

IX. MAINTENANCE MANUAL
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HOMEOWNER MAINTENANCE CHECKLIST

This Homeowner Maintenance Checklist is furnished to assist you in recognizing those maintenance activities that are not typically covered by your Limited Warranty. You must carefully manage these items along with others discussed in your Maintenance Manual in order to properly protect your new home investment. Please note that this list is not intended to be a comprehensive list of all your routine homeowner maintenance requirements. It is a general list to help you to distinguish between maintenance issues and Limited Warranty items.

- 1. Replace faucet washers regularly after thirty (30) days from your date of closing.
- 2. Clean sump or ejector pumps and crocks (where applicable).
- 3. Check circuit breakers.
- 4. Change light bulbs or fluorescent tubes.
- 5. Repair, replace, or adjust threshold or weather stripping.
- 6. Repair glass or glazing.
- 7. Lawn maintenance, including fertilization, watering, mowing, raking, as well as reseeding bare spots and eroded areas.
- 8. Proper care of shrubs and trees.
- 9. Clear clogged toilets or drains immediately.
- 10. Repair damaged concrete or asphalt resulting from the use of salt or chemical de-icers gas or oil leaks, and heavy vehicular traffic.
- 11. RegROUT and caulk around tubs, sinks and vanities.
- 12. Repair normal concrete cracks.
- 13. Replace furnace filters and perform the manufacturer's recommended maintenance procedures.
- 14. Flush the water heater.
- 15. Check for and clear condensation and ice during cold periods.
- 16. Turn off the water supply to all outside hose bibs in cold weather, bleed excess water from them to prevent freezing, and disconnect hoses.
- 17. Repair material failures caused by homeowner alterations, such as a roof or siding leak caused by an antenna installation.
- 18. Control erosion from downspouts or sump pump discharges.
- 19. Clear garbage disposer jams.
- 20. Clean and remove objects from gutters and downspouts.
- 21. Recaulk interior or exterior joints due to normal wear, settlement or material shrinkage.
- 22. Adjust bifold door units.
- 23. Repair minor cracking of wall surfaces and trim due to normal settlement or normal material shrinkage.
- 24. Repair nail pops after your One-Year Anniversary One-Time Drywall Service.
- 25. Repair grading (except major regrading) around the house foundation from normal settlement of backfilled soils.
- 26. Reseal countertop seams.
- 27. Clean fireplaces and chimney flues.
- 28. Clean areaways and window well drains.
- 29. Maintain interior floors and other finished surfaces.
- 30. Inspect for evidence of termite infestation in crawl spaces, basements, and porches. Obtain professional assistance or retreatment annually.
- 31. Remove infestations of insects, birds or animals.
- 32. Apply water treatment sealers to decks.
- 33. Address typical homeowner maintenance of all appliances and mechanical systems.
- 34. Follow ALL manufacturers required maintenance suggestions.

I. INTRODUCTION

Your Mid-Atlantic Builders' home consists of several thousand separate components and is the combined product of hundreds of skilled craftspeople. The end result is a beautiful new home for your enjoyment and we want to help you keep it that way. Over time, some of the materials will require maintenance and upkeep by you, the Homeowner, to insure their proper function, optimal appearance and continued value. Mid-Atlantic Builders has created this Maintenance Manual to introduce you to many of the components of your new customized home, as well as some of the minor adjustments and repairs that are to be expected even in the finest quality home. This Maintenance Manual will also provide you with the basic information you will need to care for and maintain your new home, as well as discuss some appliance and mechanical warranty information.



We want to remove any mystery or uncertainty from your new homeownership by helping you understand how your home functions. We want you to relax and enjoy your new home.

This manual is not intended to be an exhaustive or all inclusive list, but it should be a helpful and handy guide which answers some questions and helps you to recognize what your new homeowner responsibilities will be. Of course, you must still use your common sense, inspect your house periodically, and call Mid-Atlantic Builders' Customer Care Department if you have any concerns that this manual does not address.

We know that your new home is a source of pride to you, as well as to Mid-Atlantic Builders. We worked together to build your beautifully designed and crafted home. Mid-Atlantic Builders' service policies, warranties and this Maintenance Manual are all created to best preserve your new home for many years of pleasure ahead.

II. INTERIOR CARE & MAINTENANCE GUIDELINES

A. CONCRETE FOUNDATIONS

The foundation of your new home is built of poured-in-place concrete and reinforcing steel bars. The exterior of the foundation wall that is below grade has been sprayed with a bituminous damp proofing material or waterproof mainline. The type of material used may change in accordance with local building codes, but it will be designed to help your home's foundation resist the seepage of water through the concrete walls. Your home is also equipped with a foundation drainage system consisting of a series of pipes that run around and under your home. The pipes use gravity and a sump pump (located in the utility area of your home's lower level) to carry water away from the foundation. It is imperative that the sump pump functions properly, since failure of the sump pump may cause water to enter your basement. The pump should be checked periodically by running water into the sump crock until the pump activates or by observing the pump's activation during periods of heavy rain. You should also check the flow of water from the sump pump discharge pipe to confirm that the water is flowing away from the house.

Another tip to help keep your basement dry is to regularly verify that your splash blocks are in place at the bottom of the downspouts and properly sloped or pitched away from the house. Minor adjustments to grades around the house to keep water flowing away from your home is the best preventative measure and is one of your homeowner responsibilities. In addition, please note that additional landscaping close to the foundation may also alter the drainage pattern around the foundation and cause leaks. Again, correcting the grading is the best long-term remedy and is one of your normal homeowner maintenance responsibilities. Please refer to the section on Gutters and Downspouts for further information.

Please note that hairline cracks may appear on basement walls and slabs due to normal settlement. Most cracks are cosmetic rather than structural, and require no corrective action. Please refer to your Limited Warranty for information on industry standards.

B. TERMITE PROTECTION

Your home has been treated with a chemical around the foundation to prevent the entrance of termites. You will receive a warranty for this termite protection at closing. Please read your warranty on this termite protection carefully to determine the extent of your coverage.

C. HEATING AND AIR CONDITIONING

1. General

Your heating and air conditioning system consists of an air handler (heat pump system) or furnace (gas system), thermostat, ductwork, registers, cooling unit (condenser), compressor unit and coil. Your heating and air conditioning system is warranted for one (1) year against manufacturing and installation defects. Some components are covered for even longer periods under both the manufacturer's limited warranty and local requirements. Please note that monthly utility charges for the operation of the heating or air conditioning systems are your homeowner's responsibility.

There are many factors that contribute to the cost of your utilities. Neither Mid-Atlantic Builders nor the manufacturer can be responsible for increased utility costs resulting from a malfunction of the heating or cooling system. If the malfunction is covered by the manufacturer's limited warranty, then the manufacturer, through the installing subcontractor, will make the required repair(s) in accordance with the terms and provisions of the manufacturer's limited warranty.

