Homeowner’s Journal

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INTRODUCTION

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I. INTRODUCTION

A. WELCOME

We at Mid-Atlantic Builders welcome you to our family of homeowners. We are honored that you have selected Mid-Atlantic Builders to build your new home. We appreciate you placing your trust in us and we look forward to spending the next few months working closely together to create a beautiful residence that you will be proud to call home.

The purpose of this Journal is to assist you during and after the purchase of your new home. It is your personal home-ownership reference guide. The information presented is designed to help you prepare for each step of the new home building journey. This Journal represents our policies and guidelines regarding the purchase, construction and ownership of your new home. It serves as your guide through all steps in the home-ownership process, including: home selection, purchase, mortgage application, option selections, construction, orientations, settlement and warranty.

Please take the time to review this Journal thoroughly. Many of the questions that may arise can be answered by reviewing the information included. Mid-Atlantic Builders will adhere to the process and guidelines contained in this journal in all matters concerning the selection, purchase, construction and warranty of your home.

Please bring this Journal to all future meetings with Mid-Atlantic Builders.

It is our goal to build the best home and customer relationship possible. By the end of the home building journey, our mission is to have another satisfied customer that is proud to refer friends and family to Mid-Atlantic Builders. To achieve this end, the Homeowner’s Journal is designed to create a common set of expectations that are critical in establishing a relationship of trust that makes your journey enjoyable and rewarding.

Thank you again for purchasing a Mid-Atlantic Builders’ home. We seek your involvement to create a home that is uniquely yours that you will treasure for many years to come. Mid-Atlantic Builders wants to share our pride in the building process and do our utmost to make it a pleasant and enjoyable experience for you.

Welcome to the Mid-Atlantic Builders’ Family of Homeowners!
B. OUR TRADITION AND HISTORY

April 1979: Over a quarter century ago, in the basement of his parent’s home, Roger M. Lebbin started a small commercial and residential real estate company. Mid-Atlantic Developers purchased, improved, developed and managed retail shopping centers on the east coast. Within the next decade, however, as a result of a recession in the commercial markets, the company gradually changed its focus from commercial to residential land development and home construction.

It was during that time, in 1985, that Stephen H. Paul joined Roger’s land development company providing lots for single-family homes, called Mid-Atlantic Companies. Roger and Stephen had worked together over the years, and each shared the same core values they expect of every Mid-Atlantic employee today -- integrity, commitment to excellence, respect for others, reliability and recognizing details matter. The partnership flourished, while they continued to build relationships with many other industry trade partners whose guidance, experience and shared values they still enjoy to this day.

When yet another recession hit the real estate market around 1990, it became difficult to find home builders to buy their finished lots. Once more Roger and Stephen had to refocus the company and decided that instead of being dependent on other builders to purchase their lots, they would once again begin building and selling homes in their own communities. Roger remained active on the land development side, while Stephen, who always had an interest in architecture, took on the challenge of overseeing the operations for Mid-Atlantic Builders, the entity re-established to separate the home building company from the land development company. In 1993 John J. Lavery was hired to sell the new Mid-Atlantic homes in the Bowie community of Westview, and his sales skills surpassed all expectations by outselling the competition two to one. Today, John is the Vice President of Sales and Marketing, and joins Roger and Stephen as a partner in the Mid-Atlantic organization.

With experience gained from working with some of the metropolitan area’s leading architects, Stephen’s passion for design has been translated into award-winning homes. Constant attention to input from customers has enabled him to create architecturally superior residences that reflect the personality of their upscale owners, and give homebuyers an exciting alternative to the otherwise ordinary homes usually offered in the Washington metropolitan market. John and his sales department carefully and continuously research market conditions to identify customer preferences. At the same time, Roger and his land department are constantly in search of new opportunities where Mid-Atlantic Builders can become part of beautiful, master planned communities.
The Mid-Atlantic team has proudly won some of the industry’s highest honors including numerous Monument, Pros, and Mame Awards. They have been named Builder of the Year five times, and were featured in Builder Magazine for the unique qualities of the homes they build. Mid-Atlantic has had its award winning products and communities featured in publications by Prince George’s County touting the trends in executive housing, and won numerous awards for its home and site designs, all of which were against entries of larger national home builders. As active members of the National Association of Home Builders and the Maryland-National Capital Building Industry Association, Roger, Stephen, John and the other managers at Mid-Atlantic not only participate in industry functions, but provide leadership in virtually every aspect of legislative advocacy, the regulation of growth, educational programs, and charitable services benefiting their local community.

Today, Mid-Atlantic employs over 50 professionals and is involved in building and developing numerous communities, with many new projects on the horizon. Having built an enviable reputation based on quality and a commitment to their core values, Mid-Atlantic is pleased to have the praise and confidence of its customers, trade partners, employees, and competitors. Mid-Atlantic’s rich history and tradition is merely the beginning of a story with many exciting new chapters yet to be written. The Mid-Atlantic Group welcomes you to join it in becoming a part of its future.
SELECTING YOUR HOME

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(between pages 3 and 4)
II. SELECTING YOUR HOME

When you purchase a new car, see a Broadway show or savor a special dinner at your favorite restaurant, production occurs in a factory, behind a curtain or in a separate kitchen. You are generally accustomed to first viewing an item after it is complete. In contrast, the construction of your new home takes place out in the open. You participate as it progresses, and your Path to Homeownership is a dynamic, interactive process. You have purchased a Mid-Atlantic Builders’ home to allow you to incorporate your dreams, desires and creativity, and we look forward to sharing this exciting journey with you and our Passion for Design!

A. SALES COUNSELOR

By the time you have looked at our models and visited our communities, you have already had the opportunity to meet your Sales Counselor and/or Assistant Sales Counselor. As you read this Journal, it will be clear that your Sales Counselor and Assistant Sales Counselor will be getting well-acquainted with you during the months ahead. At Mid-Atlantic Builders, selling you your home is only a small part of what your Sales Counselor or Assistant Sales Counselor will do, because he or she will continue to meet with you and offer you assistance through construction and the completion of your home. Your close relationship will only just begin as you take the necessary steps toward owning your new home.

B. DESIGN YOUR OWN HOME ONLINE

To help you envision your new home, your Sales Counselor or Assistant Sales Counselor will use our “Design Your Own Home” online web based drafting tool to help plan the design of your home. Most customers are pleasantly surprised by the quantity and creativity of selections of floor plans, elevations, and standard and optional features that Mid-Atlantic Builders offers. You can personalize your home with finishing appointments that identify your home as uniquely yours. You will be amazed at the combinations we can help you put together. Some of our customers enjoy exploring and researching our floorplans and home designs by visiting our website at www.MidAtlanticBuilders.com, clicking on “Design Your Own Home”, and becoming familiar with all our available options before visiting one of our communities.

C. OWNERSHIP ESTIMATE MEETING

The Ownership Estimate Meeting helps take the mystery out of the new home purchasing process. In this meeting, your Sales Counselor or Assistant Sales Counselor will help you decide on the home and homesite of your choice. They will also work with you to determine the total investment required and establish a financing program that works best to help make your new home affordable. During your Ownership Estimate Appointment, your Sales Counselor will explain
the homeownership process. All the specific steps, from Homesite Hold, to Purchase Agreement, to required investments, to options selection conferences, to construction meetings, to the sale of your existing home, to settlement and warranty, will be explained.

D. HOME SITE HOLD

After you have selected a home and homesite and are ready to proceed, you can hold the homesite of your choice for a period of up to five (5) days with a deposit equal to that which will be required at the time you will sign your Purchase Agreement. Please note that Mid-Atlantic Builders will not deposit any amounts paid by you until you sign a Purchase Agreement. However, placing a hold on a homesite will provide you with the right of first refusal for your chosen homesite, as well as lock in the pricing and any sales promotions for the hold period of up to five (5) days. Once you have placed your deposit on the homesite and home type to be reserved, a specific date and time will be set for your Purchase Agreement Appointment.

When you complete your Homesite Hold, you will also receive a copy of the Purchase Agreement, so that you will have the time to read the document carefully in advance of your Purchase Agreement Appointment. Please remember that at Mid-Atlantic Builders, we have a fair contract and pricing policy where everyone gets treated the same and therefore, the terms and conditions of our Purchase Agreement, like the prices of our homes, are not negotiable. Our customers usually find the terms to be quite reasonable, but feel free to ask your Sales Counselor or Assistant Sales Counselor if you have any questions. If for any reason you choose not to go forward with the purchase of your new home, your Homesite Hold deposit will be returned to you after you have returned your Purchase Agreement documents to your Sales Counselor, signed for release of your rights of first refusal to the homesite and verified the return of your deposit check.

At this point, we will have discussed many exciting, but sometimes confusing choices. One of the purposes of the Homesite Hold period is to provide time to think about your decisions and ask further questions if you have them. In addition, if you have a home to sell, your five (5) day hold period can be used to determine the course of action that you will need to take to sell your home. If you are considering enrolling in our Assured Equity Program, your Sales Counselor or Assistant Sales Counselor can help you schedule an appointment with a resale home specialist who can help assess the value of your current home, estimate your equity and help with the sale of your current home.

