If the plan is a defined benefit plan, is it covered under the PBGC insurance program (See ERISA section 4021.)? ☐ Yes ☐ No ☐ Not determined
If "Yes" is checked, enter the My PAA confirmation number from the PBGC premium filing for this plan year____________________. (See instructions.)

Part V Trust Information

6a Name of trust	**6b** Trust's EIN

6c Name of trustee or custodian	**6d** Trustee's or custodian's telephone number

SCHEDULE R (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Retirement Plan Information

This schedule is required to be filed under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

2016

This Form is Open to Public Inspection.

For calendar plan year 2016 or fiscal plan year beginning 01/01/2016 and ending 12/31/2016

A Name of plan
RAMEY-ESTEP HOMES, INC. 401(K) RETIREMENT SAVINGS PLAN

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
RAMEY-ESTEP HOMES, INC.

D Employer Identification Number (EIN)
61-0595497

Part I Distributions

All references to distributions relate only to payments of benefits during the plan year.

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions .... **1** ______

2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits):

EIN(s): 04-6568107 ______________

Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.

3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year .... **3** ______

Part II Funding Information (If the plan is not subject to the minimum funding requirements of section of 412 of the Internal Revenue Code or ERISA section 302, skip this Part.)

4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)? .... ☐ **Yes** ☐ **No** ☐ **N/A**

If the plan is a defined benefit plan, go to line 8.

5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. **Date:** Month ________ Day ________ Year ________

If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.

6 a Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived) .... **6a** ______

b Enter the amount contributed by the employer to the plan for this plan year .... **6b** ______

c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount) .... **6c** ______

If you completed line 6c, skip lines 8 and 9.

7 Will the minimum funding amount reported on line 6c be met by the funding deadline? .... ☐ **Yes** ☐ **No** ☐ **N/A**

8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change? .... ☐ **Yes** ☐ **No** ☐ **N/A**

Part III Amendments

9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box........ ☐ **Increase** ☐ **Decrease** ☐ **Both** ☐ **No**

Part IV ESOPs (see instructions). If this is not a plan described under Section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.

10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan? .... ☐ **Yes** ☐ **No**

11 a Does the ESOP hold any preferred stock? .... ☐ **Yes** ☐ **No**

b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.) .... ☐ **Yes** ☐ **No**

12 Does the ESOP hold any stock that is not readily tradable on an established securities market? .... ☐ **Yes** ☐ **No**

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that contributed more than 5% of total contributions to the plan during the plan year (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _______ Day _______ Year _______

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____________
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _______ Day _______ Year _______

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____________
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): ________________________________

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _______ Day _______ Year _______

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____________
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): ________________________________

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _______ Day _______ Year _______

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____________
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): ________________________________

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _______ Day _______ Year _______

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____________
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): ________________________________

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _______ Day _______ Year _______

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____________
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): ________________________________

14 Enter the number of participants on whose behalf no contributions were made by an employer as an employer of the participant for:

a The current year	**14a**	
b The plan year immediately preceding the current plan year	**14b**	
c The second preceding plan year	**14c**	

15 Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:

a The corresponding number for the plan year immediately preceding the current plan year	**15a**	
b The corresponding number for the second preceding plan year	**15b**	

16 Information with respect to any employers who withdrew from the plan during the preceding plan year:

a Enter the number of employers who withdrew during the preceding plan year	**16a**	
b If line 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers	**16b**	

17 If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐

Part VI Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans

18 If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment ☐

19 If the total number of participants is 1,000 or more, complete lines (a) through (c)

a Enter the percentage of plan assets held as:
Stock: _______% Investment-Grade Debt: _______% High-Yield Debt: _______% Real Estate: _______% Other: _______%

b Provide the average duration of the combined investment-grade and high-yield debt:
☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more

c What duration measure was used to calculate line 19(b)?
☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify):

Part VII IRS Compliance Questions

20a Is the plan a 401(k) plan? If "No," skip b	☐ Yes ☐ No
20b How did the plan satisfy the nondiscrimination requirements for employee deferrals under section 401(k)(3) for the plan year? Check all that apply:	☐ Design-based safe harbor ☐ "Prior year" ADP test ☐ "Current year" ADP test ☐ N/A
21a What testing method was used to satisfy the coverage requirements under section 410(b) for the plan year? Check all that apply:	☐ Ratio percentage test ☐ Average benefit test ☐ N/A
21b Did the plan satisfy the coverage and nondiscrimination requirements of sections 410(b) and 401(a)(4) for the plan year by combining this plan with any other plan under the permissive aggregation rules?	☐ Yes ☐ No

22a If the plan is a master and prototype plan (M&P) or volume submitter plan that received a favorable IRS opinion letter or advisory letter, enter the date of the letter _____/_____/_____ and the serial number ______________.

22b If the plan is an individually-designed plan that received a favorable determination letter from the IRS, enter the date of the most recent determination letter _____/_____/______.

RAMEY-ESTEP HOMES, INC.
401(k) RETIREMENT SAVINGS PLAN

FINANCIAL STATEMENTS
AND SUPPLEMENTAL SCHEDULE
AS OF DECEMBER 31, 2016 AND 2015

TOGETHER WITH INDEPENDENT AUDITOR'S REPORT

TABLE OF CONTENTS

****

****

Kelley Galloway Smith Goolsby, PSC
Certified Public Accountants and Advisors

1200 Corporate Court • P. O. Box 990 • Ashland, Kentucky 41105
• Phone (606) 329-1811 (606) 329-1171 • Fax (606) 329-8756 (606) 325-0590
• Web www.kgsgcpa.com Member of Allinial Global

INDEPENDENT AUDITOR'S REPORT

To the Participants and Plan Administrator
Ramey-Estep Homes, Inc.
401 (k) Retirement Savings Plan
Rush, Kentucky

Report on the Financial Statements

We have audited the accompanying financial statements of Ramey-Estep Homes, Inc. 401(k) Retirement Savings Plan, (the "Plan") which comprise the statements of net assets available for benefits as of December 31, 2016 and 2015, and the related statement of changes in net assets available for benefits for the year ended December 31, 2016, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Plan's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of Ramey-Estep Homes, Inc. 401(k) Retirement Savings Plan as of December 31, 2016 and 2015, and the changes in its net assets available for benefits for the year ended December 31, 2016, in accordance with accounting principles generally accepted in the United States of America.