Mid-Atlantic Builders offers you the following suggestions for the operation of your heating and cooling systems:

- a. Before calling the installing subcontractor (during the limited warranty period) or a service company, check the circuit breaker to be certain it is in the full "ON" position. If the circuit breaker has "tripped" and is no longer fully set to the "ON" position, push it to the full "OFF" position and then back to the full "ON" position. If the circuit breaker trips a second time, then please call your subcontractor at the number listed in the service section of this guide.
- b. Adjust the flow of air through registers to help balance the air temperature if a variance in room temperature exists. Remember that exposure to the sun, the particular design of your home, and temperature settings between the first and second floor (two zone systems only) will affect the temperature balance between rooms. All room registers must be open and unobstructed at all times.
- c. Filters should be replaced or cleaned after your first month of occupancy, because substantial amounts of dust will normally accumulate as a result of construction activities prior to your move-in. Filters should be replaced or cleaned every three months thereafter.

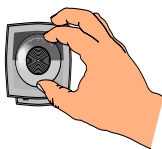
In many instances, a dirty air filter in the furnace causes insufficient heat or cooling. Filters should be cleaned or replaced approximately once each month during peak heating or cooling seasons. Do not remove a filter without replacing or cleaning it immediately. Please make sure that your system is turned off when cleaning it.

- d. You may want to have your heating and cooling systems inspected and cleaned at least once a year by a professional. Please refer to the manufacturer's instruction manual for more details.
- e. If your home is equipped with an electric heat pump system, you must clear away accumulations of snow or ice from around and below the outdoor unit immediately after a snowstorm. Also, do not allow grass, leaves and other debris to collect around the unit.
- f. Always keep exterior doors and windows closed tightly.
- g. Please note that draperies especially insulated ones, can be helpful to reduce your operating costs during peak heating or cooling hours.

2. Registers

Registers are the primary means of regulating air flow and temperature in individual rooms throughout your home. There are two kinds of registers: air outlet supply registers and air intake return registers. The most efficient way to regulate room temperature is to adjust the outlet supply registers, rather than to change the thermostat setting. All registers should be kept unobstructed by furniture or other objects at all times. You must also occasionally vacuum both supply and return registers to ensure that they remain free of lint and dust accumulations, which will interfere with the passage of air through your system, thereby decreasing its efficiency and increasing the cost of operation. Also, the filters located in your furnace or return air grills need to be changed regularly to maintain proper airflow. A dirty filter will lead to an inefficient system. We recommend changing the filter every three months, although you may wish to do so more often during peak seasons.

3. Heating--Natural Gas Systems



If your new home is in a community where natural gas is available, your heating system may be equipped with a modern, gas-fired, forced-air-heating system (furnace). This system is designed to maintain a normal temperature if it is operated and maintained in accordance with the

manufacturer's recommendations and instructions. Please read these instructions carefully to ensure your satisfaction with your natural gas heating system. One advantage of a gas furnace is that you can turn the thermostat down at night or at times when no one is home to avoid unnecessary operation. This can help you save money on your gas and electric bill. Unlike the electric systems, a gas system does not lose efficiency when the thermostat is adjusted up or down.

4. Heating--Electric Pump System

Your new home may be equipped with a modern, energy efficient, electric forced-air heating system that includes a heat pump. The system is designed to maintain normal temperatures if it is operated and maintained properly. For efficient operation of an electric heat pump system during the heating season, Mid-Atlantic Builders recommends that you set your thermostat at the desired temperature level and leave it there day and night. Please read the manufacturer's operating instructions carefully. Many Mid-Atlantic homes are equipped with 2 or even 3 heating systems or zones. In our larger homes, a gas system (when available) is used on the main level and basement, while an electric system is used to heat the second floor. If this is the case with your home, you should follow the recommendations for a gas system on your main zone and follow the recommendations for an electric system for your upstairs zone.

5. Air Conditioning

Your new home is equipped with an electric central air conditioning system. This cooling system is designed to provide a 12 to 15 degree reduction in temperature from outside air to inside air, which is a generally accepted standard throughout the industry. Not only does the air conditioning system lower the temperature, but it also lowers relative humidity. The result of this combination is a greater level of comfort for all of the occupants of your household.

During the summer months, avoid changing the thermostat setting or turning the air conditioning system on or off. Doing so causes the system to overwork when trying to return the temperature and humidity to the desired comfort level. This applies to all cooling systems.



Changing the thermostat setting back and forth may cause costly damage to your compressor.

D. PLUMBING SYSTEM

Your home's plumbing system has been installed under the direction of a licensed plumbing contractor in accordance with local plumbing codes and has been inspected by local building authorities. Water supply and drainage from all lines and fixtures was satisfactory when tested prior to your move-in date.

If you care for your new plumbing system properly, it will need only minimal maintenance for many years. Your prompt attention to any problem should prevent anything more serious from developing.

1. Water Heater

Your home is equipped with either an electric or a natural gas water heater, depending on your location. For your protection, both types of water heaters come equipped with a pressure relief valve. If your water heater should overheat, this valve will open and prevent a dangerous increase in temperature and pressure. If the relief valve opens, you must: (1) turn off the circuit breaker or gas supply valve for the water heater, (2) turn off the COLD water supply to the water heater tank, and (3) call a plumber.



Scalding water may be leaking from the HOT water valve. Do not turn off the hot water valve, as you may burn yourselves. Shut off the COLD water valve only to solve this problem.

Please note that water heaters normally collect small quantities of sediment that settle to the bottom of the water tank over time. This residue should periodically be removed by flushing the tank. In locations with hard water, it may also be advisable to install a water softener or filter to avoid the need for more frequent tank flushing by removing sediment.



Do not turn the water heater's cold water supply valve to the off position while the drain valve is open when flushing the tank.

The continuous flow of water through the tank will improve the flushing process and protect the heating element (electric units) from potential damage. Please refer to the manufacturer's specifications or call a plumber for details.

The thermostat on your water heater is preset at the factory as indicated in the manufacturer's operating instructions. The temperature may range from 125E to 145E Fahrenheit. Lower temperatures may be preferable in

homes where small children can reach the faucets. In addition, noisy pipes are sometimes caused by water that is too hot. Therefore, if noise occurs, you may want to reduce the water temperature. Once the water temperature is set at the desired temperature, you should avoid further adjustments. Also, note that the recovery time for a hot water heater is longer in the winter months since the water entering your water heater is much colder than in warmer seasons.

2. Water and Waste Lines

The pipes that carry water into your home are highly resistant to rust and corrosion and should last the lifetime of your home. In areas where water pressure is abnormally high, regulators are installed to reduce the pressure in the water piping inside your home. These regulators also protect the plumbing system fixtures and appliances such as the dishwasher and automatic clothes washer.



Do not adjust the pressure regulator without assistance from your plumber.