At the time of Homesite Hold, your Sales Counselor or Assistant Sales Counselor will also give you a copy of any Homeowner Association documents applicable to the community in which you wish to purchase your home. Please read them
carefully and speak with your Sales Counselor or Assistant Sales Counselor if you have any questions. You will also be asked to complete a Buyers Data Sheet to disclose your financial information. This information is kept confidential and strictly for the sole use of Mid-Atlantic Builders.

Finally, we will provide you with a list of our approved lenders and a Mortgage Pre-Application Kit to complete and forward to the approved lender of your choice to help expedite the processing of your Mortgage Application. If you like, your Sales Counselor or Assistant Sales Counselor can assist you by making a courtesy call to facilitate the scheduling of your Mortgage Application and Pre-Approval Appointment.

In order to assist you in determining the home and options that will best suit your lifestyle and financial needs, it is recommended that you obtain a mortgage pre-approval from an approved lender in advance of your Purchase Agreement Appointment. To expedite the processing and approval of your Purchase Agreement paperwork, your Sales Counselor will request a copy of your mortgage pre-approval letter when submitting your Purchase Agreement for ratification.

E. PURCHASE AGREEMENT APPOINTMENT

Your Purchase Agreement Appointment is when you and Mid-Atlantic Builders formally agree that we will proceed with the construction of your new home and that you will purchase it when it is substantially complete. This appointment should be scheduled on a weekday, so your Sales Counselor or Assistant Sales Counselor can speak with you without interruptions, by avoiding the weekend rush. Please allow at least three hours to complete your Purchase Agreement Appointment.

At the beginning of this appointment, your Sales Counselor or Assistant Sales Counselor will provide you with a copy of our Homeowner’s Journal. The Homeowner’s Journal will serve as your guide through the complex new home purchasing process. It reassures you that you will have up to forty five (45) days to consider your structural and finish option choices. As explained in detail later, you will have up to fourteen (14) days to finalize your structural option selections and forty five (45) days to finalize your finish option selections. During the Purchase Agreement Appointment you will only be asked to finalize your homesite, home type, exterior façade (“elevation”) and exterior color scheme choices.

Next, we will review your new home design. Based on your selection, your Sales Counselor or Assistant Sales Counselor may have copies of floor plans and elevations prior to the appointment that are customized to your specific floor plan and front elevation. Our Sales Staff will then review the standard and included features that come with your home. All of this is done on a digital Selection
Sheet to help you choose from the many personalized appointments available. You will be able to see how particular selections will change the layout, sales price and financing of your home. Once these preliminary selections have been finalized, your personalized Selection Sheet will be printed and given to you for your approval and signature. As mentioned earlier, your structural and finish option selections will be finalized in future meetings.

Your Sales Counselor will then show you preliminary details of your homesite. A final and more detailed site plan (more commonly referred to as a “resite”) of your actual home will be available for your acknowledgement at your Pre-Construction Conference as discussed in Chapter IV of this Homeowner’s Journal.

You will have already reviewed a copy of the Purchase Agreement; however, your Sales Counselor will generate a personalized version from our computer that includes your updated home information and selections. We hope that your earlier review of the Purchase Agreement document has already revealed that it assists each of us by clarifying a variety of topics pertaining to the purchase and construction of your new home. Responsibilities are specified and our Sales Staff will be happy to explain the real estate agency, financing, local government, homeowner’s association, warranty and other disclosures with you, as well as to answer any of your questions.

Once you are comfortable with all of the provisions of your Purchase Agreement, you will then sign it in several places and submit your first deposit. Your Homesite Hold deposit can be used for this purpose if it is for the appropriate amount. If not, we will ask you for a new deposit and return the Homesite Hold deposit to you at this time. Your signed Purchase Agreement will then be forwarded to the Mid-Atlantic Builders’ corporate office for review and ratification. If for any reason there are errors in the document, it will be returned to your Sales Counselor for correction and signature by you. Once a corporate officer accepts it, approximately one week later, a copy of the ratified Purchase Agreement will be mailed to you for your records. We have included a tab marked “Your Documents” at the end of this Homeowner’s Journal where you can file your Purchase Agreement for easy reference.

If not completed at Homesite Hold, we will provide you with a Mortgage Application Kit to complete and forward to an approved lender to help expedite the processing of your Mortgage Application. If you like, our Sales Staff can assist you by making a courtesy call at the end of your Purchase Agreement Appointment in order to facilitate the scheduling of your Mortgage Application Appointment. Please be aware that you will be responsible for making your loan application within five (5) days from the date of your Purchase Agreement Appointment.
Finally, your Sales Counselor will conclude your Purchase Agreement Meeting by scheduling your next appointment in the homeownership process, the Final Structural Conference (FSC). Once again, this appointment will be held approximately fourteen (14) days after completion of your Purchase Agreement Appointment.
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YOUR NEW HOME MORTGAGE

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III. YOUR NEW HOME MORTGAGE

A. MORTGAGE PRE-APPLICATION KIT

Our sales staff will provide you with a Mortgage Pre-Application Kit at or before the time of signing your Purchase Agreement. It contains an authorization to be signed by you that permits us to obtain a residential mortgage credit report, information necessary to complete your loan application, and a checklist of items to bring to the approved lender for your Mortgage Application Appointment (a sample of which can be found at the end of this section).

B. SELECTING A LENDER

We urge you to select a mortgage lender even before completing your Purchase Agreement. Mid-Atlantic Builders will assist you by providing the name of mortgage lenders with whom we are most familiar and have found to be reliable. These lenders are referred to as our “Approved Lenders or Designated Lenders.” Mid-Atlantic Builders has selected and approved mortgage lenders that are dependable and capable of expediting your loan pre-approval even before you sign your Purchase Agreement. Most of our customers prefer to use one of our approved lenders to obtain both reliable service and value. To take advantage of the monthly sales promotion being offered at your community, an approved lender must be selected. The promotion dollars can be used toward closing or options.

It is important for you to apply for your mortgage loan promptly, since the lender's loan approval process may take several weeks depending on your financial circumstances. Any delay with the pre-approval of your loan will slow the start of construction, thus postponing the completion of your home. Please note the selection of your lender must be made at the signing of your Purchase Agreement and no change may be made thereafter.

C. MORTGAGE APPLICATION APPOINTMENT

When you meet with the lender at your Mortgage Application Appointment, you should bring your completed Mortgage Pre-Application Kit, along with all of the applicable items detailed in the checklist. As mentioned, this appointment occurs within five days after your Purchase Agreement Appointment. It varies in length, depending on the complexity of financing programs, terms and your questions, but in general, it can be expected to take one and one-half hours to complete. It is usually held at our Mid-Atlantic Builders’ model home, since our model often is the most convenient location that also has all the necessary equipment, such as a fax and copier machine.

We recommend that you fax your completed Mortgage Pre-Application Kit (provided at your Homesite Hold or Purchase Agreement Appointment) to the
approved lender prior to your scheduled appointment. This will allow the lender to have a credit report available for your review. We also recommend that you call and consult the lender prior to your Mortgage Application Appointment to make sure that they have all necessary documents and information, such as tax returns, employment and credit information. The more information provided prior to and during the appointment, the easier the loan approval process will be.

Your Mortgage Application Appointment will begin with a discussion of your financing needs and goals. Your personal financial information contained on the application form will be reviewed and clarified where necessary. The lender will then use such information to determine the financing programs that can be best tailored to your needs. Two to three financing scenarios are typically proposed and you will select the one you prefer. The lender will then provide an estimate of the expected costs associated with your individual financing. At the conclusion of this appointment, the lender will review opportunities to lock in your interest rate on an extended basis. This allows you interest rate protection at a modest fee to cover the extended time it may take Mid-Atlantic to build your home.

Please be aware that you will also need to bring a check to cover the cost of the lender’s credit report and appraisal fees. Your credit report will usually cost between Fifty and One Hundred Dollars ($50-$100) with a married couple qualifying as an individual, and your real estate appraisal fee will usually be between Three Hundred and Five Hundred Dollars ($300-$500). Please note that these are only estimates and are subject to change.

Your Sales Counselor or Assistant Sales Counselor will assist you throughout your mortgage loan approval process by serving as a liaison between you and your lender. Your Sales Counselor or Assistant Sales Counselor is also knowledgeable about financing options and procedures so he or she can be helpful throughout the process.

D. LOAN APPROVAL

Expect that the lender will take approximately two (2) weeks to review your loan application. Then, if your lender determines that you will most likely qualify for your loan, the lender will provide Mid-Atlantic Builders with an approval letter stating the preliminary terms and conditions of your loan. If your loan is with a Mid-Atlantic Builders’ approved lender and the information and conditions of your lender’s pre-approval letter are favorable, then we can expedite the building of your home. If your loan is with a lender that has not been approved by Mid-Atlantic Builders, Mid-Atlantic Builders will require an unconditional loan approval letter from the lender before we can start construction. For this reason and others, we again recommend that you work with a lender that has been approved by Mid-Atlantic Builders.
E. **LOAN LOCKS**

The only thing anyone can predict regarding interest rates is that they will change. The decision to “lock” your interest rate is solely your decision. The target settlement date of your new home, if under construction, is always an estimate and you should proceed with caution when using any estimate to make an interest rate lock decision.
COMPLETED APPLICATION CHECKLIST

Use this Checklist to assure that you have provided all the information necessary to approve your loan application.

