

Blue Crest Builders Homeowner Manual

BLUE CREST BUILDERS

Congratulations on your decision to purchase a new home from Blue Crest. We share your excitement about your new residence and look forward to having you work with us to have your home built.

The *Blue Crest Homeowner Manual* has been designed to assist you during and after the purchase of your home. The information presented here will answer many questions and prepare you for each step of the new home experience, making this exciting time easier. In addition to guiding you through the process of purchasing and building, this manual provides you with maintenance guidelines and a description of our limited warranty program, component by component.

Please take time to review this material thoroughly. We suggest that you bring this manual to all meetings. As we progress, you will add items to it. When complete, your manual will provide a useful record of information about your new home.

If you need clarification or additional details about any topic discussed, please give us a call. We are delighted to welcome you as part of the Blue Crest family and are always ready to serve you.

Sincerely,

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What Happens Next?

An Overview of Your New Home Experience

Purchasing a new home is an exciting experience. The process is also complex, with many details to be decided and arranged. While Blue Crest is building your new home, you participate by taking care of several important aspects of your purchase. The chronological list that follows outlines the events that typically take place in the purchase of a new home. Where time frames are specified, you need to observe them in order for us to deliver your home on schedule.

Purchasing Your Home

The purchase agreement and various addenda constitute the legal understanding regarding the purchase of your new home. Please read the purchase agreement and all attachments carefully. As with any legal agreement, you may wish to have your attorney review them when all the paperwork is signed.

Applying for Your Loan

Once you have signed the purchase agreement, finalizing the details for financing is next. To assist you, we may suggest lenders appropriate for your specific financial situation. Section 3, Applying for Your Loan, contains hints and information on the loan process.

Your New Home Selections

New Home Selections, Section 4 of this manual, will assist you in the exciting process of personalizing your new home with your selections.

Construction of Your Home

We invite you to tour your new home with us at several points during construction. We also expect and welcome your casual visits to the site. Please read Section 5, Construction of Your Home, for guidelines on safety, security, and work in progress. Please bring this manual to all our meetings.

Homeowner Orientation

The homeowner orientation has two purposes. The first is to demonstrate the features of your home and discuss maintenance and our limited warranty program. Equally important, we want to confirm that we have delivered your new home at the quality level shown in our model homes and with all your selections correctly installed. For detailed information, please review Section 6, Homeowner Orientation.

Closing on Your Home

Closing on Your Home, Section 7 of this manual, describes the documents you will sign and other important details about the closing process. We have included guidelines to assist you in preparing for closing and move-in.

Your Feedback and Suggestions

Our desire to maintain open communication with you extends through the buying process and after your move-in. In an effort to improve the product and service we provide, we welcome your comments on how we've performed. We survey our customers after move-in. Our goal is to build the best home and the best customer relationship possible. Your feedback helps us reach that goal.

As time passes, if your housing needs change, we are ready at any time to build you another home. We also appreciate your referrals. Our office is always happy to provide you with information about where we are currently building and the products we offer.

Purchasing Your Home

You will use several standard forms when you buy your new home. These include the purchase agreement and several addenda. All parties must sign all forms and attachments before the purchase agreement becomes binding.

Purchase Agreement

The purchase agreement is the legal document that represents your decision to purchase a home. It describes your home (both a legal description and the street address), financing information, homeowners association information and additional legal provisions.

Applying for Your Loan

The first item you will need to take care of is the selection of a lender and completion of a mortgage application. Plan to accomplish this within eight business days of signing your purchase agreement. Take the completed purchase agreement with you when you first visit your lender.

Your lender's job is to understand your particular financial circumstances completely. You will review all information on the application at your meeting with the loan officer. A situation rarely arises that your loan officer has not encountered in the past. Do not hesitate to discuss any questions you have regarding your assets, income, or credit. By providing complete information, you prevent delays or extra trips to deliver documents.

Loan Application Checklist

The amount of documentation and information required for a mortgage can seem overwhelming. You can facilitate the application process by collecting as much of the needed information as you can before your appointment. The checklist that follows is a general guide to assist you with the loan application. Some of the items listed may not apply to you and your lender will probably request some items that we have not mentioned, but this list will get you off to a good start.

Property Information

- ___ The purchase agreement will include the legal description of the property and the price.