Report on Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental schedule presented on page 12, is presented for the purpose of additional analysis and is not a required part of the financial statements but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. Such information is the responsibility of the Plan's management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements taken as a whole.

Kelley Galloway Smith Goolsby, PSC

Ashland, Kentucky
July 19, 2017

RAMEY-ESTEP HOMES, INC.

401(k) RETIREMENT SAVINGS PLAN

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

DECEMBER 31, 2016 AND 2015

	2016	2015
ASSETS		
Investments:		
Interest-bearing cash	$ 4,559	$ 1,563
Guaranteed interest accounts	16,616	39,948
Mutual funds	1,994,872	1,858,793
Total investments	2,016,047	1,900,304
Receivables:		
Notes receivable from participants	99,303	126,048
Total receivables	99,303	126,048
Total assets and net assets available for benefits	$ 2,115,350	$ 2,026,352

The accompanying notes to financial statements are an integral part of these statements.

RAMEY-ESTEP HOMES, INC.

401(k) RETIREMENT SAVINGS PLAN

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

FOR THE YEAR ENDED DECEMBER 31, 2016

ADDITIONS	
Additions to net assets attributed to -	
Contributions:	
Employer	$ 45,602
Participant	103,311
Participant rollovers	45,126
	194,039
Earnings on investments:	
Interest and dividend income	89,360
Net appreciation in fair value of investments	64,099
Interest on loans to participants	4,511
	157,970
Total additions	352,009
DEDUCTIONS	
Deductions from net assets attributed to -	
Benefit payments	248,506
Administrative charges	14,505
Total deductions	263,011
Net increase	88,998
Net assets available for benefits:	
Beginning of year	2,026,352
End of year	$ 2,115,350

The accompanying notes to financial statements are an integral part of this statement.

RAMEY-ESTEP HOMES, INC.
401(k) RETIREMENT SAVINGS PLAN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2016 AND 2015

(1) DESCRIPTION OF PLAN

The following description of the Ramey-Estep Homes, Inc. (the "Company") 401(k) Retirement Savings Plan (the "Plan") provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

General

The Plan is a defined contribution plan covering employees of the Company who have attained age 18. Employees may enter the Plan on the first day of the month after completing six months of employment. The Plan is regularly updated to comply with tax legislation. It is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

The assets of the Plan are maintained in investment funds held by Fidelity Management Trust Company ("Fidelity"). Broker commissions associated with investment transactions and investment management fees are paid by the Plan. Administrative fees not paid by the Plan are paid by the Company.

Contributions

Each year, participants may contribute from 1% to 15% of their pay up to the maximum allowable contribution, as defined in federal legislation. Through October 31, 2013, the Company matched 100% of the first 4% of employee salary deferrals, not exceeding 4% of compensation. Effective November 1, 2013, the Company matches 50% of the first 6% of employee salary deferrals, not to exceed 3% of compensation.

Participants may rollover eligible amounts from other qualified plans. Such amounts and any earnings or losses shall be fully vested at all times. However, the Plan will not accept rollovers of after-tax employee contributions.

Participant Accounts

Each participant's account is credited with (a) the participant's contribution, (b) the Company's contribution and, (c) Plan earnings, and charged with an administration fee. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

Participant Loans

Beginning November 1, 2013, participants may borrow from their fund accounts a minimum of $1,000 up to a maximum equal to the lesser of $50,000, or 50% of their account balance. The loans are secured by the balance in the participant's account and bear interest at 4.25% - 4.50%, which was prime plus 100 basis points at loan inception. Principal and interest is paid ratably through payroll deductions. Loans totaling $12,636 were defaulted during the year ending December 31, 2016, due to employee terminations.

Vesting

Participants are immediately vested in their voluntary contributions plus Plan earnings thereon. Vesting in the Company's matching portion of their accounts plus Plan earnings thereon is based on years of service. The vesting requirements of the Plan allow participants to become 33 1/3% vested after one year of credited service, 66 2/3% vested after two years of credited service, and 100% vested after three years of credited service, or earlier, if employment is terminated due to death or disability, or upon attainment of age 55.

Investment Options

Upon enrollment in the Plan, a participant may direct employee and employer contributions in any of the investment options available to the Plan as advised by Fidelity. Participants may change the allocation percentages at any time.

Payment of Benefits

Employees are eligible for retirement benefits upon reaching age 65. Upon termination of service due to death or retirement, a participant or their beneficiary may elect to receive either a lump-sum amount equal to the value of the participants' vested interest in his or her account, or distributions based on various annuity options or fixed income payments. For termination of service for other reasons, a participant may receive the value of the vested interest in his or her account as a lump-sum distribution. Participating employees may make hardship withdrawals under prescribed circumstances, up to the value of their vested account balance.

Forfeited Accounts

Non-vested accounts of terminated employees are used to offset Plan expenses or reduce the employer's contributions. At December 31, 2016 and 2015, forfeited non-vested accounts totaled $0 and $355, respectively. For 2016, employer contributions were reduced by $1,698 from forfeited, non-vested accounts.

(2) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The financial statements of the Plan are prepared using U.S. generally accepted accounting principles and the accrual basis of accounting.

Investments held by a defined contribution plan are required to be reported at fair value, except for fully benefit-responsive investment contracts. Contract value is the relevant measure for the portion of the net assets available for benefits for a defined contribution plan attributable to fully benefit-responsive investment contracts because contract value is the amount participants normally would receive if they were to initiate permitted transactions under the terms of the Plan. At December 31, 2016 and 2015, the Plan held no contracts that are considered fully benefit-responsive.

Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires that the plan administrator make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results may differ from those estimates.