___  1. Complete Sales Contract and all Addendums
   Purchase Price: ________________________________________________________________
   Loan Amount Requested: ________________________________________________________
   Real Estate Agent Name & Number: ____________________________________________

___  2. Most Recent 30 days’ Pay Stubs

___  3. Last Two Years’ W-2’s or 1099’s

___  4. Last Two Years Complete, Ratified Federal Individual and Corporate Tax Returns (if self-employed or commissioned, if income is variable, or if any rental property is owned)

___  5. Year-to-Date Profit and Loss (Income/Expense) Statement, within 90 Days (if self-employed)

___  6. Current, Ratified One Year(s) Lease(s) for Investment Properties

___  7. Proof of any Other Sources of Income

___  8. Three Months Most Recent Bank Statements (please include all accounts even if not being utilized, including managed stock funds, CDS, checking, savings, mutual funds, stocks - all pages are required)

___  9. Gift Letter, Proof of Donor’s Ability to Give, Proof of Receipt and Deposit of Gift Funds with new balance in recipient’s account.

___  10. Proof of Any Other Source of Assets needed to Complete Transaction (i.e., sales contract current home, wire advance for transferred funds, liquidation confirmation, or other documentation)

___  11. Relocation Agreement and Benefit Summary (if Applicable)

___  12. Mortgage/Rental Payment History (12 Months Cancelled Checks, Computer Generated Printout of Payments, or Letter of Reference)

___  13. Child Care Statement, Divorce Decree, Separation Agreement (ratified), and Proof of any Other Liabilities

___  14. Car Title for Cars less than 4 Years Old (With No Loans Outstanding). Deed of Release for Real Estate Owned with no Lien.

___  15. Check for Application Fee in the Amount of $360.00. This non-refundable application fee will be credited towards closing costs ($300 for Appraisal and $60 for Credit Report (actual fees may be higher or lower)). Lock-in, Float Down Option Requires ½ Point Application Deposit.

PRE-APPROVAL PROCESS
1.) Complete your lender’s Pre-Application Kit and fax it to them promptly. This begins your pre-approval process.
2.) Assemble applicable documents requested on checklist and forward them to your designated lender.
3.) Upon ratification of sales contract, appraisal is ordered and closing preparations are made.
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PREPARING TO BUILD YOUR NEW HOME

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IV. PREPARING TO BUILD YOUR NEW HOME

Now that you have obtained financing, the next step is for Mid-Atlantic Builders to introduce you to the process of making selections for your dream home, as well as to the people who will be responsible for building it. As you read through this chapter, you will familiarize yourself with the Final Structural Conference (FSC), Change Order Policy, Home Technology Consultation Meeting, the Design Studio and Design Studio Consultant, the Finish Selection Addendum Meeting, the Pre-Construction Conference, your Personal Builder, and more.

A. FINAL STRUCTURAL CONFERENCE (FSC)

Your Final Structural Conference will be scheduled to take place approximately fourteen (14) days from the date that you signed your Purchase Agreement. It is important to understand that all structural selections become FINAL at the conclusion of this appointment. Structural options involve weight bearing components that impact or change the floorplan and/or footprint of the home. They include options that add additional square footage or involve exterior walls. In addition, options that impact interior walls, such as finishing space in the lower level or moving interior walls, are considered “structural options”.

This Final Structural Conference will take place in the sales office, where your Sales Counselor will review with you a digital Selection Sheet reflecting the structural options you have selected to personalize your new home. Please allow plenty of time, as it will probably take you one to two hours to review this information to confirm its accuracy and to discuss and finalize the many decisions that will be incorporated into the home to be built for you. At this appointment, you must carefully review the Selection Sheet, as this will be the last occasion for you to change any structural options. After checking everything, you will then be asked to “sign off” on all of your selections to indicate your approval and your understanding that these structural selections will now become final. Please note that all your selections and choices must be represented in writing on the Selection Sheet document. There are no oral agreements. All selections must be in writing so they can be properly communicated to your Personal Builder and the home building team.

Your attendance at this appointment is very important. Most people look forward to this meeting and in fact, many of our customers select Mid-Atlantic Builders to build their home because they enjoy being part of the process. In the unlikely event that you fail to attend your Final Structural Conference, it will delay the start of your home and possibly cause your contract to be cancelled. As a result, we urge your prompt attention for this significant milestone in your home ownership journey.

Immediately after completion of your Final Structural Conference, your Sales Counselor will forward your structural selections to the Design Studio Consultant, who will prepare for your Finish Selection Addendum Meeting. This
appointment is held within four (4) weeks of completion of the Final Structural Conference.

B. NO CHANGES PERMITTED BEYOND THIS POINT

Mid-Atlantic Builders has a strict No Change Order Policy that meets the needs of our future homeowners while also enabling us to maintain the quality control and standards of excellence for which we are known. The success of this program is based on a clear statement of our policy, along with its consistent implementation.

We devote much time and energy to help you make selections in preparation for your Final Structural Conference in order to avoid the need for later changes. In addition, we provide an additional thirty (30) days after completion of your Final Structural Conference to prepare for and consider the finish options for your home. As discussed later in the Homeowner’s Journal, our Design Studio Consultant will serve as your guide to assist you in making the many exciting finish option selections that allow you to personalize your new home. These steps are designed to prepare you for and provide all the necessary information and time required to finalize your option selections. After completion of your Final Structural Conference and your Finish Option Addendum, however, your selections are submitted to the corporate office, where we prepare your house Start Package and produce the necessary Purchase Orders for your home. These Purchase Orders are distributed to our suppliers and subcontractors, so that they can then order the necessary materials and special items you may have selected. This information is then processed and put into our construction schedule. *In specific occasions, your Personal Builder may be able to make arrangements to change a non-structural option without disrupting the construction of the home. In such cases, Mid-Atlantic Builders can process a Change Order for a nonrefundable fee of Two Hundred Dollars ($200.00) per Change Order processed. Furthermore, Mid-Atlantic Builders may request full deposit to cover the monetary value of the option being changed.*

C. HOME TECHNOLOGY CONSULTATION MEETING

As soon as your Final Structural Conference is complete, you will immediately need to meet with our technology, home entertainment and security consultant to select the electronic specialty appointments for your new home. At this appointment you can select enhanced home wiring, entertainment and security systems that can be included in your contract. When completed, the electronic addendums are given to your Design Studio Consultant who bundles them with the completed Finish Selection Addendum (FSA) documents and forwards them to the corporate office for review and certification.
D. INTRODUCING THE DESIGN STUDIO CONSULTANT AND MID-ATLANTIC BUILDERS’ DESIGN STUDIO

One of the many benefits of building a new Mid-Atlantic Builders’ home is the opportunity to select the finish options that make your new home uniquely yours. Mid-Atlantic Builders provides you with an unparalleled list of finish options with which to personalize your new home. We take pride in offering an extensive array of options in each of the following categories: kitchen cabinets, kitchen appliances, countertops, bathroom finishes, general appliances, plumbing, electrical, flooring, interior doors and hardware, lighting and much more. This extensive offering brings fun and flexibility to the homebuilder process. It can also be overwhelming as you attempt to learn and select from such a comprehensive list. To help facilitate this important aspect of the home ownership process we have a dedicated professional, our Design Studio Consultant, to serve as your guide. This professional is dedicated solely to helping you make the best finish option selections for you and your family.

In addition, to help you personally experience and inspect the extensive list of finishing appointments offered, we have built the Mid-Atlantic Builders’ Design Studio. In the Design Studio we display the majority of the finished options from which you can choose. The Design Studio is located in the lower level of the Mid-Atlantic Builders’ Tara Model in our Woodmore North community. Options are organized, labeled and displayed in a format that allows you to browse and self-tour during regular business hours, 11 a.m. to 6 p.m. daily. For your added convenience, we offer a dedicated “Browse Day”, when our Design Studio Consultant is available all day to answer your questions regarding any of the options offered and how they might suit your particular needs. Please check with your Sales Counselor for the Browse Day schedule. We encourage you to take advantage of Browse Day and to self-tour the Design Studio as well, in preparation for your meeting with the Design Studio Consultant and completion of your Finish Selection Addendum.

E. FINISH SELECTION ADDENDUM MEETING (FSA)

Four weeks after completing your Final Structural Conference and after finalizing your selections with our Home Technology Consultant, you will have an opportunity to select the finishing options for your new Mid-Atlantic Builders’ home. This is an exciting step in the homebuilding process and one of the many unique benefits of building a new home. To help facilitate this important process, we provide a Design Studio Consultant who is a professional dedicated solely to the important task of educating you on the finishing appointments that are offered. At this meeting, you will finalize all of the finish option selections for your new home. As mentioned earlier, you will be making selections in each of the following option categories: kitchen cabinets, kitchen appliances, countertops, bathroom finishes, general appliances, plumbing, electrical, flooring, interior doors and hardware, lighting and many more finish option selections.
Due to the quantity of selections to be made and the importance of these selections in making your new home truly yours, you will want to come prepared. Please bring your completed Decorator Selection Sheet as well as all other notes and questions you have written down from previous conversations with the Design Studio Consultant, your Sales Counselor or questions generated while you looked at option selections on Browse Day. Please allow two to three hours for this appointment. We do not want to rush this important step in the building of your new home. We recommend that you make arrangements for childcare, as you will want to be able to focus during this meeting.