Personal Information

- Social Security number and driver=s license for each borrower.
- Home addresses for the last two years.
- Divorce decree and separation agreements, if applicable.
- Trust agreement, if applicable.

Income

- Most recent pay stubs.
- Documentation on any supplemental income such as bonuses or commissions.
- Names, addresses, and phone numbers of all employers for last two years.
- W-2s for last two years.
- If you are self-employed or earn income from commissioned sales, copies of last two years of tax returns with all schedules and year-to-date profit and loss for current year, signed by an accountant.
- Documentation of alimony or child support, if this income is considered for the loan.

Real Estate Owned

- Names, addresses, phone numbers, and account numbers of all mortgage lenders for the last seven years.
- Copies of leases and two years of tax returns for any rental property.
- Market value estimate.

Liquid Assets

- Complete names, addresses, phone numbers, and account numbers for all bank, credit union, 401K, and investment accounts.
- Copies of the last three months statements for all bank accounts.
- Copies of any notes receivable.
- Value of other assets such as auto, households goods, and collectibles.
- Cash value of life insurance policies.
- Vested interest in retirement funds or IRAs.

Liabilities

- Names, account numbers, balances, and current monthly payment amounts for all revolving charge cards.
- Names, addresses, phone numbers, and account numbers for all installment debt and approximate balances and monthly payments for such items as auto loans and

- mortgages.
- ___ Alimony or child support payments.
- ___ Names, addresses, phone numbers, and account numbers of accounts recently paid off, if used to establish credit.

Loan Processing

Once you have given all preliminary information to your loan officer, your lender sends verification forms to your employers, banks, and current mortgage company or landlord and also orders a credit report and appraisal. You sign a release to authorize these steps.

Loan Approval

During your first meeting, you and your lender determine the timing to obtain prequalification. This may allow us to start the home even though final approval is still pending. You will discuss additional items that you may need to obtain final loan approval. Several weeks after your first meeting with the lender, you should receive loan approval. If any of the documents requested have not been returned to the lender in a timely manner, approval may take longer.

Contingencies

Loan approvals often carry conditions of approval. The sale of a previous home or proof of funds are two examples. Discuss any concern you may have about such conditions with your loan officer and obtain any requested documentation as soon as possible. Once all contingencies are met, the final loan can be approved.

Loan Lock

The only thing anyone knows for certain about interest rates is that they will change. Predictions regarding rate changes are often unreliable. Locking your rate prematurely can result in extra expense if your new home is not complete in time to close within the lock period. We are happy to update you throughout the process of construction on the expected delivery date. ***Until we reach a point in construction where factors outside our control can no longer affect the delivery date, the decision to lock your loan is at best a gamble.***

New Home Selections

Part of the fun of buying a new home is selecting finish materials and colors. You will make some of these choices at the Blue Crest's office and others at our suppliers' showrooms.

Selection Hints

Blue Crest provides you with selection sheets that list the choices you need to make. Schedule time to visit our office to make your selections as soon as possible. Plan to finalize your selections within 30 days of signing your purchase agreement. Your prompt completion of these selections helps prevent the delays caused by back orders.

Please be thorough. Our selection sheets are very detailed. Fill in all blanks completely. Costly errors arise from assumptions and incomplete selection sheets. Upgrades such as floor coverings, mantle or marble for fireplace, etc. will require additional payment. We like to receive those payments in full before installation.

You are welcome to bring cushions or swatches to showrooms to coordinate colors. View color samples in both natural and artificial light to get an accurate impression of the color. Variations between samples and actual material installed can occur. This is due to the manufacturer's coloring process (dye lots) and to the fact that over time, sunlight and other environmental factors affect the samples.

Selections your future neighbors have already made may limit some of your choices for exterior finish materials. The sooner you can make your selections, the greater the number of choices you have. Driving through the area to view existing homes is one way to select exterior colors. Selections often look different on a full-size home.

We reserve the right to place a hold on your selections until your lender has approved your loan and all contingencies are released. If suppliers have discontinued any of your selections, we will contact you and ask you to make an alternate selection within five days. Occasionally, a home is already under construction and Blue Crest has made some or all of these choices. Upon completion of this form, double-check all color numbers and names and sign and date each page.

Please retain your selection sheets for future reference. They are useful for matching paint colors, tile grout, and replacement items in your home.