Your home's sewer lines have been carefully constructed of high quality PVC or ABS materials and were tested and inspected to ensure against blockages before your move-in date. Unless a building defect is proven to be the cause, please note that you will be responsible for clogged lines. To prevent blockages, avoid disposal of hair, grease, lint, garbage, heavy tissue, disposable diapers, sanitary napkins, and other such materials into the system. You may dispose of certain foodstuffs in your kitchen disposer; however, please refer to your disposer operating information to ensure proper use. To further protect your waste lines, always use a generous amount of cold water with your kitchen disposer unit to keep the sink drain open and to cool the disposer motor when in use.

If any of your appliances such as the clothes washer or the dishwasher should overflow, check to be sure the trap through which it drains is not clogged. If the cause of the stoppage is not immediately evident, call a plumber for professional assistance. Please refer to the Emergency Service Guidelines in the Homeowner Service Program portion of your Path to Homeownership before you make your call.

If a leak in the system occurs around a loose or damaged joint, we recommend that you call a plumber promptly, rather than trying to repair the leak yourself. An improper repair may affect the validity of your Limited Warranty on the plumbing system in your new home.

In normal operation, the plumbing system may knock slightly when certain fixtures operate, particularly appliances such as the dishwasher and clothes washing machine. These devices have a very rapid mechanical

shut-off valve that sends a pressure shock back through the pipes of the water system. There should be no difficulty in distinguishing between normal water shut-off noise in the plumbing system and any loud knocking which might indicate that something is broken and should be reported to the plumber for service. Noise resulting from the normal expansion or contraction of waste line piping due to water temperature changes is not unusual and does not require service attention.



Always leave the heat on in your home during cold weather, even in unused rooms. Never leave home without the heat on if cold weather may be expected. Before cold weather, turn off the water supply lines to the outside hose bibs by following the shut-off valve directions carefully, drain outdoor water supply lines, and disconnect all hoses to store indoors. If pipes freeze, contact your plumber for assistance.

3. Valves and Faucets

The main water shut-off valve in your new home is perhaps the most important element of your plumbing system. This valve is usually located where the main water service pipe enters your home. Please note that the water flow into your home's plumbing system can be stopped at this point should an emergency occur.

Faucets have movable parts. Consequently, both inside and outside faucets will require periodic maintenance. The cartridge-type faucets used in kitchens, bathrooms, and powder rooms require little or no maintenance. The stem and washer type faucets used in laundries and other utility areas are subject to washer wear. These are part of your homeowner responsibilities. The washers will require replacement when closing the faucet with a normal amount of pressure does not stop the dripping. Faucet aerators are small round screened attachments that are usually screwed to the mouth of kitchen and bathroom lavatory faucets. These attachments add air to the water as it leaves the faucet to reduce splashing and water use. You should remove and clean all aerators frequently, at least once every three to four months.

4. Tubs and Sinks



The surfaces of your new plumbing fixtures are of excellent quality. Nevertheless, it is important for you to protect them by following the manufacturer's recommendations and taking the following precautions:

- a. Never use gritty or abrasive cleansers or any powders with a lye base. Baking soda, aerosol bathroom cleaners and vinegar are permissible cleaning agents.

- b. Never step into a bathtub in street shoes. Shoe soles carry gritty particles that can scratch the enamel.
- c. Never use plumbing fixtures as receptacles for photographic or developing solutions. These solutions may cause permanent stains.
- d. Never use plumbing fixtures as a catch-all for paint cans, trash or tools.
- e. Never drop heavy objects onto your fixtures. Doing so may cause a chip or crack on the surface necessitating a costly repair.

Your kitchen sink is made of a high quality stainless steel. It is a sound practice not to allow leftover foods to accumulate in the sink, as well as to avoid scraping the sink with utensils or heavy pots and pans that may scratch or dull the shiny finish. As with other fixtures, only use non-abrasive cleaners.

Please be aware that nicks, scratches and other cosmetic defects not noted on the Pre-Closing Orientation Report are not covered by your warranty.

Separation between the tub or shower stall and adjacent tile wall surfaces in your home is to be expected. This separation is due to the limited moisture content common in bathrooms, the weight of the tub when filled with water, settling of the home over time and the normal expansion and contraction of materials. You will need to periodically remedy this situation as one of your new homeowner responsibilities by applying a tub sealer (caulking). Failure to maintain the seal around tubs and showers could result in a water leak in the rooms below, and could cause damage to your interior walls and tile.

5. Plumbing Limited Warranty Summary

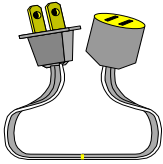
Your plumbing system includes a limited warranty (parts and labor except maintenance and surface damage after occupancy) for one year against manufacturing and installation defects. These defects must be reported to the plumbing contractor immediately. Please note that your limited warranty excludes valve washer wearing and sewer stoppages.

All water heaters have a five or six year limited warranty against leakage. If the water heater tank develops a non-repairable leak within the term of your limited warranty, the manufacturer will provide a complete replacement. The cost of labor for removal and reinstallation is not included after the first year of occupancy. Appropriate labor charges for removal and reinstallation after one year are a normal homeowner

expense. Also, please note that alteration of the plumbing system by you will void this limited warranty.

If your home includes an electric water heater, the electric heating element(s) will also be warranted by the manufacturer. Check the manufacturer's literature provided with your water heater for specific details.

E. ELECTRICAL SYSTEM



The wiring in your new home meets all applicable local code requirements and safety standards. Nevertheless, you may find an outlet that does not operate when you first move into your home. If so, determine if the outlet is one that operates from a wall switch in the room. In that case, please note that only one receptacle in the applicable duplex receptacle will be controlled by the wall switch. If the outlet does not operate from a wall switch, please first check to see if it is one with a Ground Fault Circuit Interrupter (GFCI), as further discussed below. If it is, try pushing the reset button and then test the outlet again. If the outlet does not then reset, then you must call the electrician listed in this guide for repair.

Your electrical wiring and appliances are protected by circuit breakers located in the main panel box. Circuit breakers eliminate the need to replace fuses. To reset a tripped breaker, simply turn it to the full "OFF" position and then back to the full "ON" position.

Ordinarily, small appliances may be added to any circuit without fear of overloading it. However, large appliances or too many small appliances on one circuit may cause the circuit breaker protecting that circuit to trip. Other causes of a circuit breaker tripping are worn electrical cords, defective plug connections, defects within an appliance, and starting an electrical motor (motors require more current to start than when operating). Mid-Atlantic Builders will not be responsible for any damages, including food spoilage, covered by the overload or switching off of a circuit breaker.

If the circuit breaker trips again after resetting, you should immediately call an electrician.



Electrical outlets and appliances may be hazardous. Avoid direct contact with worn wires or plugs. If you cannot safely unplug an item, unplugging an item does not eliminate the problem, or if you are not able to safely locate the problem, you must call an electrician for assistance.

1. Ground Fault Circuit Interrupter

The ground fault circuit interrupter (GFCI) is a device intended to protect you and your family against electrical shocks from faulty appliances or

worn electrical cords. The GFCI circuit is very sensitive to overloads and will cut off the electrical current quickly enough to prevent a serious electrical injury. Nevertheless, caution must always be taken to prevent electrical shocks. The GFCI circuits are normally (but not always) located in bathrooms, the kitchen, the garage, the basement and exterior duplex receptacles. Typically, GFCI circuits are located where normal duplex receptacles may come into contact with water.