At the completion of your Finish Selection Addendum Meeting, you will be asked to confirm your selections by approving and signing the Finish Selection Addendum. Once this document is signed, you have completed all of the required selections for your new home and it is important to understand that all selections are now final and cannot be changed. In addition, pursuant to your community’s requirements, your second deposit should be posted at this time.

Then, a custom site plan for your specific home is ordered to show a bird’s eye view of its exact location. A Consolidated Selection Sheet will also be created at our corporate office. This Consolidated Selection Sheet is the final menu from which detailed cost budgets are established. Purchase orders are created and mailed to vendors for all of the materials required for construction of your home, including structural components such as roof trusses and engineered floor joists. Since the lead time for certain supplies can take several months, we move quickly to insure the availability of these materials, as well as to expedite their delivery. Next, custom construction drawings based on your selections are created and your signed portfolio renderings and floor plans are copied specifically for your Personal Builder’s use.

All of this documentation, which has been customized specifically for your individual home, is assembled together into what Mid-Atlantic Builders calls a “Start Package”. No two Start Packages are ever alike and this is a time-consuming process that involves numerous people in our estimating department. Once the estimating department completes your Start Package, it will include everything that your Personal Builder needs to supervise the construction and completion of your home. Your Personal Builder, Sales Counselor and Assistant Sales Counselor will be notified that the Start Package is ready for release and our Sales Staff will contact you to schedule your Pre-Construction Conference.

F. INTRODUCING YOUR PERSONAL BUILDER

Mid-Atlantic Builders wants you to be directly acquainted with the individual responsible for supervising the construction of your home. This person is referred to as your “Personal Builder.” Each Personal Builder is a trained professional with a construction background, as well as instruction and
experience in Mid-Atlantic Builders’ building standards and high expectations of customer care. Your Personal Builder is the primary individual responsible for making sure that your personal selections are built correctly and they will oversee all of the suppliers and subcontractors that are involved in the construction of your home.

Some of our communities may also have an Assistant Personal Builder to help the Personal Builder. This individual will follow up with the finishes for your home and assist the Personal Builder with the final completion of your home. In some circumstances, the Assistant Personal Builder might also conduct your Home Orientation Appointment to demonstrate the different operating systems of your home.

Questions you may have about the construction of your new home should be directed to your Personal Builder during your scheduled Pre-Construction Conference (discussed later in this chapter). At Mid-Atlantic Builders, our team of Sales Counselors, Builders, Architects, Engineers and our corporate office staff work very closely with one another to ensure that each home is built to our high standard of craftsmanship. Getting to know your Personal Builder and Assistant Personal Builder will make the process of participating in the construction of your home an even more pleasant experience. Like us, we hope that you will grow to respect their training, experience, understand the pride they take in building your home and take comfort in their leadership of all construction activities.

G. PRE-CONSTRUCTION CONFERENCE (PCC)

The Pre-Construction Conference refers to the first appointment between you and your Personal Builder. The purpose of this appointment is for your Personal Builder to clarify items from your Start Package and explain some construction details. A Pre-Construction Checklist can be found at the end of this chapter, which will illustrate what will be discussed, as well as become an Addendum to your Purchase Agreement after your appointment. Please note that either your Sales Counselor or your Assistant Sales Counselor will take part in this process. Further, this appointment must be scheduled on a weekday, between the hours of 10:00 a.m. and 2:00 p.m., at the model home. Plan to spend approximately one hour for your Pre-Construction Conference.

Your Pre-Construction Conference will be another opportunity for you to ask questions regarding the design and construction of your new home with the individual responsible for its construction. It should give you a better understanding of the sequence of work involved, further your respect for the skill of your Personal Builder, and reassure you that construction of your home will progress smoothly.
PRE-CONSTRUCTION CONFERENCE CHECKLIST
ADDENDUM

Personal Builder: ____________________________ Date: ____________________________
Community: ____________________________ Lot/Block: ____________________________

My Personal Builder has reviewed the following with me/us:

I. House Sitting, Type of Plan (Standard or Reverse)
   □ Lot grading, general drainage pattern and the affect of specific options selected on lot grading
   □ Preliminary site landscaping plans and other unique features shown on site plan and the adjacent homesites
   □ Site conditions (storm drains, easements, electric vaults, street lights)

II. Overall footprint of the house selected with all options selected and any design consequences of merging options.
   □ Areaway option size and location for conflicting options, such as bay windows and future decks
   □ Standard lower level windows and how changes to the window size or location may be affected by preliminary site plan, (e.g., window wells that may be required to accommodate a window and result in an extra charge)
   □ Walk-out condition vs. inground and partial inground condition effects on yard
   □ Lower level basement height and possible consequences of finished lower level with bulkheads and dropped ceilings as well as lower level ceiling options (subject to change per community standards)
   □ Furnace, hot water heater, fuel type (gas or electric) and sump pump locations

III. First Floor Plan
   □ First floor ceiling height and window placement
   □ HVAC return vent locations and fuel type (gas or electric)
   □ Fireplace selection in family room (heights, widths), raised hearth, mechanical or gas, optional wood box, as well as upgraded facings such as marble, masonry or stone
   □ Flooring selections, along with door swing, styles and flooring breaks
   □ Washer, dryer and laundry tub locations to confirm that washer or laundry tub water source is not near exterior wall
   □ Kitchen cabinetry selections, including wall cabinet heights, size, color and style. Explain that the cabinetry will be finished with scribe molding rather than a bulkhead
   □ Fan pre-wires (Owner’s Suite, Family Room)
   □ Location of phone jacks, electric outlets, CATV, intercom and/or security

IV. Second Floor Plan
   □ HVAC return vents, attic stairway locations and fuel type (gas or electric)
   □ Second floor fireplaces, facings and upgraded ceiling lights selected
   □ Door swings, door styles and flooring breaks
   □ Bathroom cabinetry, color and styles, fixtures and ceramic tile selections and designs
   □ Locations of phone jacks, electrical outlets, CATV, intercoms and fan pre-wires
   □ Structural layout of selected options, custom requests and answer design questions
   □ Owner’s Suite wall unit design details
   □ Soaking tub size if model is not standard

V. Miscellaneous
   □ Outdoor compressors locations
   □ Circuit breakers, gas lines, exterior hose bibs, exterior electric outlets, and other utility locations
   □ Affect of multiple option selections to house
   □ Dover/Amherst toilet closet size and accommodations (if applicable)
   □ Custom ideas regarding practicality and added cost. Confirm commitment for a custom request, including pictures or drawings that will help the Estimating Department establish custom pricing

VI. Exterior Features
   □ Front elevation
   □ Window locations
   □ Trim details
   □ Masonry or siding specifications
   □ Porch or other structural details
   □ Exterior color selections
   □ Roof lines and pitches

VII. Visitation Policy
   □ All visitors by appointment and with Mid-Atlantic Builders’ escort only
   □ Review Private Home Inspection Policy

___________________________________________  ____________________________
Purchaser Signature  Date

___________________________________________  ____________________________
Purchaser Signature  Date
## DECORATOR SELECTION SHEET

<table>
<thead>
<tr>
<th>Community:</th>
<th>Homesite #</th>
<th>Elevation #</th>
<th>Date:</th>
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### Kitchen
- **Cabinets Upgrade:**
- **Color:**
- **Price:**
- **Countertop Upgrade:**
- **Color:**
- **Price:**
- **Appliance Upgrade:**
- **Color:**
- **Price:**
- **Floor Upgrade:**
- **Color/#:**
- **Price:**
- **Other:**
- **Price:**
- **Other:**
- **Price:**

### Laundry Room
- **Cabinets Upgrade:**
- **Color:**
- **Price:**
- **Countertop Upgrade:**
- **Color:**
- **Price:**
- **Floor Upgrade:**
- **Color/#:**
- **Price:**
- **Other:**
- **Price:**
- **Other:**
- **Price:**

### Master Bath
- **Cabinets Upgrade:**
- **Color:**
- **Price:**
- **Vanity Upgrade:**
- **Color:**
- **Price:**
- **Floor Upgrade:**
- **Color/#:**
- **Price:**
- **Other:**
- **Price:**

### Bath
- **Cabinets Upgrade:**
- **Color:**
- **Price:**
- **Vanity Upgrade:**
- **Color:**
- **Price:**
- **Floor Upgrade:**
- **Color/#:**
- **Price:**
- **Other:**
- **Price:**

### Bath
- **Cabinets Upgrade:**
- **Color:**
- **Price:**
- **Vanity Upgrade:**
- **Color:**
- **Price:**
- **Floor Upgrade:**
- **Color/#:**
- **Price:**
- **Other:**
- **Price:**

### Bath
- **Cabinets Upgrade:**
- **Color:**
- **Price:**
- **Vanity Upgrade:**
- **Color:**
- **Price:**
- **Floor Upgrade:**
- **Color/#:**
- **Price:**
- **Other:**
- **Price:**