Custom Changes

The possibilities for your new home far exceed the popular ideas we suggest on our option and upgrade lists. In addition to the available options, you may have custom features you want us to incorporate into your new home. Think, dream, imagine, look we will assist you in any way that we can to make these decisions as early as possible.

Please keep in mind that your new neighbors have this same opportunity and may request still other features. We will be happy to provide you with pricing on duplicating such items in your home, but make no claim that we have mentioned or offered every possible idea.

In order to deliver your home as close as possible to the target date, we order many items well in advance of installation. Once a particular item is ordered, making further changes may involve an adjustment in the planned delivery date and additional costs. By working within the boundaries of the change order schedule, you can usually avoid both.

All orders and changes have to be written and signed by buyer and builder on the form provided by Blue Crest.

Cutoff Points for Changes

By completing any change orders according to the schedule below, you will save additional costs and avoid adding days to the construction schedule.

| Changes affecting | Should be made prior to |
|--|------------------------------------|
| (1) Foundation | Engineering and permit application |
| (2) Windows, doors, and elevation | Foundation |
| (3) Mechanical systems, cabinets, and appliances | Framing |
| (4) Texture, wallpaper; hardware and lighting | Mechanical rough-ins |
| (5) Interior trim and floor coverings | Insulation |

Construction of Your Home

The construction of a new home differs from other manufacturing processes in several ways. By keeping these differences in mind, you can enjoy participating in the construction process and assist us in building your new home:

- * As a consumer, you rarely have the opportunity to watch as the products you purchase are created. Your new home is created in front of you.
- * You have more opportunity for input into the design and finish details of a new home than for most other products. Our success in personalizing your home depends on effective communication.
- * Because of the time required for construction, you have many opportunities to view your home as it is built, ask questions, and discuss details.

You have the opportunity to meet with us at several points in this process. The first of these meetings, where we review your home plans, selections, and the changes you have requested. At that time, we provide an overview of the construction process and answer your questions.

We also invite you to schedule routine construction reviews. At these meetings, you will have our undivided attention. We discuss questions you have, review the target delivery date, and confirm that we have correctly installed your selections or change orders. Please bring this manual to all scheduled meetings.

We understand that you will want to visit your new home between these construction reviews. Whether you are on site for a routine meeting or a casual visit, we ask that you keep the following points in mind.

Safety

A new home construction site is exciting, but it can also be dangerous. Your safety is of prime importance to us. Therefore, we must require that you contact Blue Crest before visiting your site. We reserve the right to require that a member of our staff accompany you during your visit. Please observe common-sense safety procedures at all times when visiting:

- * Keep older children within view and younger children within reach, or make arrangements to leave them elsewhere when visiting the site. .
- * Do not walk backward, even one step. Look in the direction you are moving at all times.
- * Watch for boards, cords, tools, nails, or construction materials that might cause tripping, puncture wounds, or other injury.
- * Do not enter any level of a home that is not equipped with stairs and railings.

- * Stay a minimum of six feet from all excavations.
- * Give large, noisy grading equipment or delivery vehicles plenty of room. Assume that the driver can neither see nor hear you.

Plans and Specifications

The building department of the city or county where your home is to be located must review and approve the plans and specifications for your home. We construct each home to comply with the plans and specifications approved by the applicable building department. Your specifications become part of our agreements with trade contractors and suppliers. Only written instructions from Blue Crest can change these contracts.

Regulatory Changes

From time to time, city or county agencies adopt new codes or regulations that can affect your home. Such changes are usually adopted in the interest of safety and are legal requirements with which Blue Crest must comply. The codes and requirements in effect for each area can vary. Therefore, builders may construct the same floor plan slightly differently in two different jurisdictions or at two different times within the same jurisdiction.

Individual Foundation Designs

Another area where variations among homes can appear is in the foundation system. The foundation design is specific to each lot. Based on the results of a soil test, an engineer determines which foundation system to use how to use it. Because of variations in grading and field conditions among lots, your foundation may differ from your neighbors' foundation or that of the same home in another neighborhood.

Changes in Materials, Products, and Methods

The new-home industry, building trades, and product manufacturers are continually working to improve methods and products. In addition, manufacturers sometimes make model changes that can impact the final product. As a result, we may use methods or materials in your home that differ from those in our other homes.

In all instances, any substitution of method or product will have equal or better quality than that shown in our other homes. Since such substitutions or changes may become necessary due to matters outside our control, we reserve the right to make them without notification.

