HOMEOWNER FAQS

FAQ'S CONCERNING CONSTRUCTION ISSUES

1. When can I close on my home?

Your closing date projection will be communicated to you by letter upon the start of the home. This projected closing date will be approximate to within two weeks due to potential labor and material shortages, and weather delays. Be aware that change requests during construction will affect your projected closing date. After drywall is completely finished, you will receive a subsequent letter confirming your final closing date. Your Market Manager will be in contact with you to schedule your Homeowner Orientation and closing time.

2. Why do I have to make all of my selections prior to job start?

Selections must be made prior to job start in order to estimate and produce purchase orders for our vendors for the proper amount of material for the home to be built. Incomplete selections will cause delays in the building process.

3. Will I be required to reselect color selections?

On occasion, certain materials may be discontinued or backordered beyond desired dates requiring a reselection.

4. Can I make changes to my home during the construction process?

Although we strongly discourage changes during the construction process, they can be made. Please review our

change order process with your market manager for more details. Be aware that your closing date will change with the addition of change orders during the construction process.

5. Will I be updated in the progress of my home?

Your Builder and Market Manager will call you once a week to discuss construction progress. You will be updated on what has occurred during the week and what is anticipated to occur in the following week. This is also the best time to discuss possible errors you have found in your home.

6. I think I found an error in the construction of my home. What should I do?

Chances are your Builder already knows about the problem and is coordinating the remedy with other construction activities. However, please communicate any errors you are concerned with to your Builder and Market Manager at your weekly phone call.

7. When is the best time to visit my home while it's under construction?

Safety and resultant insurance issues are two factors that must be considered. Additionally, the home building process is difficult and we strive to eliminate any unnecessary distractions to our workers. So we ask that you do not make visits to the home while work is in process. The best time to visit is during the evening or weekend. Please contact your Market Manager to arrange for on-site visits.

8. Some days I see no construction in my home or it appears to be out of sequence. Why?

Before your home is built "on site" it is built within our computer system. This includes a multitude of individual activities scheduled to occur during the construction of your new home. Sometimes weather conditions, material or labor availability will prevent an activity from occurring on its scheduled date, so the Builder will move or resequence activities in the home. In addition, there are times, such as when drywall compound is drying or when one of the many governmental inspections are scheduled that there appears that no activities are taking place in your home. Be assured that our construction staff is doing everything possible to keep you home on schedule and moving forward.

9. My floor squeaks. Will you repair it?

Your home's floor system is made out of wood, which moves (deflects) when weight is applied to it. Sometimes this can result in a popping or creaking noise. Depending on the variation of heat and humidity, these noises may come and go and are not considered repair items. However, if these noises persist throughout all the seasons, then they will be repaired. We do try to minimize floor squeaks by nailing, gluing and screwing your sub floor before carpet, but your home will not be noise free.

10. During framing, some 2 x 4 studs were bowed and some were cracked. Will they be fixed?

Studs in bearing (load supporting) walls with substantial damage will either be replaced or a new stud will be added to provide support. If the damage is minimal or if it is a non-load bearing wall, the damaged stud may be repaired. Framing in general will be inspected by the Builder and then by the local Building Department. Corrections to

framing members will be made after these inspections.

11. Why are there holes in my drywall?

On occasion, errors may occur with components located behind the drywall requiring holes to be cut for access (i.e. covered electrical boxes, cut wires).

12. Will you repair cracks in my concrete?

Cracks in foundations – Foundations and garage floors will crack due to shrinkage during the curing process, or expansion and contraction of the material. Usually these cracks are harmless and present no structural problem. However, if cracking exceeds the tolerances defined in your warranty, they will be repaired.

Exterior concrete – Cracking, pitting, scaling, spalling, discoloration, etc., are common occurrences with exterior concrete and are caused by severe weather such as freezing/thawing, snow, ice, etc. The introduction of de-icing products will greatly accelerate the likelihood of these defects occurring. These types of defects will not be repaired unless they exceed the tolerances defined in your warranty.

It is impossible to prevent many of the common concrete defects because of the nature of the material and the stresses placed on it by expansion and contraction.

13. What if I want to do some work in my home myself such as painting or installing speaker wires?

There are many reasons why we cannot allow our customers to conduct work in our homes. There are liability and insurance issues that must be avoided. Scheduling, inspections, and building codes may be compromised. Certain items may invalidate parts of the

Warranty. We are obligated to honor contracts that we have with suppliers and subcontractors. Consequently, we have a non-negotiable policy that prohibits anyone other than our employees and approved contractors working in our homes prior to closing.