### Powder Room
- **Floor Upgrade:**
- **Color/#:**
- **Price:**
- **Other:**
- **Price:**

### Other Flooring Upgrades
- **Foyer Floor Upgrade:**
- **Color/#:**
- **Price:**
- **Living R. Floor Upgrade:**
- **Color/#:**
- **Price:**
- **Dining R. Floor Upgrade:**
- **Color/#:**
- **Price:**
- **Library Floor Upgrade:**
- **Color/#:**
- **Price:**
- **Family R. Floor Upgrade:**
- **Color/#:**
- **Price:**
- **Morning R. Floor Upgrade:**
- **Color/#:**
- **Price:**
- **Sunroom Floor Upgrade:**
- **Color/#:**
- **Price:**
- **LL Rec R. Floor Upgrade:**
- **Color/#:**
- **Price:**
### Other Flooring Upgrades

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</tr>
<tr>
<td>Master B. Floor</td>
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</tr>
<tr>
<td>Bedroom 1 Floor</td>
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<tr>
<td>Bedroom 2 Floor</td>
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<tr>
<td>Bedroom 3 Floor</td>
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### Fireplaces

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<tbody>
<tr>
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### Electrical Upgrades

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### Plumbing Upgrades

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### Wet Bar Upgrades

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<td></td>
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<tr>
<td>Countertop Upgrade</td>
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<tr>
<td>Floor Upgrade</td>
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### Wall Systems

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<tr>
<td>Entertainment Wall System</td>
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<td>Other</td>
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### Doors/Interior Trim

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<tr>
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<td>Door Hardware</td>
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<td>Extra Doors</td>
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<td>Cased/Dray Wall Openings</td>
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<tr>
<td>Tray Ceiling</td>
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<td>Extra Crown Molding</td>
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### Misc.

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Preparing to Build Your New Home
Reference Sheet

**Step 1 - Homesite Hold (Start)**
- Free ownership estimate from your Sales Counselor
- Free homesite demonstration by your Sales Counselor
- Select homesite
- Select home style
- Apply for mortgage pre-approval
- Reserve your homesite! (deposit required)

**Step 2 - Purchase Agreement (Week 1)**
- Confirm home style selected
- Confirm homesite selected
- Select exterior elevation and color scheme
- Receive Homeowner’s Journal for review
- Receive Homeowner’s Association documents for review
- Initial deposit due (varies by community)

**Step 3 - Final Structural Conference (Week 2)**
- Finalize Structural selections (with Sales Counselor)
  ➔ Bring your Homeowner’s Journal with you

**Step 4 - Home Technology Consultation (Week 3)**
- Meeting with Technology Consultant to select desired entertainment, security, and technology options
  ➔ Bring your Homeowner’s Journal with you

**Step 5 - Finish Selection Addendum (Week 4 or 5)**
- Finalize finish options (with Design Studio Consultant)
- Finalize flooring options
- Subsequent balance of required deposit due (based on total sales price)
- NO CHANGES PERMITTED BEYOND THIS POINT
  ➔ Bring your Homeowner’s Journal with you

**Step 6 - Pre-Construction Conference (Week 6)**
- Meeting with Personal Builder to review start package
  ➔ Bring your Homeowner’s Journal with you

**Step 7 - Construction of your new home**
- See Chapter 5 of your Homeowner’s Journal for an explanation of this process

**Step 8 - Home Orientation and Settlement**
- See Chapter 6 of your Homeowner’s Journal for an explanation of this process

**Step 9 - Enjoy your new Mid-Atlantic Builders home!**
All warranties are outlined and described in detail in Chapters 7 and 8 of your Homeowner’s Journal
INSERT

CONSTRUCTION OF YOUR NEW HOME

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(between pages 21 and 22)
IV. CONSTRUCTION OF YOUR NEW HOME

A. START OF CONSTRUCTION

After completion of your Pre-Construction Conference and the issuance of an approval letter from your lender that is found to be satisfactory to Mid-Atlantic Builders, we will proceed with all of the administrative paperwork and the Estimating Department will issue a Construction Start Package to your Personal Builder. This Start Package will include a consolidated list of your final selections; verification of your home type, front elevation and exterior colors; a revised site plan showing your home located on your homesite, noting structural options that will affect your final house location and shape; as well as your final house budget, including the subcontractor and supplier purchase orders necessary to build your home. When a Start Package is released to your Personal Builder, our corporate office will immediately e-mail Purchase Orders to our trade partners and begin to set up schedules for the labor and materials to build your home.

Your home will first be staked out by a professional land surveyor and afterward you will witness the excavation of your basement. It is important to understand that the surveyor’s markings will actually represent an offset of your foundation by ten feet and may cause your home or future neighbors’ homes to appear larger than normal.

B. VISITATION POLICY

When you purchase a home, you are purchasing a "work in progress" rather than a final product. The construction of your new home takes place out in the open and we know that you will be curious about its progress. Mid-Atlantic Builders shares your excitement. Nevertheless, for your safety, we must adhere to a strict visitation policy. During construction, your home is considered a work area, because it often contains nails sticking up from the floor, open trenches and other hazardous conditions. Our concern about these dangers results in the following policy:

ALL VISITS TO A HOME OR HOMESITE MUST BE BY APPOINTMENT WITH MID-ATLANTIC BUILDERS AND ACCOMPANIED BY A MID-ATLANTIC BUILDERS ESCORT

In addition to addressing safety concerns, this visitation policy discourages interruptions while your home is being built. A steady work schedule helps us complete your home as soon as possible, best insures your move-in date and also assists us to maintain our superior quality of craftsmanship. We share the goals of protecting your safety, keeping the production of your home on schedule and
guaranteeing that all involved in the construction of your home do their best work. With those intentions, we thank you for respecting this policy.

To encourage your participation during the construction of your new home, we have established two pre-scheduled visits for you. The first visit will be a Framing Preview prior to drywall installation, so you can see what will be behind the walls of your home. The second visit when your home is complete is a Home Orientation when together we re-inspect your home, demonstrate its features and review its warranties.

Also, please note that Mid-Atlantic Builders understands that you will occasionally desire to visit your home in addition to your two pre-scheduled visits. To do so, please speak with your Personal Builder and/or Sales Counselor, who will do their best to set an appointment at a mutually convenient time to escort you through your home.

C. PRIVATE HOME INSPECTOR POLICY

On occasion, our customers desire to employ a private home inspector to provide independent technical assistance and guidance during construction of their home. We at Mid-Atlantic Builders welcome you to do so. However, we also must take measures to preserve the organization and scheduling of work on your home. Consequently, we require that your inspector be licensed in the jurisdiction in which your home is built, as well as registered with your Personal Builder. To register, you must complete a Private Home Inspector Registration Form at the Pre-Construction Conference with your Sales Counselor, Assistant Sales Counselor or Personal Builder. A sample of this form can be found at the end of this chapter.

Once registered, your inspector will be welcome during your Framing Preview. Any additional inspections must be on an appointment basis only with the permission of your Personal Builder. Your Personal Builder may agree to or deny such other visits in his or her sole and absolute discretion.

In addition, if your registered inspector produces a punch list of questions or items, your inspector must meet with your Personal Builder to address them face-to-face to insure that you and your Personal Builder fully understand the inspector’s comments. Mid-Atlantic Builders will not accept any punch list outside of such an appointment. To respect your Personal Builder’s time, please limit these appointments to no more than two visits.
D. FRAMING PREVIEW

This appointment with your Personal Builder occurs after framing and basic mechanical work on your home is complete and your home is ready for electrical wiring. At the Framing Preview, you will be able to view both the outside and the inside of your home. This appointment occurs prior to the installation of drywall, so you can better visualize the location of details such as lighting, phone and cable TV outlets in each room. This is a time that many of our customers want to record what will later be hidden behind finished walls and we encourage you to do so. Your Personal Builder will review all of these items with you, as well as the plumbing, heating and cooling systems in your home. This appointment will also be an occasion for you to confirm the correct installation of your structural selections. So, please bring this Homeowner’s Journal with you so you may refer to your selections, floor plans and custom features.

As you walk through your home with your Personal Builder, it will be important for you to list on the Framing Preview Report form any items that require attention by your Personal Builder. A sample of this Framing Preview Report can be found at the end of this section. At the conclusion of this appointment, we will request that you sign the Framing Preview Report and we will then give you a copy for your records. Please remember that if you fail to schedule or attend your Framing Preview on more than one occasion, it will cause you to waive your right to such Framing Preview and drywall will be installed so your home may proceed to completion.

During the Framing Preview, your Personal Builder will also provide you an update on the construction schedule for your home. Following this appointment, Mid-Atlantic Builders will inform you by letter when your drywall has been installed. Thereafter, you will receive another letter announcing your Home Orientation and closing dates. Congratulations. You are now another step closer to enjoying your new home!
PRIVATE HOME INSPECTOR REGISTRATION FORM

Purchaser Name: ______________________________________ Phone: __________________________

Purchaser Name: ______________________________________ Phone: __________________________

Community: _________________________________________ Homesite: _________________________

Purchaser hereby registers the use of an independent inspector who is licensed with the local jurisdiction in which the Purchaser’s home is to be built.