Natural Variations

Dozens of trade contractors have assembled your home. The same individuals rarely work on every home in the same way and, even if they did, each one would still be unique. The exact placement of switches, outlets, registers, and so on will vary slightly from the model and other homes of the same floor plan.

Quality

Our company will build your new home to the quality standards demonstrated in our model homes. Each new home is a handcrafted product combining art, science, and raw labor. The efforts of many people with varying degrees of knowledge, experience, and skill come together. We coordinate and supervise these contributions to produce your new home.

From time to time during a process that takes several months and involves dozens of people, an error or omission may occur. We inspect our homes to help ensure that the level of quality meets our requirements. In addition, the county, township, or an engineer conducts a number of inspections at different stages of construction. Your home must pass each inspection before construction continues.

We also respect your interest and appreciate your attachment to the new home. Therefore, your input into our system is welcome. However, to avoid duplication of efforts, confusion, misunderstandings, or compounding errors, we ask that you bring your concern up at one of the scheduled construction reviews.

During the construction process, every home being built experiences some days when it is not at its best. Homes under construction endure wind, rain, snow, foot traffic, and activities that generate noise, dust, and trash. Material scraps are a by-product of the process. Although your new home is cleaned by each trade upon completion of their portion of the work, during your visits you will encounter some messy moments. Keep in mind that the completed homes you toured also once endured these ugly duckling stages.

Trade Contractors

Your home is built through the combined efforts of specialists in many trades from excavation and foundation, through framing, mechanicals, and insulation, to drywall, trim, and finish work. In order to ensure you the highest possible standard of construction, only authorized suppliers, trade contractors, and Blue Crest employees are permitted to perform work in your home.

Suppliers and trade contractors have no authority to enter into agreements for Blue Crest. For your protection and theirs, the terms of our trade contractor agreements prohibit alterations without written authorization from Blue Crest. Their failure to comply with this procedure can result in termination of their contract. See us if there are

alterations or changes you wish to initiate.

Schedules

The delivery date for your new home begins as an estimate. Until the roof is on and the structure is enclosed, weather can dramatically affect the delivery date. Even after the home itself is past the potential for weather-related delays, weather can severely impact installation of utility services, final grading, and concrete flatwork, to mention a few examples. Extended periods of wet weather or freezing temperatures bring work to a stop in the entire region. When favorable conditions return, the trades people go back to work, picking up where they left off. Please understand that they are as eager as you are to get caught up and to see progress on your home.

Delivery Date Updates

We will update you on the estimated delivery date on a regular basis. You are also welcome to check with us for the most current target date. As completion nears, more factors come under our control and we can be more precise about that date. Expect a firm closing date no later than 45 days before delivery.

We suggest that, until you receive this commitment, you avoid finalizing arrangements for your move. Until then, flexibility is the key to comfort, sanity, and convenience. We want you to enjoy this process and avoid unnecessary stress caused by uncertainty that cannot be avoided. Review the Loan Lock heading in Section 3, Applying for Your Loan, for additional suggestions on this topic.

"Nothing's Happening"

Expect several days during construction of your home when it appears that nothing is happening. This can occur for a number of reasons. Each trade is scheduled days or weeks in advance of the actual work. This period is referred to as Alead time. Time is allotted for completion of each trades work on your home. Sometimes, one trade completes its work a bit ahead of schedule. The next trade already has an assigned time slot, which usually cannot be changed on short notice.

Progress pauses while the home awaits building department inspections. This is also part of the normal sequence of the construction schedule and occurs at several points in every home. If you have questions about the pace of work, please contact our office.

Construction Sequence

Although the specific sequence of construction steps varies and overlaps, generally we build your home in the following order:

Foundation
Excavation
Footer installation
Form and pour walls
Perimeter drain
Waterproof
Inspection

Framing
First floor
Second floor
Roof

Roofing
Felt or paper
Valley flashing
Ice shields
Shingles

Exterior

Exterior trim
Sheathing
Fascia (boards at ends of rafters)
Windows and doors
Finish materials
Trim
Gutters

Concrete and asphalt
Fine grading
Landscaping, if applicable

Interior

Rough-in of mechanical systems
HVAC (heating, ventilating, and air conditioning)
Plumbing
Electrical (extra outlets need to be installed at this point)
Rough inspections