2. Recessed Lights

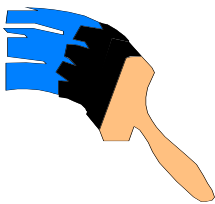
Recessed light fixtures are located throughout your home. Your upstairs floor fixtures have thermal overload devices that will automatically turn off a light when the temperature is too high inside the fixture. Do not use light bulbs having a wattage greater than the maximum amount stated on the light fixture. A higher wattage bulb may activate the thermal overload device and automatically turn off the light fixture. The light fixture will turn back on when it cools down.

3. Smoke Detectors

Smoke detectors are proven life-saving devices. A smoke detector is located in the ceiling on each floor of your new Mid-Atlantic Builders' home. It is important for you to read the manufacturer's instructions and carefully follow them for testing, maintenance and service. Your smoke detectors are wired into the electrical system of your home as required by code and include a battery backup system. A short chirping noise coming from your smoke detector is an indication that the back-up battery is low and is in need of replacement. It is important to keep fresh batteries in the smoke detectors so that they will continue to function during a power outage. It is generally good practice to replace your batteries whenever you change your clocks for daylight savings time.

Your electrical system includes a limited warranty (parts and labor) against defects of material or workmanship, except for light fixtures. Defective light fixtures may be repaired or replaced according to their separate limited warranty. Any fixture defects noted in your Pre-Closing Orientation will be repaired or replaced.

F. PAINT COLOR MATCHING POLICY



Whether it is ceramic tile, resilient tile, carpet, siding, concrete or paint, most manufactured products are made up with "batches" of chemicals that produce colors. Although these batches are formulated and measured as accurately as possible, perfectly consistent results are almost impossible and certainly cost prohibitive.

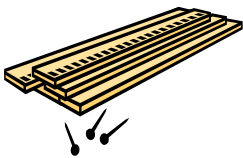
In addition, exposure to the environment, whether indoors or outdoors, causes an aging of colors. The longer pigments are exposed to these elements, the more defined the aging to them will be.

Please be aware of Mid-Atlantic Builders' policy regarding dye-lot and paint color matching. Mid-Atlantic Builders will make our best effort to match any color as closely as possible, as well as to advise you prior to any repair if we expect a color deviation. However, we are not able to guarantee a dye-lot or paint color match when conducting repairs.



Mid-Atlantic Builders does not guarantee a paint color match for repairs.

G. LUMBER AND FRAMING



Wood may contract and expand with weather changes, like many other building materials. Your home has been built with dried lumber, which helps to keep these changes to a minimum. However, it is not uncommon for wood to swell, bow, bleed, or twist. The areas primarily affected are usually mouldings on the stairs, ceiling mouldings, doors, and baseboards. It is impossible to completely alleviate this problem. Please keep your home at an even temperature as an excellent precautionary measure. Also, please note that due to a certain resiliency inherent in lumber, floor joists can be expected to move or "bounce" when jumping or walking across a room. This motion does not affect the home's structural integrity.

Floor squeaks and loose subfloors are often temporary conditions common to new home construction. Mid-Atlantic Builders will locate and make a reasonable effort to correct major floor squeaks.

Floors should not be more than 1/4 of an inch out of level within any 32-inch horizontal measurement. Walls should not be bowed more than 1/4 of an inch within any 32-inch horizontal or vertical measurement. Joints in moldings or between moldings and adjacent surfaces should not result in gaps exceeding 1/8 of an inch in interior trim and 1/4 of an inch in exterior trim. In addition, exterior trim should be capable of excluding the elements. We will take the necessary action required if you have problems with any of these standards.

H. DRYWALL SERVICE PROCEDURE

Mid-Atlantic Builders provides you with a one-time One-Year Anniversary Drywall Service. This service call is provided as follows:

1. Service is provided in accordance with your Limited Warranty for drywall.

2. Service will be provided one-time during the first year of occupancy. We suggest waiting until your home has experienced a heating and cooling season before scheduling the service, but you may request this one-time service earlier.
3. Appointments may be scheduled directly with your drywall contractor, whose telephone number is located in this manual. If you have any scheduling problem, please contact our office for assistance. Please allow ten (10) days or more to schedule repairs.
4. The work will be performed during normal working hours.
5. Service will not be provided on any surfaces with wall coverings.



From time to time our customers apply custom mixed paint or stains in their new home after settlement. Please understand that with any custom paint color, normal touch-ups will be impossible to match, and will be readily visible, whether the touch up is applied by you or by Mid-Atlantic. Likewise, standard surface products (such as wood fillers) or methods may not match as well as they do with standard materials. Therefore any custom paint applied to your home will void the Mid-Atlantic warranty.

I. INTERIOR WALLS AND CEILINGS

Framing materials will continue to dry and settle during the first year or two in your new home. This drying or settlement may cause cracks and nail pops on the interior wall or ceiling surfaces in your new home. These are considered to be normal and after your One-Year Anniversary Drywall Service, these repairs will be your responsibility.

Nail pops are simply nails protruding from framing materials, resulting in a bump or blister in the drywall surface. To repair a nail pop, hammer the protruding nail all the way through the drywall or remove it entirely. Then hammer another drywall nail in one or two inches above or below the nail pop, sinking the nail head slightly below the surface creating a dimple. Finally, cover the dimpled area heavily with a spackling compound, let it dry, sand it smooth and repaint the surface. Several coats of spackle may be required to achieve a smooth repair.

A drywall crack can be repaired in a manner similar to that of a nail pop. In most cases, a hairline crack will have to be made slightly wider and deeper in order to prepare the surface for repair. This can be accomplished by scraping a flathead screwdriver or similar tool along the crack until it is slightly larger. Then fill the

enlarged crack with spackling compound, sand it smooth after it dries, and repaint the surface. Several coats of spackle may be required to achieve a smooth repair.

1. Plant Ledges

Some Mid-Atlantic Builders' homes have plant ledges for decorative uses, such as to display flowers. These ledges have not been constructed to support the weight of an adult or child. They are only designed for the display of lightweight inanimate objects. Injury may result from misuse.



No person(s), whether a child or an adult, should lean on, stand on or hang from any plant ledge, and only lightweight inanimate objects should be displayed. Mid-Atlantic Builders will not be responsible for any misuse of plant ledges.

J. AVOIDANCE OF CARPET AND WALL DISCOLORATION

Discoloration is characterized by localized darkening of the original color of walls, carpet and other interior surfaces, and is likely to occur to some extent in all homes. Nevertheless, there are some steps that can be taken to address the suspected causes of discoloration, such as the following:

1. Eliminate or reduce tobacco smoking and candle burning in the home.
2. Avoid automotive refinishing, woodworking, and other dust producing activities.
3. Minimize the running of automobiles in attached garages.
4. Use fan hoods during cooking.
5. Clean and vacuum on a regular basis using crevice tools to clean against baseboards, as well as, a brush or beater bar.
6. Minimize the use of solid fuel burning appliances, since they have the potential to produce soot.
7. Replace HVAC filters on a regular basis.