Purchaser intends for such inspector to participate in Purchaser’s Framing Preview and Home Orientation and Purchaser agrees to request any further appointments with the Purchaser’s Personal Builder.

Purchaser agrees to be present at such time that any punch list is addressed.

Name of Inspector Requested: ____________________________________________________________

Address: ____________________________________________

Inspector License Number: ______________________________________________________________

Telephone: ____________________________________________________________

Purchaser Signature: ___________________________ Date: __________________

Purchaser Signature: ___________________________ Date: __________________

Sales Counselor Signature: ___________________________ Date: __________________
FRAMING PREVIEW REPORT

Purchaser Name: ____________________________________________ Phone: ____________________

Purchaser Name: ____________________________________________ Phone: ____________________

Community: __________________________________________________ Homesite: ________________

Address: ______________________________________________________ Date: _________________

This Framing Preview is an opportunity for Purchaser and Mid-Atlantic Builders to view the home being built before the drywall stage of construction. It is understood by Purchaser that all items addressed at this Framing Preview requiring attention by Mid-Atlantic Builders must be listed below. There are no verbal agreements or commitments regarding this Framing Preview other than that which is written below.

BUILDER ACCOMMODATIONS. Mid-Atlantic Builders agrees to complete the following:

1. 
2. 
3. 
4. 
5. 
6. 
7. 
8. 
9. 
10. 

Purchaser Signature: ____________________________ Date: _________________

Purchaser Signature: ____________________________ Date: _________________

Personal Builder Signature: ____________________________ Date: _________________

ORIGINAL – PURCHASER  •  PINK – PERSONAL BUILDER  •  YELLOW – FILE
INSERT

HOME ORIENTATION
AND SETTLEMENT

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(between pages 26 and 27)
VI. HOME ORIENTATION AND SETTLEMENT

A. HOME ORIENTATION

1. Management Inspection

To make sure that we are consistent in providing you with the best quality our industry can offer, Mid-Atlantic Builders conducts management inspections of its homes. If you visit your home after our management inspection, do not be surprised to find markings on the walls to indicate items that management desires to be corrected. Any such items noticed in this inspection are given to the Personal Builder, with copies going to your corporate file and our Customer Care Department. It is our expectation that you will sign acknowledging that such management corrections have been made. You will also be provided a copy of this list upon completion.

2. Home Orientation

We want you to feel comfortable in your new home from the moment you move in. Prior to settlement, a Mid-Atlantic Builders’ representative will schedule a Home Orientation with you to acquaint you with your completed home and its operating systems. This appointment occurs Monday through Friday and any request to change the date and time must come from our corporate office. We will send you a certified letter, stating the time and date of your Home Orientation and your settlement appointment with the title company.

At the time of your Home Orientation, your home is expected to be substantially complete, including comments from the Management Inspection. Together we will also examine the outside of your home and the features of your homesite. Then, we will review electric breakers, shut-off valves, emergency telephone numbers, your home maintenance and extended warranty documents, as well as other important information. Mid-Atlantic Builders welcomes your involvement in a hands-on way. At this time, we encourage you to practice pushing a GFI breaker or pulling out a window for cleaning. This is an exciting time! We know you will have many questions and we will do our best to answer them. We also encourage you to visit our vendor and manufacturer websites.

You will be asked to double-check the condition of your new home as you walk through with your Personal Builder to specify items that might need adjustment. We then note those items on a Mid-Atlantic Builders’ Home Orientation Report (“Orientation Report”) as we proceed through the orientation. We will record details, such as a cracked window pane, a trim finish adjustment or a mark on a painted wall, if any exist. We want to document and correct anything that is our responsibility, because any such cosmetic items after you move in will otherwise be your responsibility. It is important for you to list any items that are not up to our standard of quality. Upon completion of your Home Orientation, you and your
Personal Builder must then sign your Orientation Report. A sample of the Home Orientation Report can be found at the end of this section.

For your convenience, Mid-Atlantic Builders also supplies you with McCormick Paint’s touch-up kit at your Home Orientation for minor touch-ups that may be necessary after you move into your home.

3. Home Orientation and Management Inspection Reports

Your Personal Builder will complete most adjustments noted in the Home Orientation and Management Inspection Reports within thirty (30) days of settlement, subject to weather and material availability. Seasonal items, such as landscaping, will be completed in the appropriate season.

When all items listed on both reports (other than seasonal items) have been completed to warranty standards, you must acknowledge your acceptance of the completed work by initialing each item and by signing each report again in the space provided for your approval of items that have been corrected. Seasonal items to be completed at a later date must also be approved by you when they are finished.

When all items are completed to warranty standards, the signed off original list is maintained in our corporate files for future reference. Additionally, we urge you to keep a copy of all such lists within the Homeowner Service Program tab.

B. SETTLEMENT

Mid-Atlantic Builders uses the term “settlement” to refer to that special occasion when ownership of your new home is transferred from Mid-Atlantic Builders to you. The word “settlement” means the same as the word “closing,” which is also sometimes used. In the most simplistic and exciting terms, settlement is when we give you the keys to your new home! Your settlement appointment will be held at a professional settlement office and is supervised by a licensed settlement officer or assistant under the supervision of an attorney. Please be aware that no Mid-Atlantic personnel will be present at your settlement; however, Mid-Atlantic Builders will approve all documents prior to settlement.

1. Preparing for Your Settlement Appointment

It is important for you to make the following preparations for your settlement appointment:

a. Contact your loan officer to insure that your loan package is 100% complete and approved. Your lender may also provide you an estimate of the settlement costs amount but be aware it may not be the exact amount. If there are any problems, immediately contact your Sales Counselor so that any last minute concerns can be rectified and not delay settlement.
b. Obtain an original Fire and Hazard Insurance Policy and a copy of the paid receipt indicating that it has been activated. These will be required at settlement in order to finalize your loan.

c. Contact the professional settlement office for the final settlement instructions for your home, such as the amount that your certified bank check should be made for and what identification you will need. You should be notified the day of settlement what the exact amount of the check needs to be. If there is an overage, a check from the settlement officer for that difference will be returned to you. The amount is frequently determined at the last-minute on the date of settlement, particularly if the date of settlement changes requiring adjustments for real estate taxes.

d. Contact all of the utility companies to transfer all utility services and authorize start-up service to your name as of the date of settlement. Take care of this several weeks in advance of the date of “move-in”, so all utilities can be activated ahead of time. A good time to make these changes is when you get your settlement letter. To assist you, Mid-Atlantic Builders will supply you with a list of the utility companies serving your community. This list can be found at the end of this section of the Homeowner’s Journal. Please note that failure to notify the utility companies in advance may result in a loss of your utility services, such as electricity, gas or water.

2. Settlement Appointment

Before moving into your new home, you will need to take this last step which is to attend your settlement appointment. This appointment will occur at the settlement office most convenient to your community. Your notification of settlement, which will come in the form of a certified letter, will identify the location of your settlement appointment. This settlement appointment will incorporate the signing of all final papers to transfer the title of your new home to you, to secure your home’s loan with your lender, as well as to complete the transfer of funds and the transfer of the deed to your new home. Again, please be aware that no Mid-Atlantic Builders’ personnel will be present at your settlement.

Before you leave, you will be given the keys to your new Mid-Atlantic Builders’ home.
HOME ORIENTATION REPORT

Purchaser Name: ____________________________ Phone: __________________________

Purchaser Name: ____________________________ Phone: __________________________

Community: _________________________________ Homesite: _________________________

Address: __________________________________ Date: __________________________

I. Mid-Atlantic Builders’ representative has reviewed or demonstrated the following items with Purchaser:

- Homeowner’s Maintenance Manual
- Guidelines for Emergency Service, regarding who or when to call subcontractors directly (HVAC, Plumber, Electrician)
- Location of phone numbers in the Warranty and Service Manual
- One-Year “Call Anytime” Limited Warranty
- One-Year Anniversary Drywall Service
- One-Year Limited Warranty/Major Mechanical Systems and Applications Warranties
- Residential Warranty Corporation Ten Year Limited Warranty
- Heating, A/C, thermostat setting, location and cleaning of filters
- Wall switches in the Living Room, Family Room and Bedrooms
- Whirlpool tub jets, wall switches and breakers
- G.F.I. circuits and how to reset them
- Recessed lights/thermal “overload” and importance of using correct size bulbs
- Lawn, Tree and Shrub Warranties and watering procedures/methods
- Water hose bib draining procedures
- Touch-Up Paint Kit
- Concrete driveway maintenance, using chemicals to melt ice, and parking moving vans on driveway
- Window and screen operation and window locks
- House and garage key locks
- Home Orientation Report from Purchaser’s inspection
- Contacting utility companies for readings at closing, to prevent utilities from being turned off after closing
- Management Inspection List (reviewed)

Purchaser Signature: ____________________________________________________ Date: _________________
Purchaser Signature: ____________________________________________________ Date: _________________
Personal Builder Signature: ______________________________________________ Date: _________________
II. Purchaser understands that all items requiring attention must be listed on this report and that there are no other verbal agreements or commitments regarding this inspection. Purchaser hereby authorizes Mid-Atlantic Builders to correct such items listed on this report and Mid-Atlantic Builders agrees to correct such items listed below on or before thirty (30) days. Purchaser and Personal Builder agree that the following items are to be corrected:

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III. Purchaser and Personal Builder agree that the following items will be completed as weather permits:

_____________________________________________________________________________________________

_____________________________________________________________________________________________

_____________________________________________________________________________________________

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Purchaser Signature: _________________________________________________________________________ Date: ________________

Purchaser Signature: _________________________________________________________________________ Date: ________________

Personal Builder Signature: __________________________________________________________________ Date: ________________

The Items listed above in Section III have been completed in an acceptable workmanlike manner.