Insulation
Drywall
Hang
Inspection
Tape and texture

Interior trim
Doors

- Baseboards, casings, other details
- Paint and stain
- Finish work
 - Cabinets
 - Countertops
 - Tile
 - Floor coverings
 - Appliances
 - Hardware
 - Screens

- Finish work (continued)
 - Light fixtures
 - Plumbing fixtures
- Construction cleaning survey
- Certificate of occupancy
- Homeowner orientation
- Closing
- Home maintenance

Homeowner Orientation

Your homeowner orientation is an introduction to your new home and its many features a meeting that goes beyond the traditional walk-through to include a detailed demonstration of your home and review of information on its maintenance.

Scheduling

We schedule the orientation with you as your home nears completion. Appointments are available Monday through Friday, 8 a.m. to 3 p.m. We meet at your new home. The orientation occurs several days before closing. Expect your orientation to take approximately two to three hours.

Orientation Forms

We have included copies of the forms we use at the orientation at the end of this section. In addition, the suggestions that follow will help you derive the greatest benefit from your orientation.

Preparation

Allow enough time. We expect the orientation to take two to three hours. By arranging your schedule so you can use the full amount of time allotted, you will derive maximum benefit from the orientation. If you have questions about home maintenance or the limited warranty coverage, make note of them to bring up at the orientation.

Past experience has shown that the orientation is most beneficial when buyers are able to focus all their attention on their new home and the information we present. Although we appreciate that friends and relatives are eager to see your new home, it would be best if they visit at another time. Similarly, we suggest that, if possible, children and pets not accompany you at this time.

If a real estate agent has helped you with your purchase, he or she is not required to attend. If you would like to have a friend or real estate agent view the home with you, we encourage you to do this before our scheduled orientation.

Acceptance

In addition to introducing you to your new home, the orientation is also an opportunity for you and Blue Crest to confirm that the home meets the quality standards shown in our model homes and that we have completed all selections and changes. We note details that need attention on the orientation forms.

Cosmetic surface damage caused during construction is readily noticeable

during the orientation. Such damage can also occur during the move-in process or through daily activities. Blue Crest corrects readily noticeable cosmetic defects listed during this inspection. *This is your only opportunity to obtain service on such items.* Repair of subsequent cosmetic damages (such as chips, dents, scratches) are your responsibility. Therefore, take careful note of such items as:

- < Sinks, tubs, and plumbing fixtures
- < Countertops and cabinet doors
- < Light fixtures, mirrors, and glass
- < Windows and screens
- < Tile, carpet, hardwood, and resilient flooring
- < Doors, trim, and hardware
- < Paint and drywall
- < Finish on appliances

Completion of Items

Blue Crest takes responsibility for resolving any items noted. We will complete most items before your move-in. If work needs to be performed in your new home after your move-in, construction personnel are available for appointments Monday through Friday, 8 a.m. to 4 p.m. Under normal circumstances, you can expect us to resolve all items within 15 working days. We will inform you of any delays caused by back-ordered materials. Please note that we will correct only those items listed. No verbal commitments of any kind will be honored by Blue Crest.

Future Service

Blue Crest responds to warranty items according to the terms and conditions of the limited warranty agreement.

Closing on Your Home

Blue Crest recognizes that timing is vitally important in planning your move and locking in your loan. We can specify an exact delivery date when construction reaches a point at which weather and other factors are unlikely to affect completion of your home. This occurs approximately 45 days before closing. Until then, many factors can influence the schedule:

- Weather can delay getting the foundation in and can affect framing, roofing, and exterior finish.
- Material shortages and labor strikes may also affect the construction schedule.
- If you are delayed in responding to a request from your lender, this can affect work progress.
- Change orders signed after the original purchase agreement has been completed can add to the schedule.

Date of Closing

The closing, or settlement, takes place shortly after your orientation. We set this appointment with at least three day=s notice. Typically, the closing process takes from 45 minutes to an hour.

Location of Closing

The closing on your new home typically takes place at builder=s office.

Closing Documents

At closing, the documents necessary to convey your new home to you and to close the loan from the mortgage company will be executed and delivered. In addition to these standard items, the lender, the title company, and Blue Crest may require other documents to be signed.