K. FLOORING

1. Resilient Floor Coverings

The resilient floor coverings in your new home will need only occasional surface treatment, such as washing and conditioning with the manufacturer's approved conditioners. You should never wax no-wax floors. Refer to the manufacturer's recommendations for best maintenance results.

Protect the finish of your resilient floor coverings by attaching furniture rests to the bottoms of furniture legs to distribute furniture weight evenly over resilient surfaces. Also, please make sure furniture legs do not have a finish that can scratch your new floor.

Seams may be evident in resilient flooring joints. Repair decisions will be strictly governed by your Limited Warranty Insurance specifications and industry standards.



Do not walk on floors with footwear, such as spike heels, golf shoes or athletic cleats that may damage your floor coverings.

2. Ceramic Tile

Ceramic tile can normally be cleaned with a damp cloth or occasional wet mopping. Also, please be aware that touch-up caulking and grouting of your tile is your homeowner maintenance responsibility.

3. Hardwood Flooring

Your home's pre-finished hardwood floor may have a urethane or wax finish and will require periodic maintenance. However, if you follow the manufacturer's maintenance recommendations, your hardwood floor may never require costly sanding and refinishing.

The following recommendations for routine maintenance will help you to achieve a long life for your floor:

- a. Sweep or vacuum your hardwood floor frequently.
- b. Wipe up spills as soon as they occur.
- c. Place throw rugs or mats at outdoor entrances to protect the floor from dirt and moisture.
- d. Use floor protectors on the legs of furniture to minimize scratching.

- e. Never damp mop a wax-finished floor and never apply a water-base wax.
- f. Never set potted plants directly on your hardwood floor.
- g. Follow manufacturer's recommendations for cleaning and buffing urethane-finished hardwood.
- h. Never apply a surface treatment (varnish, shellac, urethane), on a wax finish, as it will not adhere.

For other maintenance, please refer to the manufacturer's instructions.

Cracks and squeaks:

The reaction of wood to humidity is an inherent characteristic of all wood and wood products and cannot be totally avoided. You should expect that seasonal expansion and contraction may cause some minor chipping, splintering, cracking or squeaks in your hardwood flooring. The installation of a humidifier in your home to properly balance the moisture content of your home during the dry months may help to minimize these reactions.

4. Carpeting

The carpeting in your new home is manufactured to be long wearing and durable. To maintain it, carpeting should be given a thorough vacuuming at least once a week. We recommended that your vacuum cleaner be equipped with a brush or beater bar, properly adjusted for the height and type of carpet being cleaned.

Please note that vacuuming will remove some loose fibers from the carpet yarns and also lift an occasional tuft above the surface. When this occurs, simply snip the tuft with scissors so that it matches the length of the other fibers. Do not pull the tuft out.

The seams in your carpeting may be visible, which is generally considered to be normal. Please review your Limited Warranty Insurance if you have questions about your carpet seaming.

If your carpeting should become stained, we recommend that you immediately contact a professional cleaning service for assistance. Please be aware that a well-intentioned but improper attempt at stain removal may permanently damage the carpet fibers.

L. CABINETS AND TOPS

1. Vanity Bases and Kitchen Cabinets

Please refer to your manufacturer's instructions.

2. Vanity Tops and Kitchen Countertops

Your vanity and kitchen countertops are built of materials that may be damaged if not properly protected. They should be cleaned with a damp cloth and non-abrasive mild soap or a vinegar and water solution. Never clean countertops with steel wool or cleaning abrasives such as scouring powder. Cultured marble vanity tops should be cared for in the same manner. Please note that damages are often costly, so please be careful when cleaning. Also, please be aware that nicks, scratches, and other cosmetic defects not noted on your Pre-Closing Inspection Report are not covered by your Limited Warranty.

Countertop seams must be periodically sealed as part of your normal homeowner maintenance. Check with your local hardware store for the appropriate seam-sealing products.

M. APPLIANCES

Appliances are guaranteed by the manufacturer. Your Personal Builder will instruct you regarding the operation of each appliance during your Pre-Closing Inspection Orientation. At this time, your Personal Builder also will make sure the appliance performs correctly and if not, he or she will call the manufacturer for service. Calls for service should be made to the appliance company and not to Mid-Atlantic Builders. Please read all of your manuals carefully.

N. FIREPLACE USE & MAINTENANCE

1. Fireplace Use



To start and maintain a fire in your fireplace, you must carefully follow these instructions:



- a. *Open the flue damper fully.*
- b. *Keep the air inlet channel free of obstructions.*
- c. *Periodically clean ashes from previous fires.*
- d. *Place crumpled newspapers under the grate or irons.*
- e. *Add kindling to top of newspapers.*
- f. *Use dry seasoned hardwood.*
- g. *Position THREE logs in the form of a pyramid at the back of the firebox with air space between logs.*
- h. *Preheat flue by positioning a piece of newspaper on top of logs and light.*
- i. *Ignite starter paper under kindling.*
- j. *Close screen.*
- k. *Leave damper open and screen closed until fire is completely out.*

- l. Never leave a fire unattended.*
- m. Never build extremely large fires.*



Always use a fireplace screen and never leave a fire unattended. Never burn scrap lumber, pine branches, trash, plastic, flame colorants, soot cleaners or other chemical compounds in your fireplace.

2. Fireplace Maintenance

Your fireplace is built to operate with little need for extensive time-consuming maintenance; however, it will operate better and be problem-free longer if these precautions are followed:

- a. Inspect the firebox to be sure it is clean and ready for use; remove excessive ashes.
- b. Make sure your fireplace screen and air inlet/outlet grilles are clean and unobstructed.
- c. Periodically inspect the hearth and firebrick liner.
- d. Make sure the flue is unobstructed and the damper is completely open before each use.
- e. Periodically have the fireplace and chimney professionally cleaned and inspected.

III. EXTERIOR CARE AND MAINTENANCE GUIDELINES

A. ROOFING, SIDING AND GARAGE DOORS

1. Roofing

The roof of your new home is constructed of quality materials that have been applied according to the manufacturer's specifications. These roofing materials are virtually maintenance free and should last for many years. Occasionally, severe winds may lift some shingles, but rarely will any damage occur. In cold weather, some shingles may remain lifted, but with warm weather they usually will return to a normal position. Special care should be taken to avoid damaging your roof if you install an antenna, as an improper job of installation may cause roof leaks. Also, check your community covenants to ensure compliance before acquiring an antenna for exterior installation.