Purchaser Signature: _________________________________________________________________________ Date: ________________

Purchaser Signature: _________________________________________________________________________ Date: ________________
MANAGEMENT PRE-CLOSING INSPECTION REPORT (Weather Permitting)

Purchaser Name: ________________________________ Phone: ________________________________
Community: ________________________________ Homesite: ________________________________
Address: ________________________________ Settlement Date: ________________________________

A member of management generates this Management Pre-Closing Inspection Report. This insures that we are consistent in providing you with the best quality our industry can offer. It is understood by Purchaser that all items noted on this Inspection Report have been completed by Mid-Atlantic Builders. There are no verbal agreements or commitments regarding this report other than that which is written below. Purchaser acknowledges that this Management Inspection Report and the Home Orientation Report represents the Builders only pre-settlement correction punch list. Purchaser understands that the items listed below are to be completed as weather permits.

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Purchaser Signature: ________________________________ Date: ________________________________
Purchaser Signature: ________________________________ Date: ________________________________

Personal Builder’s Signature: ________________________________ Date: ________________________________
Manager Signature: ________________________________ Date: ________________________________

Original-Office  Pink-Personal Builder  Yellow-Customer
HOMEOWNER SERVICE PROGRAM

Tab Here

(between pages 33 and 34)
VII. HOMEOWNER SERVICE PROGRAM

There are many advantages to owning a Mid-Atlantic Builders’ home. One of them is that you can feel confident that you will have fewer maintenance concerns than if you purchased an older home or one not built to our standards. Nevertheless, some maintenance responsibilities are always a part of homeownership -- even in the best of homes!

So, at Mid-Atlantic Builders, we have taken a few extra steps to help ease your mind even further. First, we have created a Mid-Atlantic Builders’ Homeowner’s Maintenance Manual to make it clear what your new home maintenance responsibilities will be, as well as what to do if something goes wrong and where to turn for assistance. We also offer you guidelines for emergency service.

A. HOMEOWNER’S MAINTENANCE MANUAL

Your Mid-Atlantic Builders’ home consists of several thousand separate components and was hand built by hundreds of craftspeople. The end result is a beautiful home for your enjoyment. Over time, however, some of the materials will need maintenance and upkeep to insure their proper function, maximum appearance and continued value. Mid-Atlantic Builders has created a Homeowner Maintenance Manual to give you a general introduction to many of the components of your special Mid-Atlantic Builders’ home, to provide you with the basic information needed for you to care for and maintain it and to address some appliance and mechanical warranty information. This manual is not intended to be an exhaustive or all inclusive list, but to be a helpful and handy guide, which answers some questions and helps you recognize your new homeowner responsibilities. As a homeowner, you should periodically inspect your property to make sure it is well maintained. If you have any concerns that this manual does not address, please feel free to contact our Customer Care Department at (301) 231-0009, extension 253 or 243.

Mid-Atlantic Builders will do its best to assist you, however be aware that you are responsible for the care and maintenance of your new home. These responsibilities are designated in your Homeowner’s Maintenance Manual, as well as in your manufacturers’ warranties and the generally accepted consumer products standards of Maryland. Your Homeowner’s Maintenance Manual can be found in a later section of this Journal. Please read it carefully and call the Mid-Atlantic Builders’ Customer Care Department if you have any questions.

B. HOURS OF OPERATION

Please make note that our Customer Care Department’s normal business hours are 7:00 am to 4:00 pm Monday thru Friday (except holidays). The Customer Care Department sets appointments up to 2:00 pm.
C. GUIDELINES FOR EMERGENCY SERVICE

If you experience an emergency, we recommend the following steps toward resolving it. Please make particular note of the information pertaining to emergencies after normal business hours.

1. Refer to your Homeowner’s Maintenance Manual and your warranty booklets, which address the most frequent items that commonly concern homeowners.

2. Refer to the back of this section of the Homeowner’s Journal for the names and emergency telephone numbers of plumbing, electrical, heating and cooling, roofing, siding and insulation subcontractors, as well as referring back to the Utility and Community Service listing in the previous section. Prior to calling one of these numbers, please read the guidelines below to see what constitutes an emergency. It is important that you only call these numbers if the problem cannot wait until normal working hours. If you experience an emergency, you must immediately call your trade contractor. Additionally, contact Mid-Atlantic Builders’ Customer Care Department at (301) 231-0009, extension 253 or 243, and leave a clear voicemail message with your name, community address and homesite, purpose for your call, and the phone numbers where and when you can be reached. During non-business hours, please contact our emergency pager at (301) 224-0482.

What is an emergency? A quick guideline regarding whether or not a condition is considered an emergency is to ask yourself whether further property damage will result or if there will be a medical consequence if an item is left unattended by a professional until normal working hours. In general, if the answer is “yes”, then you should consider the situation an emergency. If the answer is “no,” please wait to call during our regular business hours.

UNNECESSARY CALLS INTERFERE WITH MORE CRITICAL ONES. IN ORDER TO ENCOURAGE CAREFUL USE OF EMERGENCY NUMBERS, YOU MAY BE CHARGED A SERVICE FEE IF YOU REQUEST EMERGENCY SERVICE FOR A MATTER THAT IS NOT A TRUE EMERGENCY.

We also offer the following additional guidelines for specific issues:

Electrical

An emergency condition often exists when any part of the electrical system in your home is not functioning properly. Questions about the guidelines should be directed to your electrical subcontractor or electric service provider.
The following conditions, however, are not considered an emergency:

1. Your circuit breakers are not in the full “ON” position.
2. An appliance or light fixture is not operating properly and can be unplugged or turned off until normal business hours.
3. Power outage exists outside your home.
4. A Ground Fault Circuit Interrupter (GFCI) breaker is tripped or not reset.

**Plumbing**

An emergency condition exists only when one of the following conditions exists:

1. *Water line leaks.* Turn off water from the main water supply and contact the plumber listed on your subcontractor directory (found at the end of this section).
2. *No water supply is available.* As long as water is available at some point inside your home, an emergency does not exist and corrective action should be taken during normal business hours.
3. *All toilets in the home are stopped up.* If this condition results from improper use by the homeowner, a charge will normally be made for an emergency service call.

**Heating and Air Conditioning**

An emergency condition exists only in the following cases:

1. *Heating.* An emergency condition exists when there is no heat coming from the main system in your home. All service calls placed after normal business hours will be handled promptly.
2. *Cooling.* All calls will be handled during normal business hours. Cooling failures do not constitute an emergency condition, unless a life-threatening health problem requires conditioned air in the home. Please consult with our Customer Care Department should you have any questions.
3. *Gas line leaks.* Leave your home immediately and contact your gas service provider for immediate response.

**D. ONE-YEAR WARRANTY PROGRAM**

1. **“Call Anytime” Program**

   Items from your Home Orientation Report and any Management Inspection Report will be the responsibility of your Personal Builder and will be corrected within the first thirty (30) days after settlement, weather and access permitting. Items that you notice after settlement, and were not
previously noted on any presettlement list, will shift from your Personal Builder to our Customer Care Department, whose full-time duty is to assist homeowners with warranty items. Our Customer Care Department will be your primary contact until the conclusion of your One-Year Anniversary Drywall Service.

We encourage you to call our Customer Care Department anytime with any questions or warranty concerns you may have. You may initiate your service inquiry either by mail, telephone, email or by faxing your concern to the Customer Care Department. The address of our corporate email is service@midatlanticbuilders.com. All non-emergency inquiries will be responded to within 24 hours.

Upon receiving your service request, a Customer Care representative will contact you for an inspection appointment if one is necessary or they will directly issue a work order to the appropriate trade partner. Please note, for most service appointments you will have to allow access to your home between the hours of 7:30 a.m. and 3:30 p.m., Monday through Friday. Although we try to accommodate your schedule, we cannot always guarantee it. Weather permitting and with your cooperation to obtain access to your home, all work will generally be completed within the following fourteen (14) days.

2. One-Year Anniversary Drywall Service

This one-year anniversary service marks the conclusion of your One-Year Mid-Atlantic Builders’ Limited Warranty. During the year, you will encounter nail pops and small cracks due to the settlement of your home and the change from the heating and cooling seasons. Because of these nail pops and cracks, Mid-Atlantic Builders recommends that you do not decoratively paint or install wallpaper in your home until after the completion of your One-Year Anniversary Drywall Service.