Investment Valuation and Income Recognition

Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in a orderly transaction between market participants at the measurement date. See Note 8 for discussion of fair value measurements.

The guaranteed interest accounts are non-fully benefit responsive, since withdrawals prior to maturity for events other than death, disability, termination or retirement may be subject to a surrender charge. As such, guaranteed interest accounts are recorded at fair value. The value of the Plan's guaranteed interest accounts approximates contract value.

Purchases and sales of securities are recorded on a trade date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation includes the Plan's gains and losses on investments bought and sold as well as held during the year.

Notes Receivable from Participants

Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Interest income is recorded on the accrual basis. Related fees are recorded as administrative expenses and are expensed when they are incurred. No allowance for credit losses has been recorded as of December 31, 2016 or 2015. Delinquent participant loans are reclassified as distributions based upon the terms of the plan document.

Payment of Benefits

Benefits are recorded when paid.

Expenses

Certain expenses of maintaining the Plan are paid directly by the Company and are excluded from these financial statements. Investment related expenses are included in net appreciation (depreciation) in fair value of investments.

New Accounting Pronouncements

In December 2016, the FASB issued ASU No. 2016-19, *Technical Corrections and Improvements*. This Update contains amendments that affect a wide variety of Topics in the Accounting Standards Codification. With regards to these financial statements the amendment to Topic 820, Fair Value Measurement, which clarifies the difference between a *valuation approach* and a *valuation technique* when applying the guidance in that Topic. That amendment also requires an entity to disclose when there has been a change in either or both a *valuation approach* and/or a *valuation technique*. The transition guidance for the amendment must be applied prospectively because it could potentially involve the use of hindsight that includes fair value measurements. Most of the amendments in this Update do not require transaction guidance and are effective upon issuance of the update. The adoption of the Update did not have a material effect on the financial statements.

Subsequent Events

Subsequent events have been evaluated through July 19, 2017, which is the date the financial statements were available to be issued.

(3) PLAN TERMINATION

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, participants will become 100% vested in their accounts.

(4) INCOME TAX STATUS

The Company has adopted a prototype plan document and is relying on the prototype sponsor's opinion letter from the Internal Revenue Service dated March 31, 2014, in which the Internal Revenue Service stated that the plan, as then designed, was in compliance with the applicable requirements of the Internal Revenue Code. The Plan administrator and the Plan's tax counsel believe that the Plan is currently designed and being operated in compliance with the applicable requirements of the Internal Revenue Code. Therefore, no provision for income taxes has been included in the Plan's financial statements.

(5) RELATED-PARTY TRANSACTIONS AND PARTY-IN-INTEREST TRANSACTIONS

Fidelity Management Trust Company ("Fidelity") acts as the agent of the custodial-trustee and is the service provider for the Plan and, therefore, transactions with them qualify as party-in-interest transactions. Fees paid by the Plan to Fidelity for record keeping services totaled $4,033 for the year ended December 31, 2016.

A Board member's investment firm provides investment advisor services to the Plan members and therefore, transactions with that firm qualify as party-in-interest transactions. Fees paid by the Plan for investment advisor services totaled $10,433 for the year ended December 31, 2016.

Certain employees and officers of the Company, who are also participants in the Plan, perform administrative services to the Plan at no cost to the Plan.

(6) RISKS AND UNCERTAINTIES

The Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the statement of net assets available for benefits.

(7) INVESTMENT CONTRACT WITH INSURANCE COMPANY

The Plan maintains Guaranteed Interest Accounts with Principal Financial Group ("Principal"). Contributions to the accounts are maintained as part of Principal's General Fund Account. The account is credited with earnings on the underlying investments and charged for participant withdrawals and administrative expenses. The values of the Guaranteed Interest Accounts are reported in the accompanying financial statements at fair market value, as reported to the Plan by Principal. The contract with Principal promises contract value for a benefit event (termination, death, disability, or retirement). However, there is a possible market value adjustment when funds are withdrawn prior to their maturity. Thus, the Guaranteed Interest Accounts are not considered benefit responsive.

(8) FAIR VALUE MEASUREMENTS

The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). Valuation techniques maximize the use of relevant observable inputs and minimize the use of unobservable inputs. The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

Level 1: Inputs to the valuation methodology are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Plan can access at the measurement date.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, such as: a) quoted prices for similar assets or liabilities in active markets, b) quoted prices for identical or similar assets or liabilities in inactive markets, c) inputs other than quoted prices that are observable for the asset or liability, d) inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specific (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3: Inputs that are unobservable for the asset or liability.

The following is a description of the valuation methodologies used for assets measured at fair value.

Mutual Funds - Valued at the daily closing price as reported by the fund. Mutual funds held by the plan are open-end mutual funds that are registered with the U.S. Securities and Exchange Commission. These funds are required to publish their daily net asset value (NAV) and to transact at that price. The mutual funds held by the Plan are deemed to be actively traded.

Interest-bearing Cash - Fair value equals book value.

Guaranteed interest accounts - Fair value is the amount plan participants would receive currently if they were to withdraw or transfer funds within the Plan prior to their maturity for an event other than death, disability, termination or retirement. Fair value represents contract value adjusted to reflect current market interest rates only to the extent such market rates exceeds crediting rates.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2016 and 2015:

December 31, 2016	Level 1	Level 2	Level 3	Total
Mutual Funds	$ 1,994,872	$ -	$ -	$ 1,994,872
Guaranteed interest accounts	-	-	16,616	16,616
Interest-bearing cash	4,559	-	-	4,559
Total assets at fair value	$ 1,999,431	$ -	$ 16,616	$ 2,016,047

December 31, 2015	Level 1	Level 2	Level 3	Total
Mutual Funds	$ 1,858,793	$ -	$ -	$ 1,858,793
Guaranteed interest accounts	-	-	39,948	39,948
Interest-bearing cash	1,563	-	-	1,563
Total assets at fair value	$ 1,860,356	$ -	$ 39,948	$ 1,900,304

The following table sets forth a summary of changes in the fair value of the Plan's level 3 assets for the year ended December 31, 2016:

	Guaranteed Interest Account
End of year, December 31, 2015	$ 39,948
Unrealized gains or (losses)	334
Interest credited	224
Sales	(23,890)
End of year, December 31, 2016	$ 16,616

Unrealized gains or losses above are reported in the net appreciation (depreciation) in fair value of investments in the Statement of Changes in Net Assets Available for Benefits.