2. Rain Gutters and Downspouts

It is one of your homeowner responsibilities to inspect your rain gutters periodically to ensure that they are free of all debris such as leaves, twigs, branches, balls, or other obstructions that may hamper the proper functioning of the gutters and downspouts. Never allow your gutters or downspouts to freeze shut. The buildup of ice and water may lift the roof shingles and permit water to leak into the house during a thaw.

You must also make sure that your splash blocks are always in place at the outfall of all of the downspouts and that the grade falls away from the house with a good cover of grass adjacent to each splash block. Where the grading around the splash block is steep, it may be necessary to obtain and install temporary rain water diversion piping from your local hardware store to reduce erosion of your new lawn during its early growth period. Once your new lawn is established, the splash block and mature grass will generally eliminate the need for additional erosion control measures.

3. Siding

Your new home is protected by siding that is low maintenance and durable. Please refer to the manufacturer's recommendations for instructions for its proper care and maintenance. One advantage to your new home's siding is that if it is damaged (e.g., by a flying tree limb), the affected panels can be removed and replaced by a professional contractor. There is no effective remedy for scuffed or scraped siding except replacement. Please note that minor color variations may occur if a repair is required. Never clean siding with steel wool, wire brushes, or chemicals not specifically approved for your siding.

Dents, scratches and other cosmetic defects not noted in your Pre-Closing Inspection Report are not covered by your Limited Warranty.

4. Garage Doors

Your garage doors should operate properly under normal use; however, some infiltration by elements such as snow and water can be expected. Garage door springs should only be worked on by a professional. If your garage doors do not function properly, we will adjust them to meet all manufacturers' recommendations within the first year.



You should not attempt any adjustments to garage door springs, which are extremely dangerous.

B. CONCRETE SURFACES AND DRIVEWAYS



Please note that concrete surfaces will vary in color depending on the time of year and temperature at the time that it is poured. In the Washington, D.C. metropolitan area, it is normal to pour concrete year round, but additives are included in the concrete mix in colder temperatures to help it cure. These additives do not diminish the strength or performance of the concrete, but may cause a change in its color and variation in color is not considered to be a warranty issue.

Your driveway, sidewalk, and garage floor may be damaged by salt solutions applied to the street and highways that are transported onto your property during the winter months. Residue may be picked-up on the undercarriage of your car and may then drip on the concrete surfaces when you park your car on the driveway or in the garage. The salt residue may eventually cause scaling, spalling and pitting of exposed concrete surfaces on your driveway. There are several precautions you can take to minimize this problem:

1. Check your home's drainage to ensure that water or salt is not trapped on the concrete surface by grass, landscaping or other obstructions along the driveway edges.
2. Hose down exposed concrete surfaces as soon as possible after ice and snow have been removed from the streets, and clean salt residue from your car.
3. Apply a sealer to exposed concrete surfaces twice each year, once just before cold weather and again in April or May after a thorough cleaning of the surfaces.
4. Use clean sand for traction, rather than salts or chemicals.



Never use de-icing salts or chemicals on any concrete surface.

Concrete sidewalks and patios may rise and fall due to the freezing and thawing of the soil on which they are constructed. This is a normal condition and does not require correction. Cracks may also develop as a result of seasonal movement. We recommend that you caulk the cracks and seal the concrete surface as part of your normal homeowner maintenance. You may also have to do some minor regrading of the areas adjacent to your concrete walkways.

For a more thorough discussion of exterior concrete, please refer to your Limited Warranty.

C. WINDOW SCREENS

Mid-Atlantic Builders includes window screens for most operable window units in the homes it builds. These screens comply with all current government and industry standards. Window screens are designed only to prevent insects from entering the home when the windows are open. They will not prevent humans or even small children from falling from windows.



Children should never be left without supervision near an open screened window and should not be permitted to place their weight against or push against a window screen. Furniture should not be placed near windows or arranged in a manner to provide children access to a window.

D. LAWN AND LANDSCAPING CARE

The quality and appearance of your newly seeded or sodded lawn and newly installed landscaping will depend heavily on the care and attention you provide, especially in the early months after it is planted. Neither your Limited Warranty nor Mid-Atlantic Builders is responsible for correcting lawn or landscaping deficiencies that result from your neglect or lack of proper maintenance. Mid-Atlantic Builders offers the following suggestions to assist you in starting and maintaining your new lawn and landscaping.

1. Yard Grading

- a. *Drainage.* Prior to seeding, your yard was final graded in accordance with county grading specifications and the approved subdivision grading plan. The grading plan was designed by a civil engineer to handle storm water runoff and to ensure proper drainage away from your new home. Nevertheless, it is important that you inspect the grading from time to time and ensure that it is functioning properly. Be careful that improvements you make to your yard such as new landscaping, decks, fencing, and sheds do

not interfere with the flow of storm water runoff. Avoid planting or building anything in any drainage swale.

- b. *Rocks.* At final grading, your yard is raked by a tractor and then by hand to remove most construction debris and large rocks. It is inevitable that some stones or construction debris will surface in your new lawn over time. This is a normal occurrence in new home construction. Please be aware that removal of rocks and construction debris of this kind is your homeowner maintenance responsibility and not covered by your Limited Warranty obligation.

- c. *Settlement.* During the first year of occupancy, you may expect some soil settlement around the foundation walls and utility trenches of your new home. Settlement may interfere with the proper flow of storm water away from your home, so you may need to make minor corrections. This is one of your homeowner maintenance responsibilities. However, Mid-Atlantic Builders will fill and re-seed any major areas of settlement that affect proper drainage *one time only during the first year of your Limited Warranty period.* Please be aware that you will be solely responsible for the removal and replacement of shrubbery or other landscaping affected by the efforts of Mid-Atlantic Builders. Please refer to your Limited Warranty for further details.

2. Care of Your Lawn

- a. *Seeding.* A healthy lawn will beautify your new home, so it is worth taking some extra time to nurture it. Mid-Atlantic Builders hopes the following information will help make the job easier and more rewarding for you.

The contractor who supplied the seed to establish your new lawn guarantees eighty percent (80%) germination if, and only if, you properly maintain the new seed bed during germination. Eighty percent (80%) germination means that twenty percent (20%) of the grass seed may not germinate. Raking, re-seeding and fertilizing after the original seed application is your responsibility.

Depending upon the community, grass seed may be applied by using either a pressure sprayed, green hydro-mulch mixture or by hand seeding. If the grass seed in your yard is hand sown, a layer of straw is placed on top of the seed. This straw may be held in place by a spray coat of tar or by mechanically crimping the straw into the soil. The straw also provides the soil with additional organic material.



It is not advisable to rake the straw away from your lawn. Raking may disturb the germination of the grass beneath it and also be a violation of local sediment control ordinances.

If your new yard has been sprayed with tar, avoid walking on it to prevent tracking tar into your new home.

- b. *Sod.* Sod may have been installed in your yard rather than grass seed. Newly installed sod must be kept wet for several days following installation. Please note that it is your responsibility to properly water your sod after closing.