Closing Expenses

Certain customary items in connection with the property will be prorated to the date of closing such as prepaid expenses, or reserves required by your lender and homeowners association, if applicable. Prorations of general real property taxes and assessments will be based on the current year's taxes and assessments or, if they are unavailable, on the taxes and assessments for the prior year.

"The Final Number"

The final cost figure is available near to the actual closing. Although a reasonably close estimate may be determined before the date of closing, the proration of several items included is affected by the closing date and cannot be calculated until that date is known.

Preparation

Plan to bring cash or certified funds (made out to yourself, which you will endorse at the closing) to the closing table. In your planning, be sure to allow time to arrange for and obtain these funds. In addition, please keep the following items in mind:

< **Documents** The Real Estate Settlement Procedures Act (RESPA) provides you with many protections. Under this law, you can review the settlement page that lists costs you are paying at closing one day before the closing appointment. Although these documents are not negotiable and thousands of home buyers have signed them, you should read them.

< **Insurance** You need to provide proof of a homeowner's policy from your insurancecompany. Your insurance agent should know exactly what is needed. We suggest you arrange for this at least three weeks before the expected closing date.

< **Blue Crest or Lender Issues** The title company is not authorized to negotiate or make representations on behalf of any of the parties involved in the closing. Therefore, please discuss any questions, agreements, or other details directly with us or your lender in advance of the closing.

< **Utilities** Blue Crest will have utility service removed from its name three days after closing. You will need to notify all applicable utility companies of your move so that service is provided in your name. We suggest that you contact these companies well ahead of time to avoid any interruption in service. Utility company phone numbers are provided by Blue Crest to assist you in making these arrangements.

Caring for Your Home

Blue Crest Builders has constructed your home with quality materials and the labor of experienced craftsmen. All materials must meet industry and building code specifications for quality and durability. All work is done under our supervision to attain the best possible results for your investment.

A home is one of the last hand-built products left in the world. Once we have assembled the natural and manufactured materials, the components interact with each other and the environment. Although quality materials and workmanship have been used in your home, this does not mean that it will require no care or maintenance. A home, like an automobile, requires care and attention from day one. General homeowner maintenance is essential to providing a quality home for a lifetime.

Homeowner Use and Maintenance Guidelines

We are proud of the homes we build and the neighborhoods in which we build. We strive to create long-lasting value. This cannot be achieved unless you, as the homeowner, properly maintain your home and all of its components. Periodic maintenance is necessary because of normal wear and tear, the inherent characteristics of the materials used in your home, and normal service required by the mechanical systems. Natural fluctuations in temperature and humidity also affect your home.

Many times a minor adjustment or repair done immediately saves a more serious, time-consuming, and sometimes costly repair later. Note also that neglect of routine maintenance can void applicable limited warranty coverage on all or part of your home. By caring for your new home attentively, you ensure your enjoyment of it for years. The attention provided by each homeowner contributes significantly to the overall desirability of the community.

We recognize that it is impossible to anticipate and describe every attention needed for good home care, but we have covered many important details. The subjects covered include components of homes we build, listed in alphabetical order. Each topic includes suggestions for use and maintenance followed by Blue Crest Builders limited warranty guidelines. This manual may discuss some components that are not present in your home.

Please take time to read the literature provided by the manufacturers of consumer products and other items in your home. The information contained in that material is not repeated here. Although much of the information may be familiar to you, some points may differ significantly from homes you have had in the past.

We make every effort to keep our information current and accurate. However, if any detail in our discussion conflicts with the manufacturer's recommendations, you should follow the manufacturer's recommendations. Activate specific manufacturer's warranties by completing and mailing any registration cards included with their materials. In some cases, manufacturer's warranties may extend beyond the first year and it is in your best interests to be apprised of such coverages.

Blue Crest Builders Limited Warranty Guidelines

While we strive to build a defect-free home, we are realistic enough to know that we may make mistakes or that something in the home may not perform as intended. When either occurs, we will make necessary corrections. In support of this commitment, Blue Crest Builders provides you with a limited warranty. In addition to the information contained in the limited warranty itself, this manual includes details about one-year material and workmanship standards. The purpose is to let you know what our quality standard is for the typical concerns that can come up in a new home. The manual describes our standards for each item and what we will do to remedy items that do not meet our standards.

Criteria for qualifying warranty repairs are based on typical industry practices in our region and meet or exceed those practices for the components of your home. However, we reserve the right to exceed these guidelines if common sense or individual circumstances dictate, without being obligated to exceed all guidelines to a similar degree or for all homeowners.