The following table presents detailed information regarding assets and liabilities measured at fair value using significant unobservable inputs (Level 3) as of December 31, 2016 and 2015. The table includes the valuation techniques and the significant unobservable inputs utilized. The range of each significant unobservable input as well as the weighted average within the range utilized at December 31, 2016 is included. Following the table is a description of the valuation technique and the sensitivity of the technique to changes in the significant unobservable input.

	Level 3 Fair Value at December 31, 2016		Valuation Technique	Unobservable Input (UI)	Quantitative Range of UI/(Weighted-Average)
Recurring fair value:					
Guaranteed interest account	$	16,616	Discontinuance value	Book value less an early withdrawal charge	100% (100%)

	Level 3 Fair Value at December 31, 2015		Valuation Technique	Unobservable Input (UI)	Quantitative Range of UI/(Weighted-Average)
Recurring fair value:					
Guaranteed interest account	$	39,948	Discontinuance value	Book value less an early withdrawal charge	100% (100%)

Recurring fair value measurements using significant unobservable inputs are as follows:

The guaranteed interest account is contractually liable based on the amount plan participants would receive currently if they were to withdraw or transfer funds prior to their maturity.

SUPPLEMENTAL SCHEDULE

RAMEY - ESTEP HOMES, INC.
401(k) RETIREMENT SAVINGS PLAN
SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)
DECEMBER 31, 2016
EIN #61-0595497, PLAN #001

(a)	(b) Identity of issuer, borrower, lessor, or similar party	(c) Description of investment including maturity date, rate of interest, collateral, par or maturity value	(d) Cost	(e) Current Value
*	Principal Life Insurance Company	Guaranteed Interest Account	$ -	$ 16,616
	Janus Capital Group	Janus Triton Fund Class I	-	1,265
	Invesco Advisers, Inc.	Invesco Diversified Dividend Fund Class Y	-	1,272
	Wells Fargo Funds	Wells Fargo Advantage Discovery Fund Institutional Class	-	1,725
	Invesco Advisers, Inc.	Invesco Corporate Bond Fund - Class Y	-	1,205
*	Fidelity Management Trust Company	Fidelity Money Market Trust Retirement Government Money Market Portfolio	-	4,559
*	Fidelity Management Trust Company	Fidelity Advisor Freedom 2005 Fund - Class I	-	4,476
*	Fidelity Management Trust Company	Fidelity Advisor Freedom 2010 Fund - Class I	-	21,721
*	Fidelity Management Trust Company	Fidelity Advisor Freedom 2020 Fund - Class I	-	229,231
*	Fidelity Management Trust Company	Fidelity Advisor Freedom 2030 Fund - Class I	-	423,896
*	Fidelity Management Trust Company	Fidelity Advisor Freedom 2040 Fund - Class I	-	346,964
*	Fidelity Management Trust Company	Fidelity Advisor Freedom Income Fund - Class I	-	9,676
*	Fidelity Management Trust Company	Fidelity Advisor New Insights Fund - Class I	-	1,908
*	Fidelity Management Trust Company	Fidelity Advisor Freedom 2015 Fund - Class I	-	34,200
*	Fidelity Management Trust Company	Fidelity Advisor Freedom 2025 Fund - Class I	-	84,181
*	Fidelity Management Trust Company	Fidelity Advisor Freedom 2035 Fund - Class I	-	300,647
*	Fidelity Management Trust Company	500 Index Fund - Fidelity Premium Class	-	117,013
*	Fidelity Management Trust Company	Fidelity Advisor Freedom 2045 Fund - Class I	-	357,957
*	Fidelity Management Trust Company	Fidelity Advisor Freedom 2050 Fund - Class I	-	42,529
*	Fidelity Management Trust Company	Fidelity Advisor Freedom 2055 Fund - Class I	-	4,431
*	Fidelity Management Trust Company	Fidelity Advisor Freedom 2060 Fund - Class I	-	10,575
				2,016,047
*	Participant Loans	4.25% - 4.50%	-	99,303
			$ -	$ 2,115,350

* Party in interest.

Kelley Galloway Smith Goolsby, PSC
Certified Public Accountants and Advisors

1200 Corporate Court • P. O. Box 990 • Ashland, Kentucky 41105
• Phone (606) 329-1811 (606) 329-1171 • Fax (606) 329-8756 (606) 325-0590
• Web www.kgsgcpa.com Member of Allinial GLOBAL.

To the Plan Administrator
and Management of
Ramey-Estep Homes, Inc.
401(k) Retirement Savings Plan
Rush, Kentucky

In planning and performing our audit of the financial statements of Ramey-Estep Homes, Inc. 401(k) Retirement Savings Plan for the year ended December 31, 2016, in accordance with auditing standards generally accepted in the United States of America, we considered its internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency or combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be significant deficiencies or material weaknesses and, therefore, there can be no assurance that all such deficiencies have been identified. We did not identify any deficiencies in internal control that we consider to be material weaknesses, as defined above.

However, during our audit we became aware of a matter that is an opportunity for strengthening internal controls, financial reporting, and other matters. The following summarizes our comments and suggestions concerning this matter.

HARDSHIP DISTRIBUTIONS

Recent guidance issued by the IRS concerning hardship distributions states that Plan sponsors should maintain the following records in paper or electronic format:

1. Documentation of the hardship request, review and approval;
2. Financial information and documentation that substantiates the employee's immediate and heavy financial need;
3. Documentation to support that the hardship distribution was properly made in accordance with the applicable plan provisions and the Internal Revenue Code; and
4. Proof of the actual distribution made and related Forms 1099-R.