In some instances, a portion of your new lawn, such as a drainage swale or steep slope, may have been sodded rather than seeded to ensure proper stabilization of your yard. Frequently, sod that is placed on a steep slope will be staked to ensure that it remains firmly in place until it is properly rooted. Do not remove these stakes until you are certain that the sod has developed roots strong enough to prevent erosion.

- c. *Watering.* There must be an ample supply of moisture for grass seed to germinate or for sod to properly take root. Proper watering is very important, especially in the first few weeks after installation and is your responsibility. Here are some watering tips to assist you:



1. For grass seed to germinate, it must stay moist continually for four to eight days depending on the daytime temperatures and rainfall during the period.
2. During this critical period immediately after seeding, water each section of the lawn for 25-30 minutes twice each day, once in the morning and once in the late afternoon. Extremely hot weather may require more frequent watering.
3. Once new grass seed has germinated and grass plants begin to appear, watering may be limited to two applications per week, depending on daytime temperatures and rainfall during the period.
4. Once a lawn has been established, which is normally three to four weeks after seeding, watering can be curtailed depending again on daytime high temperatures and rainfall.

- d. *Mowing*
1. Cut your new lawn as soon as the grass has reached a height of 3 to 4 inches.
 2. Make sure your mowing blades are sharp and that the ground is not soggy as you mow.
 3. Set the mower height to 2-1/2 to 3 inches, or to your mower's highest setting.
 4. Avoid raking newly seeded lawns.
 5. Cut your new lawn regularly, at least every 7 to 10 days. Please note that if your lawn does not require mowing that frequently, it may not be receiving adequate water or fertilization.
- e. *Fertilizing.* The fertilizer applied with the initial seeding will help your new lawn through its early growth period. Your new lawn should be re-fertilized six to seven weeks following installation. Mid-Atlantic Builders recommends a routine fall and spring fertilization program. You may also consider contracting with a professional lawn service in order to obtain the best results with your new lawn.



Excessive fertilizer will burn your lawn and kill grass.

- f. *Weeds and Insects.* Weeds will appear in any new lawn, especially lawns sown early in the spring. Weeds that accompany grass germination in the spring are generally annuals whose seeds are constantly present in the soil. If chemicals are needed to control dandelions or other low-growing perennial weeds, be certain to follow the manufacturer's directions carefully. Normally, a more routine approach to pre-emergent weed control can be adopted in the spring following the installation of your new lawn.



Do not spray weeds in new grass with chemicals, since immature grass is susceptible to chemical damage.

3. Lawn Repair Policy

Mid-Atlantic Builders will repair your yard if major service to your landscaping, seeding or sodding is needed as a result of significant erosion in a swale area, if there is less than eighty percent (80%) seed germination over your entire lawn (rather than only in spots) or if the damage to your yard is a result of Mid-Atlantic Builders' work.

Mid-Atlantic Builders will inspect, plan the corrective work required, and schedule the work in coordination with the installation of other new lawns in your area. Please note that weather conditions, the season of the year, and the subcontractor's availability and efficiency will affect when the repairs occur.

Your Customer Care Coordinator will notify you of the schedule for repairs to your lawn or landscaping. If you have installed a fence, you will be responsible for removing and replacing sections of it that are necessary to allow access for the appropriate machinery to your property. Please note that once a warranted repair has been completed, it is your responsibility to water and maintain the repaired area. As with other Limited Warranty items, Mid-Atlantic Builders will not repair damage to your lawn or landscaping that is caused by your homeowner improvements or alterations to your yard and its grading.

4. Shrubs and Trees



Mid-Atlantic Builders has provided a landscape package with your new home. Your shrubs and trees were planted by an experienced landscaper. Please note that shrubs and trees provided for your home may differ from your neighbors' due to availability, exposure, and community covenants or to enhance your community or home's design.

Your new plants should be watered especially well during the dry periods, which usually are from mid-May to mid-September. Trees should be watered at least every twelve to fourteen days, but not more. It is important not to over water trees while watering your lawn, as too much water may damage new trees or shrubs.

Keep your plant beds free of weeds at all times. Plants may require an insect spray which should be applied in accordance with the specific needs of each plant variety and strictly in accordance with the manufacturer's instructions. Fertilizer should be applied periodically to promote good plant health. Consult your landscape subcontractor or a garden center for advice.

Shrubs or trees that are alive when you move into your new home and that die afterward due to a lack of proper homeowner care, drought, or freeze will not be replaced by Mid-Atlantic Builders. In addition, if you relocate shrubs or trees, they will not be covered by your Limited Warranty.

5. Tree Removal and Lot Clearing

Mid-Atlantic Builders attempts to save as many trees as possible on each lot to enhance each home and the entire community's appearance. However, there are certain aspects of the land development and the house construction process that may affect the vitality of trees on a lot and may cause some to die. Safety precautions dictate that these trees be removed during construction.

The primary cause of tree mortality is root damage and shock. Shock may result when a tree, once sheltered among other trees, becomes exposed directly to the elements when the surrounding trees are cleared away. Older trees and trees that have been damaged by disease are more susceptible to shock.

Root damage is caused by excavation for house foundations, driveways, and utility trenches. Trees within fifteen feet of these excavations are typically removed because of the high probability that they will eventually die. Root damage is also prevalent in yard areas where fill material is needed to promote proper drainage. The addition of even a small amount of fill material may smother the root systems of a tree; therefore, trees in fill areas will also be removed during construction.

In many cases, it is possible to save trees at the rear of a lot, because neither excavation nor fill is usually necessary in this area. For this reason, subcontractors are instructed to clear only those trees in the rear yard that are required for the movement of equipment during construction or as necessary to ensure proper drainage. Large dead trees standing in the uncleared or undisturbed area that may endanger the house or your safety will also be removed. Otherwise, "undisturbed" areas will be left in their natural state. Dead trees that do not pose a safety hazard or trees beyond the limits of disturbance that die after closing will be your homeowner's responsibility to remove.

If a tree in a cleared or "disturbed" area of a lot dies within the first year of occupancy, Mid-Atlantic Builders will have a qualified tree removal contractor remove the tree, leave a stump at ground level, and stack the wood in the location on your lot that you designate. Mid-Atlantic Builders will not be responsible for the replacement of any trees that do not survive construction.



X. GLOSSARY

Adjustable-Rate Mortgage (ARM). A mortgage where the interest rate is not fixed and changes during the life of the loan.

Annual Percentage Rate (APR). A measure of the cost of credit, expressed as a yearly rate.

Appraisal. An estimate of the dollar value of property required by a mortgage lender.

Approved Lender. A lender approved by Mid-Atlantic Builders.

Assured Equity Program. A program in which a customer's existing home is marketed for a designated amount of time by a company offering this program. If the existing home is not sold in the specified time, that company will then purchase the customer's existing house in order that the customer's equity from such sale can be used to purchase their new home.

Beam. The principal horizontal wood supports of a home.

Bearing Wall. A wall that supports a floor or roof of a home.

Building Restriction Line (or Setback). A government restriction line fixed at a certain distance from a lot line that marks the boundary of the area that a home must be built within.