Just before the time of your one-year anniversary, you must schedule your one-time One-Year Anniversary Drywall Service with our drywall contractor to correct nail pops and drywall cracks that have taken place. The drywall contractor will point up nail pops, settlement cracks in the drywall, and seams that have puckered, leaving areas ready to sand and paint.

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. 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.

3. Effects of Nature on Your Home

At Mid-Atlantic Builders, we select the best available grade of materials; however, we want to alert you to the fact that the following forces of nature will still affect your home:

a. Humidity

Humidity has a big influence on the durability of your home and varies with the change in seasons. During the late spring and early summer, the humidity in your home increases due to the operation of your air conditioning system. During the late fall and winter, it decreases due to the operation of your heating system. These changes continuously cause contraction and expansion of the house’s structure and therefore these changes impact your trim, caulk and drywall. Consequently, you should expect some cracks in your drywall and even your ceramic tile grout. Although Mid-Atlantic Builders provides you with a one-time One-Year Anniversary Drywall Service, you will continue to experience the effects of humidity for years to come. Please take this into consideration when planning your long-term home maintenance program and refer to your Homeowner’s Maintenance Manual for our care recommendations.

b. Sunlight

The exterior of your home is continuously exposed to sunlight. Although water from rain and snow is destructive to exterior trim, caulk and paint, it is sunlight that actually causes more wear and tear. Occasionally, you should expect to make repairs to exterior trim and caulking, as well as to repaint every two to three years. Please take this into consideration when planning your long-term home maintenance program and refer to your Homeowner’s Maintenance Manual for our care recommendations. Sunlight will also cause the siding, brick and painted surfaces to fade. This fading is to be expected due to the ultraviolet rays of the sun.

c. Salt

Salt and other de-icing chemicals used to melt snow and ice cause pitting and discoloration of the concrete. Even if you do not use
salt, it can be tracked onto concrete surfaces from the street on feet or tires. In order to protect concrete from surface deterioration, we recommend the application of a concrete sealant available at most hardware or masonry supply houses that will help retard the deterioration of concrete surfaces. It is extremely important that you care for your concrete surfaces to avoid these problems, particularly during the winter months. Please refer to your Homeowner’s Maintenance Manual for our care recommendations.
CUSTOMER CARE SERVICE INSPECTION REPORT

Purchaser Name: _____________________________________ Phone: _____________
Purchaser Name: _____________________________________ Phone: _____________
Community: __________________________________________ Homesite: ___________
Address: ____________________________________________ Date: _______________

All items are listed below which may need adjustment or correction as of this date. Furthermore, I hereby authorize Mid-Atlantic Builders to perform any and all work necessary to adjust or correct any item listed below.

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Purchaser Signature: ________________________________________ Date: ______________
Purchaser Signature: ________________________________________ Date: ______________

All items listed above have been completed in an acceptable workmanlike manner.

Purchaser Signature: ________________________________________ Date: ______________
INSERT

WARRANTIES

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(between pages 40 and 41)
VIII. WARRANTIES

A. ONE-YEAR “CALL ANYTIME” LIMITED WARRANTY

In your first year of Homeownership, should you encounter any issue that does not relate to homeowner responsibilities as discussed in your Homeowner’s Maintenance Manual or to a consumable item, Mid-Atlantic Builders will try to assist you. Please keep in mind that while we try to be helpful, we do not perform routine maintenance, such as changing light bulbs or caulking in bathrooms. Any item that is not deemed an emergency or was not previously noted at your Homeowner Orientation Walk-Thru should be addressed with our “Call Anytime” program throughout your first year of homeownership. If the problem relates to an emergency condition, please refer to our "Guidelines For Emergency Service" section later in this Journal.

It is important to remember that to help Mid-Atlantic Builders provide you with the best possible service, you must differentiate between emergency and non-emergency pages and messages. Emergency pages and messages that pertain to non-essential issues limit our ability to respond to true emergencies. Your respect for this program is absolutely essential.

Meanwhile, if you have any warranty questions or concerns which were not previously reported, or if an earlier problem was reported but is not yet corrected, please send a written note via email or the U.S. Postal Service to our Customer Care Department prior to the conclusion of your One-year “Call Anytime” Anniversary. Our service email is service@midatlanticbuilders.com. In order to provide you the best customer care possible, we will need access to your home during normal business hours, Monday through Friday, 7:30 a.m. to 3:30 p.m., for us to inspect and repair any warranty concern.

Your satisfaction with our One-Year “Call Anytime” Limited Warranty is vital to our success. We hope that the procedures listed above, in addition to our assurance that each member of the Mid-Atlantic team operates on a foundation of our core values, provides you with great comfort.

B. APPLIANCE, EQUIPMENT & MAJOR SYSTEM WARRANTIES

Many of the manufacturers who supplied appliances, equipment and other components of your home are responsible for handling service for their products. You must register each product that has a manufacturer’s warranty card to insure warranty protection for those products, and follow the instructions for each product regarding what you should do if a problem arises.

In addition, the major mechanical systems, such as the electrical, plumbing, heating, cooling and ventilating are warranted to be free from defects for a period of two (2) years. For more specific information on your warranty coverage, please refer to the RWC warranty pamphlet located in the back pocket of this Homeowner’s Journal.
C. RESIDENTIAL WARRANTY CORPORATION
TEN-YEAR LIMITED WARRANTY

In addition to your manufacturer and contractor warranties, as well as your Mid-Atlantic Builders’ One-Year Warranty, we have taken special steps to secure an extended Ten-Year Limited Residential Warranty for you. Through the Residential Warranty Corporation (RWC), we can provide you with even further comfort. Mid-Atlantic Builders has met all RWC membership standards of financial stability and technical competence, as well as maintained an excellent record of customer satisfaction. A sample of your RWC Limited Warranty can be found at the end of this section of this Homeowner’s Journal.

At settlement, you will receive your personalized RWC Ten-Year Limited Warranty and within six weeks after settlement, you should receive your warranty validation sticker. If you do not receive this validation sticker, please contact us so we can verify that all the forms for your extended warranty were processed correctly.

In the event that any variation or conflict exists between information and the materials contained in this Homeowner’s Journal, your Homeowner’s Maintenance Manual, the recommendations or limited warranty provisions contained in any warranty contract, or any approved standards or the manufacturer’s printed literature, the materials provided by your RWC Limited Warranty Program or by the manufacturer will control. Also, please remember that the warranty covers no part of your new home that has been subjected to misuse, negligence, accident or lack of preventative maintenance. Nor does any warranty cover normal deterioration, wear and tear or exposure to natural elements. Also, neither Mid-Atlantic Builders nor your RWC Limited Warranty can assume responsibility for any incidental or consequential damage caused by defects in material or workmanship covered by any other Limited Warranty.
D. LAWN, TREES & SHRUB WARRANTY - Sodded Yard

It is Mid-Atlantic Builders policy to provide each homeowner with a quality lawn; however, the ultimate quality of your lawn requires a partnership between Mid-Atlantic Builders and you, the homeowner. We arrange for a professional landscaper to prepare your lawn in several steps. First, the yard is fine graded to remove debris and large rocks, and second, a combination of sod will be installed for all disturbed areas on your homesite.

Mid-Atlantic Builders will warrant the seeded portion of your yard (if applicable), shrubs and trees for a period of one (1) year after settlement. The sodded portion of your lawn is specifically exempt from this lawn warranty. Our warranty covers any washout of seed, as well as defective shrubs or trees.

It is the homeowner's responsibility to thoroughly water their newly sodded yard every day until the grass root system has been established. This will help prevent new grass and sod burnout. Shrubs and trees should be watered every three (3) days. After the first mowing, your yard should be watered once or twice a week in the early morning hours, subject to seasonal precipitation. During high temperature seasons, it is especially important to water your lawn and shrubs to maintain healthy growth and allow your lawn to mature. Remember that sod is not a warranty item, but solely your homeowner responsibility after you settle on your Mid-Atlantic Builders’ home.

As with other limited warranties, Mid-Atlantic will not undertake repairs of damage to your lawn or landscaping that is caused by your improvements or alterations to the yard or to its grading.

In many cases, it is possible to save trees at the rear of the lot, because excavation of fill is not usually necessary in this area. For this reason, local governments sometimes require an approved Site and Landscaping Plan that limits the disturbed area for each homesite. The developer is instructed to clear only those trees in the rear yard that are required for the movement of equipment during construction and to ensure proper drainage. "Undisturbed" areas noted on the approved plans must be left in their natural state. Dead trees that do not pose a safety hazard or trees in these "undisturbed" rear lot areas that do not survive after settlement are the sole responsibility of the homeowner.

To best insure a top quality lawn, we recommend the purchase of an automatic lawn sprinkler system. For further information, please contact your Sales Counselor.
INSERT

MAINTENANCE MANUAL

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(between pages 43 and 44)
# 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.
☐ 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.
☐ 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.
☐ 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 125° to 145° 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 Interrupted (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 moldings on the stairs, ceiling moldings, 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. **Carpenting**

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.*
1. 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.

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**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.*

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**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.*

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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.
GLOSSARY

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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 owner 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.
BUYING A NEW HOME – CONSUMER RIGHTS AND REMEDIES UNDER MARYLAND LAW

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YOUR DOCUMENTS

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(after State of MD “Buying a New Home”)