During our testing of hardship distributions, we noted that documentation to "substantiate the employee's immediate and heavy financial need" was not properly maintained for 1 of the 3 hardship distributions made in 2016. This is considered a qualification failure that should be corrected. We recommend that the missing documentation be obtained from the participant and that documentation for all future hardship distributions be properly maintained.

This information is intended solely for the use of the Audit Committee, the Board of Directors, and management of Ramey-Estep Homes, Inc. 401(k) Retirement Savings Plan and is not intended to be and should not be used by anyone other than these specified parties.

Kelley Galloway Smith Goolsby, PSC

Ashland, Kentucky
July 19, 2017

Kelley Galloway Smith Goolsby, PSC
Certified Public Accountants and Advisors
1200 Corporate Court • P. O. Box 990 • Ashland, Kentucky 41105
• Phone (606) 329-1811 (606) 329-1171 • Fax (606) 329-8756 (606) 325-0590
• Web www.kgsgcpa.com Member of Allinial GLOBAL

To the Plan Administrator
and Management of
Ramey-Estep Homes, Inc.
401(k) Retirement Savings Plan
Rush, Kentucky

We have audited the financial statements of Ramey-Estep Homes, Inc. 401(k) Retirement Savings Plan (the "Plan") for the year ended December 31, 2016, and have issued our report thereon dated July 19, 2017. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter dated August 3, 2016. Professional standards also require that we provide you with the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Plan are described in Note (2) to the financial statements. During the year, the Plan adopted 2016-19. *Technical Corrections and Improvements*. As more fully described in Note (2), the adoption of this ASU did not have a material effect on the financial statements. We noted no transactions entered into by the Plan during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most significant estimate used in the financial statements is in valuing investments. As part of our audit procedures, we tested the estimated fair value of investments in determining that it is reasonable in relation to the financial statements, taken as a whole.

The financial statement disclosures are neutral, consistent and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. No such likely misstatements were discovered. In addition, no uncorrected misstatements (passed audit adjustments) were noted as a result of our auditing procedures.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated July 19, 2017.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Plan's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Plan's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

With respect to the supplementary information accompanying the financial statements, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with the DOL's Rules and Regulations for Reporting and Disclosure under ERISA, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

This information is intended solely for the use of the Plan Administrator and management of Ramey-Estep Homes, Inc. 401(k) Retirement Savings Plan and is not intended to be and should not be used by anyone other than these specified parties.

Kelley Galloway Smith Goolsby, PSC

Ashland, Kentucky
July 19, 2017

RAMEY-ESTEP HOMES, INC.
401(k) RETIREMENT SAVINGS PLAN

FINANCIAL STATEMENTS
AND SUPPLEMENTAL SCHEDULE
AS OF DECEMBER 31, 2016 AND 2015

TOGETHER WITH INDEPENDENT AUDITOR'S REPORT

TABLE OF CONTENTS

****

****

Kelley Galloway
Smith Goolsby, PSC
Certified Public Accountants and Advisors

1200 Corporate Court • P. O. Box 990 • Ashland, Kentucky 41105
• Phone (606) 329-1811 (606) 329-1171 • Fax (606) 329-8756 (606) 325-0590
• Web www.kgsgcpa.com Member of Allinial GLOBAL

INDEPENDENT AUDITOR'S REPORT

To the Participants and Plan Administrator
Ramey-Estep Homes, Inc.
401 (k) Retirement Savings Plan
Rush, Kentucky

Report on the Financial Statements

We have audited the accompanying financial statements of Ramey-Estep Homes, Inc. 401(k) Retirement Savings Plan, (the "Plan") which comprise the statements of net assets available for benefits as of December 31, 2016 and 2015, and the related statement of changes in net assets available for benefits for the year ended December 31, 2016, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Plan's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of Ramey-Estep Homes, Inc. 401(k) Retirement Savings Plan as of December 31, 2016 and 2015, and the changes in its net assets available for benefits for the year ended December 31, 2016, in accordance with accounting principles generally accepted in the United States of America.

Report on Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental schedule presented on page 12, is presented for the purpose of additional analysis and is not a required part of the financial statements but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. Such information is the responsibility of the Plan's management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements taken as a whole.

Kelley Galloway Smith Goolsby, PSC

Ashland, Kentucky
July 19, 2017

RAMEY-ESTEP HOMES, INC.

401(k) RETIREMENT SAVINGS PLAN

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

DECEMBER 31, 2016 AND 2015

	2016	2015
ASSETS		
Investments:		
Interest-bearing cash	$ 4,559	$ 1,563
Guaranteed interest accounts	16,616	39,948
Mutual funds	1,994,872	1,858,793
Total investments	2,016,047	1,900,304
Receivables:		
Notes receivable from participants	99,303	126,048
Total receivables	99,303	126,048
Total assets and net assets available for benefits	$ 2,115,350	$ 2,026,352

The accompanying notes to financial statements are an integral part of these statements.

RAMEY-ESTEP HOMES, INC.

401(k) RETIREMENT SAVINGS PLAN

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

FOR THE YEAR ENDED DECEMBER 31, 2016

ADDITIONS	
Additions to net assets attributed to -	
Contributions:	
Employer	$ 45,602
Participant	103,311
Participant rollovers	45,126
	194,039
Earnings on investments:	
Interest and dividend income	89,360
Net appreciation in fair value of investments	64,099
Interest on loans to participants	4,511
	157,970
Total additions	352,009
DEDUCTIONS	
Deductions from net assets attributed to -	
Benefit payments	248,506
Administrative charges	14,505
Total deductions	263,011
Net increase	88,998
Net assets available for benefits:	
Beginning of year	2,026,352
End of year	$ 2,115,350

The accompanying notes to financial statements are an integral part of this statement.