Change Order Policy. This policy indicates that no changes can be made after the completion of the Final Structural Conference.

Closing. Also known as "settlement". The transfer of title of the property and home purchased from Mid-Atlantic Builders to the customer.

Consolidated Selection Sheet. After the FSC the Selection Sheet is consolidated down to two pages listing only the options selected and eliminating options not selected. The Consolidated Selection Sheet is used by the estimating staff to prepare detailed budgets of each home and is reviewed at the PCC with the Personal Builder.

Customer Care Coordinator. The person responsible for assisting the customer with warranty items. The duties of a Personal Builder shift to the Customer Care Department and the Customer Care Coordinator thirty (30) days after settlement.

Decorator Selection Sheet. This sheet itemizes the specific color selections for carpet, tile, hardwood, vinyl, kitchen cabinets and bathroom fixtures.

Deed. A written instrument duly executed and delivered by which the title to land is transferred from one entity or person to another.

Design Studio. The lower level of a Mid-Atlantic Builders model home that displays all Decorator Selections (e.g., samples of rails, mantels, marble and countertops).

Easement. A privilege or right of use that an entity or person may have on lands owned by another (e.g., a right of way to install, operate, and maintain utility lines).

Elevation. An illustration that shows the view of the home from one vantage point (e.g., front elevation showing what home will look like from the front (only), side elevation from the side, and the like.)

Equity. The interest or value that an owner has in real estate over and above the debts against it.

Extended Loan Rate Locking Options. The rates and terms that a customer and lender commit to five days prior to settlement, unless other arrangements are specified.

Final Loan Approval. The agreement by a financial institution to provide a final mortgage for a customer, in which the terms of such mortgage are specified, such as the type of mortgage, loan amount, type of payment rate (fixed, adjustable or balloon), amortization term and conditions.

Final Selection Sheet. The revised pages of the customer's Purchase Agreement Selection Sheet. The Selection Sheet is updated at the Final Structural Conference and uses the customer's Decorator Selection Sheet to complete the selection of all options and color choices.

Final Structural Conference (FSC). This appointment with the Sales Counselor is the final opportunity for a customer to review and select structural options and to change any last minute decorative options.

Finish Selection Addendum (FSA). This meeting with the Design Studio Consultant is the customer's opportunity to make all of their flooring selections. The FSA cannot be held until all structural selections are completed at the FSC.

Floor Plan. A bird's eye view drawing that shows the room placement and/or layout of a specific home type.

Footing. Concrete base on which a foundation sets.

Foundation. Lower concrete walls that form the base on which a home is built.

Framing. The stage of construction that involves the assembly of the rough frame lumber of a house (e.g., floor joists, studs, rafters, roof trusses and beams).

Framing Preview. A customer's appointment with a Personal Builder that takes place after a home is framed and ready for electrical wiring, but before the installation of drywall.

Ground Fault Circuit Interrupter (GFCI). A special type of electrical outlet, located near areas that may get wet, which protects people from shock, in addition, to thermal and magnetic protection.

Home Inspector. A person who is licensed to provide a customer with technical advice and reassurance with regard to the construction of a home, and who customarily participates in the Framing Preview and Home Orientation.

Home Orientation. An appointment scheduled by the Customer Care Department with the customer prior to closing to allow Mid-Atlantic Builders to better acquaint customers with their completed home and its operating systems.

Home Orientation Report. A report of items compiled by a representative of the Customer Care Department that the customer specifies are in need of adjustment during his or her Home Orientation, in conformance with the specification outlined in the Purchase Agreement.

Homeowner's Association. An organization of homeowners that ensure all residents in the community adhere to the rules and regulations of the Homeowner's Association Documents.

Homeowner's Documents. Documents that specify the various rights, responsibilities, and obligations of a Homeowner's Association.

Homesite Hold. The reservation of the homesite of the customer's choice for a period of up to five (5) days accompanied by a refundable deposit.

Insulation. Material used to reduce the effects of heat, cold or sound.

Management Inspection. A random inspection conducted by Mid-Atlantic Builders to indicate items that need to be corrected within a home prior to settlement.

Mortgage. A contract by which a customer conveys an interest in his or her property as security for the repayment of money borrowed, but without divesting possession.

Mortgage Application Appointment. An appointment between a mortgage lender and customer to review the customer's loan application and discuss his or her financing needs and goals.

Mortgage Pre-Application Kit. A form that a customer completes at or before signing his or her Purchase Agreement that requests certain personal and financial information, facilitates the loan application process, and permits Mid-Atlantic Builders to obtain a residential mortgage credit report.

Mortgagee. A person who takes out a loan on a property and has mortgaged their property as collateral to pay back the loan.

Mortgagor. An entity that issues a loan to a homeowner and holds the mortgage to the property until their note is repaid in full.

One-Year Drywall Service. Drywall warranty provided to the walls of a new home to correct nail pops and drywall cracks caused by the change of seasons taken place at the one-year anniversary of the customer's settlement.

Ownership Estimate. An appointment between a customer and Sales Counselor to determine the investment required to construct a home while considering the customer's personal selections.

Personal Builder. A builder trained and employed by Mid-Atlantic Builders who is responsible for overseeing construction of a customer's new home.

Point. A point is equal to one percent of the principal amount of a mortgage.

Pre-Construction Conference (PCC). An appointment between a customer and Personal Builder during which a customer's questions regarding the design and construction of his or her new home are addressed.

Pre-Loan Approval. The agreement by a financial institution to provide a preliminary mortgage for a customer, within five (5) days from the date of Purchase Agreement, with the terms of such mortgage specified, such as the type of mortgage, loan amount, type of payment rate (fixed, adjustable or balloon), amortization term and conditions.

Prepaid Items. The payment of a portion of the real estate taxes and insurance premium at Settlement to ensure that sufficient funds are in an escrow account to pay taxes and insurance when due.

Purchase Agreement. A contractual document that serves as a final offer to purchase a Mid-Atlantic Builders' home and contains the terms and conditions that will apply to such purchase.

Sales Counselor. The person who meets with the customer to sell a home and who will be available to advise the customer through the construction process.

Selection Sheet. The listing of all options selected that is a part of the customer's Purchase Agreement.

Settlement. Also known as "closing". The transfer of title of the property and home purchased from Mid-Atlantic Builders to the customer.

Spec. A spec is short for "speculative", which is a home either planned to be built, under construction or completely finished and does not have a customer under contract committed to purchase the home.

Start Package. A package consisting of all the necessary documents used by a Personal Builder to construct and personalize the customer's home.

Thermostat. An automatic device for regulating the supply of gas or electricity to a heating apparatus.

Title. A reference to the legal ownership of a customer's new home.

Visitation Policy. A policy which states that all visits by the customer to a Mid-Atlantic Builders' home or homesite must be by appointment with Mid-Atlantic Builders and all visitors must be accompanied by a Mid-Atlantic Builders' escort.