You will receive the signed limited warranty document at your closing. Please read through this information, as well as the service procedures discussed on the following pages. If you have any questions regarding the standards or procedures, contact our office.

Our warranty service system is designed to accept written reports of nonemergency items. This provides you with the maximum protection and allows us to operate efficiently, thereby providing faster service to all homeowners. Emergency reports are the only reports accepted by phone.

Reporting Procedures

All service requests should be put in writing.

Thirty-Day Report

In order for our service program to operate at maximum efficiency and for your own convenience, we ask that you wait 30 days before submitting any warranty list. This allows you sufficient time to become settled in your new home and to thoroughly examine all components.

Year-End Report

Near the end of the eleventh month of your materials and workmanship warranty, you should submit a year-end report. We will also be happy to discuss any maintenance questions you may have at that time.

Emergency Service

The limited warranty defines, emergency to include situations such as:

- < Total loss of heat when the outside temperature is below 45 degrees F.
- < Total loss of electricity. (Check with the utility company before reporting this circumstance to Blue Crest Builders or electrician.)
- < Total loss of water. (Check with the water department to be certain the problem is not a general outage in the area.)
- < Plumbing leak that requires the entire water supply to be shut off.
- < Gas leak. (Contact your utility company or plumber if the leak is at the furnace or water heater supply lines.)

During business hours, call Blue Crest Builders office:

(609) 209-7350

After hours, or on weekends or holidays, call the necessary trade contractor directly. Their phone numbers are listed on the Emergency Phone Numbers sheet you receive at closing.

Other Warranty Service

If you wish to initiate nonemergency warranty service between the 60-day and

year-end report, you are welcome to do so by sending in a service request form or writing a letter. We will handle these requests according to the same procedures that apply to the 60-day and year-end reports.

Kitchen Appliance Warranties

The manufacturers of kitchen appliances will work directly with you if any repairs are needed for these products. Customer service phone numbers are listed in the use and care materials for each appliance. Be prepared to provide the model and serial number of the item and the closing date on your home. Appliance warranties are generally for one year; refer to the literature provided by the manufacturer for complete information.

Service Processing Procedures

You can help us to serve you better by providing complete information, including:

- < Name, address, and phone numbers where you can be reached during business hours.
- < A complete description of the problem, for example, "guest bath cold water line leaks under sink," rather than "plumbing problem."

When we receive a warranty service request, we may contact you for an inspection appointment. Warranty inspection appointments are available Monday through Friday, 8 a.m. to 4 p.m. We inspect the items listed in your written request to confirm warranty coverage and determine appropriate action. Generally reported items fall into one of three categories:

- < Trade contractor item
- < In-house item
- < Home maintenance item

If a trade contractor or an in-house employee is required to complete repairs, we issue a warranty work order and the repair technician contacts you to schedule the work. Warranty work appointments are available Monday through Friday, 7 a.m. to 4 p.m. We intend to complete warranty work orders within 15 work days of the inspection unless you are unavailable for access. If a back-ordered part or similar circumstance causes a delay, we will let you know.

If the item is home maintenance, we will review the maintenance steps with you and offer whatever informational assistance we can. Blue Crest Builders does not provide routine home maintenance.

Reporting Warranty Items

The many details of warranty coverage can be confusing. We hope this chart will make reporting items easier. If you do not know whom to contact, call our office and we will guide you.

| | |
|---|--|
| Appliances | Contact the manufacturer directly with model and serial number, closing date, and description of problem. |
| Emergency | During our business hours (Monday through Friday, 8 a.m. until 4 p.m.), call our main office, (609) 209-7350 Fax (609) 303-0826. After business hours or on weekends or holidays, contact the trade or appropriate utility company directly using the emergency numbers you receive at your closing. |
| Nonemergency | Mail, fax or e-mail your list of items to our office. You can find service request forms at the end of this manual or you can request more by calling our office: 609-209-7350 |
| Storm damage or other natural disaster | Contact your homeowner's insurance agent immediately. Contain damage as much as possible without endangering yourself. In extreme situations, photograph the damage. |
| Hours | Office: Monday through Friday, 8 a.m. until 4 p.m. |
| Questions? | Call the main office during normal business hours, (609) 209-7350. |