RAMEY-ESTEP HOMES, INC.
401(k) RETIREMENT SAVINGS PLAN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2016 AND 2015

(1) DESCRIPTION OF PLAN

The following description of the Ramey-Estep Homes, Inc. (the "Company") 401(k) Retirement Savings Plan (the "Plan") provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

General

The Plan is a defined contribution plan covering employees of the Company who have attained age 18. Employees may enter the Plan on the first day of the month after completing six months of employment. The Plan is regularly updated to comply with tax legislation. It is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

The assets of the Plan are maintained in investment funds held by Fidelity Management Trust Company ("Fidelity"). Broker commissions associated with investment transactions and investment management fees are paid by the Plan. Administrative fees not paid by the Plan are paid by the Company.

Contributions

Each year, participants may contribute from 1% to 15% of their pay up to the maximum allowable contribution, as defined in federal legislation. Through October 31, 2013, the Company matched 100% of the first 4% of employee salary deferrals, not exceeding 4% of compensation. Effective November 1, 2013, the Company matches 50% of the first 6% of employee salary deferrals, not to exceed 3% of compensation.

Participants may rollover eligible amounts from other qualified plans. Such amounts and any earnings or losses shall be fully vested at all times. However, the Plan will not accept rollovers of after-tax employee contributions.

Participant Accounts

Each participant's account is credited with (a) the participant's contribution, (b) the Company's contribution and, (c) Plan earnings, and charged with an administration fee. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

Participant Loans

Beginning November 1, 2013, participants may borrow from their fund accounts a minimum of $1,000 up to a maximum equal to the lesser of $50,000, or 50% of their account balance. The loans are secured by the balance in the participant's account and bear interest at 4.25% - 4.50%, which was prime plus 100 basis points at loan inception. Principal and interest is paid ratably through payroll deductions. Loans totaling $12,636 were defaulted during the year ending December 31, 2016, due to employee terminations.

Vesting

Participants are immediately vested in their voluntary contributions plus Plan earnings thereon. Vesting in the Company's matching portion of their accounts plus Plan earnings thereon is based on years of service. The vesting requirements of the Plan allow participants to become 33 1/3% vested after one year of credited service, 66 2/3% vested after two years of credited service, and 100% vested after three years of credited service, or earlier, if employment is terminated due to death or disability, or upon attainment of age 55.

Investment Options

Upon enrollment in the Plan, a participant may direct employee and employer contributions in any of the investment options available to the Plan as advised by Fidelity. Participants may change the allocation percentages at any time.

Payment of Benefits

Employees are eligible for retirement benefits upon reaching age 65. Upon termination of service due to death or retirement, a participant or their beneficiary may elect to receive either a lump-sum amount equal to the value of the participants' vested interest in his or her account, or distributions based on various annuity options or fixed income payments. For termination of service for other reasons, a participant may receive the value of the vested interest in his or her account as a lump-sum distribution. Participating employees may make hardship withdrawals under prescribed circumstances, up to the value of their vested account balance.

Forfeited Accounts

Non-vested accounts of terminated employees are used to offset Plan expenses or reduce the employer's contributions. At December 31, 2016 and 2015, forfeited non-vested accounts totaled $0 and $355, respectively. For 2016, employer contributions were reduced by $1,698 from forfeited, non-vested accounts.

(2) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The financial statements of the Plan are prepared using U.S. generally accepted accounting principles and the accrual basis of accounting.

Investments held by a defined contribution plan are required to be reported at fair value, except for fully benefit-responsive investment contracts. Contract value is the relevant measure for the portion of the net assets available for benefits for a defined contribution plan attributable to fully benefit-responsive investment contracts because contract value is the amount participants normally would receive if they were to initiate permitted transactions under the terms of the Plan. At December 31, 2016 and 2015, the Plan held no contracts that are considered fully benefit-responsive.

Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires that the plan administrator make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results may differ from those estimates.

Investment Valuation and Income Recognition

Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in a orderly transaction between market participants at the measurement date. See Note 8 for discussion of fair value measurements.

The guaranteed interest accounts are non-fully benefit responsive, since withdrawals prior to maturity for events other than death, disability, termination or retirement may be subject to a surrender charge. As such, guaranteed interest accounts are recorded at fair value. The value of the Plan's guaranteed interest accounts approximates contract value.

Purchases and sales of securities are recorded on a trade date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation includes the Plan's gains and losses on investments bought and sold as well as held during the year.

Notes Receivable from Participants

Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Interest income is recorded on the accrual basis. Related fees are recorded as administrative expenses and are expensed when they are incurred. No allowance for credit losses has been recorded as of December 31, 2016 or 2015. Delinquent participant loans are reclassified as distributions based upon the terms of the plan document.

Payment of Benefits

Benefits are recorded when paid.

Expenses

Certain expenses of maintaining the Plan are paid directly by the Company and are excluded from these financial statements. Investment related expenses are included in net appreciation (depreciation) in fair value of investments.

New Accounting Pronouncements

In December 2016, the FASB issued ASU No. 2016-19, *Technical Corrections and Improvements*. This Update contains amendments that affect a wide variety of Topics in the Accounting Standards Codification. With regards to these financial statements the amendment to Topic 820, Fair Value Measurement, which clarifies the difference between a *valuation approach* and a *valuation technique* when applying the guidance in that Topic. That amendment also requires an entity to disclose when there has been a change in either or both a *valuation approach* and/or a *valuation technique*. The transition guidance for the amendment must be applied prospectively because it could potentially involve the use of hindsight that includes fair value measurements. Most of the amendments in this Update do not require transaction guidance and are effective upon issuance of the update. The adoption of the Update did not have a material effect on the financial statements.

Subsequent Events

Subsequent events have been evaluated through July 19, 2017, which is the date the financial statements were available to be issued.

(3) PLAN TERMINATION

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, participants will become 100% vested in their accounts.

(4) INCOME TAX STATUS

The Company has adopted a prototype plan document and is relying on the prototype sponsor's opinion letter from the Internal Revenue Service dated March 31, 2014, in which the Internal Revenue Service stated that the plan, as then designed, was in compliance with the applicable requirements of the Internal Revenue Code. The Plan administrator and the Plan's tax counsel believe that the Plan is currently designed and being operated in compliance with the applicable requirements of the Internal Revenue Code. Therefore, no provision for income taxes has been included in the Plan's financial statements.

(5) RELATED-PARTY TRANSACTIONS AND PARTY-IN-INTEREST TRANSACTIONS

Fidelity Management Trust Company ("Fidelity") acts as the agent of the custodial-trustee and is the service provider for the Plan and, therefore, transactions with them qualify as party-in-interest transactions. Fees paid by the Plan to Fidelity for record keeping services totaled $4,033 for the year ended December 31, 2016.

A Board member's investment firm provides investment advisor services to the Plan members and therefore, transactions with that firm qualify as party-in-interest transactions. Fees paid by the Plan for investment advisor services totaled $10,433 for the year ended December 31, 2016.

Certain employees and officers of the Company, who are also participants in the Plan, perform administrative services to the Plan at no cost to the Plan.

(6) RISKS AND UNCERTAINTIES

The Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the statement of net assets available for benefits.

(7) INVESTMENT CONTRACT WITH INSURANCE COMPANY

The Plan maintains Guaranteed Interest Accounts with Principal Financial Group ("Principal"). Contributions to the accounts are maintained as part of Principal's General Fund Account. The account is credited with earnings on the underlying investments and charged for participant withdrawals and administrative expenses. The values of the Guaranteed Interest Accounts are reported in the accompanying financial statements at fair market value, as reported to the Plan by Principal. The contract with Principal promises contract value for a benefit event (termination, death, disability, or retirement). However, there is a possible market value adjustment when funds are withdrawn prior to their maturity. Thus, the Guaranteed Interest Accounts are not considered benefit responsive.

(8) FAIR VALUE MEASUREMENTS

The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). Valuation techniques maximize the use of relevant observable inputs and minimize the use of unobservable inputs. The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

Level 1: Inputs to the valuation methodology are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Plan can access at the measurement date.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, such as: a) quoted prices for similar assets or liabilities in active markets, b) quoted prices for identical or similar assets or liabilities in inactive markets, c) inputs other than quoted prices that are observable for the asset or liability, d) inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specific (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3: Inputs that are unobservable for the asset or liability.

The following is a description of the valuation methodologies used for assets measured at fair value.

Mutual Funds - Valued at the daily closing price as reported by the fund. Mutual funds held by the plan are open-end mutual funds that are registered with the U.S. Securities and Exchange Commission. These funds are required to publish their daily net asset value (NAV) and to transact at that price. The mutual funds held by the Plan are deemed to be actively traded.

Interest-bearing Cash - Fair value equals book value.

Guaranteed interest accounts - Fair value is the amount plan participants would receive currently if they were to withdraw or transfer funds within the Plan prior to their maturity for an event other than death, disability, termination or retirement. Fair value represents contract value adjusted to reflect current market interest rates only to the extent such market rates exceeds crediting rates.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2016 and 2015:

December 31, 2016	Level 1	Level 2	Level 3	Total
Mutual Funds	$ 1,994,872	$ -	$ -	$ 1,994,872
Guaranteed interest accounts	-	-	16,616	16,616
Interest-bearing cash	4,559	-	-	4,559
Total assets at fair value	$ 1,999,431	$ -	$ 16,616	$ 2,016,047

December 31, 2015	Level 1	Level 2	Level 3	Total
Mutual Funds	$ 1,858,793	$ -	$ -	$ 1,858,793
Guaranteed interest accounts	-	-	39,948	39,948
Interest-bearing cash	1,563	-	-	1,563
Total assets at fair value	$ 1,860,356	$ -	$ 39,948	$ 1,900,304

The following table sets forth a summary of changes in the fair value of the Plan's level 3 assets for the year ended December 31, 2016:

	Guaranteed Interest Account
End of year, December 31, 2015	$ 39,948
Unrealized gains or (losses)	334
Interest credited	224
Sales	(23,890)
End of year, December 31, 2016	$ 16,616

Unrealized gains or losses above are reported in the net appreciation (depreciation) in fair value of investments in the Statement of Changes in Net Assets Available for Benefits.

The following table presents detailed information regarding assets and liabilities measured at fair value using significant unobservable inputs (Level 3) as of December 31, 2016 and 2015. The table includes the valuation techniques and the significant unobservable inputs utilized. The range of each significant unobservable input as well as the weighted average within the range utilized at December 31, 2016 is included. Following the table is a description of the valuation technique and the sensitivity of the technique to changes in the significant unobservable input.

	Level 3 Fair Value at December 31, 2016		Valuation Technique	Unobservable Input (UI)	Quantitative Range of UI/(Weighted-Average)
Recurring fair value:					
Guaranteed interest account	$	16,616	Discontinuance value	Book value less an early withdrawal charge	100% (100%)

	Level 3 Fair Value at December 31, 2015		Valuation Technique	Unobservable Input (UI)	Quantitative Range of UI/(Weighted-Average)
Recurring fair value:					
Guaranteed interest account	$	39,948	Discontinuance value	Book value less an early withdrawal charge	100% (100%)

Recurring fair value measurements using significant unobservable inputs are as follows:

The guaranteed interest account is contractually liable based on the amount plan participants would receive currently if they were to withdraw or transfer funds prior to their maturity.

SUPPLEMENTAL SCHEDULE

RAMEY - ESTEP HOMES, INC.
401(k) RETIREMENT SAVINGS PLAN
SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)
DECEMBER 31, 2016
EIN #61-0595497, PLAN #001

(a)	(b) Identity of issuer, borrower, lessor, or similar party	(c) Description of investment including maturity date, rate of interest, collateral, par or maturity value	(d) Cost	(e) Current Value
*	Principal Life Insurance Company	Guaranteed Interest Account	$ -	$ 16,616
	Janus Capital Group	Janus Triton Fund Class I	-	1,265
	Invesco Advisers, Inc.	Invesco Diversified Dividend Fund Class Y	-	1,272
	Wells Fargo Funds	Wells Fargo Advantage Discovery Fund Institutional Class	-	1,725
	Invesco Advisers, Inc.	Invesco Corporate Bond Fund - Class Y	-	1,205
*	Fidelity Management Trust Company	Fidelity Money Market Trust Retirement Government Money Market Portfolio	-	4,559
*	Fidelity Management Trust Company	Fidelity Advisor Freedom 2005 Fund - Class I	-	4,476
*	Fidelity Management Trust Company	Fidelity Advisor Freedom 2010 Fund - Class I	-	21,721
*	Fidelity Management Trust Company	Fidelity Advisor Freedom 2020 Fund - Class I	-	229,231
*	Fidelity Management Trust Company	Fidelity Advisor Freedom 2030 Fund - Class I	-	423,896
*	Fidelity Management Trust Company	Fidelity Advisor Freedom 2040 Fund - Class I	-	346,964
*	Fidelity Management Trust Company	Fidelity Advisor Freedom Income Fund - Class I	-	9,676
*	Fidelity Management Trust Company	Fidelity Advisor New Insights Fund - Class I	-	1,908
*	Fidelity Management Trust Company	Fidelity Advisor Freedom 2015 Fund - Class I	-	34,200
*	Fidelity Management Trust Company	Fidelity Advisor Freedom 2025 Fund - Class I	-	84,181
*	Fidelity Management Trust Company	Fidelity Advisor Freedom 2035 Fund - Class I	-	300,647
*	Fidelity Management Trust Company	500 Index Fund - Fidelity Premium Class	-	117,013
*	Fidelity Management Trust Company	Fidelity Advisor Freedom 2045 Fund - Class I	-	357,957
*	Fidelity Management Trust Company	Fidelity Advisor Freedom 2050 Fund - Class I	-	42,529
*	Fidelity Management Trust Company	Fidelity Advisor Freedom 2055 Fund - Class I	-	4,431
*	Fidelity Management Trust Company	Fidelity Advisor Freedom 2060 Fund - Class I	-	10,575
				2,016,047
*	Participant Loans	4.25% - 4.50%	-	99,303
			$ -	$ 2,115,350

* Party in interest.

Kelley Galloway
Smith Goolsby, PSC
Certified Public Accountants and Advisors

1200 Corporate Court • P. O. Box 990 • Ashland, Kentucky 41105
• Phone (606) 329-1811 (606) 329-1171 • Fax (606) 329-8756 (606) 325-0590
• Web www.kgsgcpa.com Member of Allinial GLOBAL.

To the Plan Administrator
and Management of
Ramey-Estep Homes, Inc.
401(k) Retirement Savings Plan
Rush, Kentucky

In planning and performing our audit of the financial statements of Ramey-Estep Homes, Inc. 401(k) Retirement Savings Plan for the year ended December 31, 2016, in accordance with auditing standards generally accepted in the United States of America, we considered its internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency or combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be significant deficiencies or material weaknesses and, therefore, there can be no assurance that all such deficiencies have been identified. We did not identify any deficiencies in internal control that we consider to be material weaknesses, as defined above.

However, during our audit we became aware of a matter that is an opportunity for strengthening internal controls, financial reporting, and other matters. The following summarizes our comments and suggestions concerning this matter.

HARDSHIP DISTRIBUTIONS

Recent guidance issued by the IRS concerning hardship distributions states that Plan sponsors should maintain the following records in paper or electronic format:

1. Documentation of the hardship request, review and approval;
2. Financial information and documentation that substantiates the employee's immediate and heavy financial need;
3. Documentation to support that the hardship distribution was properly made in accordance with the applicable plan provisions and the Internal Revenue Code; and
4. Proof of the actual distribution made and related Forms 1099-R.

During our testing of hardship distributions, we noted that documentation to "substantiate the employee's immediate and heavy financial need" was not properly maintained for 1 of the 3 hardship distributions made in 2016. This is considered a qualification failure that should be corrected. We recommend that the missing documentation be obtained from the participant and that documentation for all future hardship distributions be properly maintained.

This information is intended solely for the use of the Audit Committee, the Board of Directors, and management of Ramey-Estep Homes, Inc. 401(k) Retirement Savings Plan and is not intended to be and should not be used by anyone other than these specified parties.

Kelley Galloway Smith Goolsby, PSC

Ashland, Kentucky
July 19, 2017

Kelley Galloway Smith Goolsby, PSC
Certified Public Accountants and Advisors

1200 Corporate Court • P. O. Box 990 • Ashland, Kentucky 41105
• Phone (606) 329-1811 (606) 329-1171 • Fax (606) 329-8756 (606) 325-0590
• Web www.kgsgcpa.com Member of Allinial GLOBAL

To the Plan Administrator
and Management of
Ramey-Estep Homes, Inc.
401(k) Retirement Savings Plan
Rush, Kentucky

We have audited the financial statements of Ramey-Estep Homes, Inc. 401(k) Retirement Savings Plan (the "Plan") for the year ended December 31, 2016, and have issued our report thereon dated July 19, 2017. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter dated August 3, 2016. Professional standards also require that we provide you with the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Plan are described in Note (2) to the financial statements. During the year, the Plan adopted 2016-19. *Technical Corrections and Improvements*. As more fully described in Note (2), the adoption of this ASU did not have a material effect on the financial statements. We noted no transactions entered into by the Plan during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most significant estimate used in the financial statements is in valuing investments. As part of our audit procedures, we tested the estimated fair value of investments in determining that it is reasonable in relation to the financial statements, taken as a whole.

The financial statement disclosures are neutral, consistent and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. No such likely misstatements were discovered. In addition, no uncorrected misstatements (passed audit adjustments) were noted as a result of our auditing procedures.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated July 19, 2017.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Plan's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Plan's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

With respect to the supplementary information accompanying the financial statements, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with the DOL's Rules and Regulations for Reporting and Disclosure under ERISA, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

This information is intended solely for the use of the Plan Administrator and management of Ramey-Estep Homes, Inc. 401(k) Retirement Savings Plan and is not intended to be and should not be used by anyone other than these specified parties.

Kelley Galloway Smith Goolsby, PSC

Ashland, Kentucky
July 19, 2017