14. I have my own fans and light fixtures. Will Drees install them for me?

Even though our employees are anxious to be helpful, we cannot allow customer provided products to be installed by Drees personnel or any third party subcontractor. Breakage or theft is possible and we cannot be responsible for replacing items that were not purchased by us.

15. There is a broken window in my home. When will it get replaced?

Broken windows will be replaced close to the Homeowner Orientation for the following two reasons. First, there is a lag time in receiving replacement windows. Second, there is a chance of the window being broken again. If the break is clearly open to the weather, it will be temporarily sealed up.

16. Should my windows be closed at night?

Not necessarily. In general, windows should be closed for evening once the house has entered the drywall phase. However, some windows must be left open for either safety or ventilation requirements when propane heaters are in use or during the drywall finishing stage.

17. Will rain ruin the installed drywall, insulation or subfloor?

Small amounts of moisture will not harm drywall, insulation or subfloor. If the material gets wet enough so as to damage its integrity or performance, the damaged

sections will be removed and replaced.

18. Are trade contractors allowed to smoke or eat in my home?

We discourage smoking in the home at any time; however, once the construction process is in the drywall stage, smoking is prohibited. Trade contractors are allowed to eat lunch in the home and are expected to dispose of their drink cups and food wrappers in the trashcans that are provided.

19. Do trade contractors use the toilets inside my home?

All workers are asked to use outside sanitary facilities regardless of whether or not the toilets have been installed in the home.

20. When can I lock the interest rate on my loan?

Please consult your Market Manager prior to locking your rate on your loan. You should not lock your loan without the approval of your Market Manager and Builder. An accurate closing date will be communicated to you after dry wall is complete enabling you to lock a correct time frame on your interest rate. Extended rate locks may be locked sooner. Be advised that Drees is not responsible for rate locks done without our approval.

FAQ'S CONCERNING THE FINISH OF THE HOME

1. There are differences in the color of my finished wood products. Is this a defect?

It is normal for wood to have an inherent grain that will appear in the finished product. The variations in color

knot holes, worm holes, etc., will appear to be more or less pronounced depending upon the wood species. Hardwood flooring, cabinets and doors, rails, wood caps, finished trim, etc., are all subject to these variations. We will not replace these items in an effort to achieve uniform appearance.

2. There are differences in the color of my natural products, i.e., slate, granite, tile, and stone. Is this a defect?

Slate, granite, stone and tile are natural products and it is normal to have variations in coloring and shading. We will not replace these items in an effort to achieve a uniform appearance.

3. I am able to see grain through the paint on some of my wood trim. Will this be repaired?

No. Sometimes the wood grain can be visible through the paint because the grain, which is a natural occurrence of the wood, tends to absorb more of the water in the paint.

4. Is the sub-floor cleaned prior to carpet installation?

Yes, we scrape and broom sweep the floors prior to carpet installation.

5. I can see carpet seams in my home, is this a problem?

Due to large, more open room sizes and standard width carpets, seams may be visible with some installations. Depending on the light source, seam location and style of the carpet, visible carpet seams are unavoidable.

6. How will my carpet be protected once it's installed?

Upon carpet installation, your carpet will be covered with plastic. Anyone entering your home must either protect their shoes or remove them before entering the home. Sometimes Market Managers will take prospects through a nearly finished home. If this happens, they will be asked to remove their shoes.

7. My carpet has a stain on it. What will be done?

The first step is to see if normal vacuuming during the final cleaning process will be sufficient. If not, the problem areas will be spot cleaned. In more severe cases it may be necessary to professionally clean the carpet to remove the stain. If the stain cannot be removed, or the carpet has been damaged, the affected area will be replaced. In the event that the carpet becomes wet, it will be pulled back, the pad will be replaced, if necessary, and the carpet will be cleaned, dried and reinstalled.

8. How will you repair dents in my exterior doors?

Dents in steel doors are repaired using body putty similar to the way an automobile dent is repaired. After the repair is painted, the repair will generally not be visible, although upon close inspection a slightly different texture may be detected. Be aware that the first front door that you see on your home may not be the door you see at the completion of your home. We use "dunnage" doors during construction that may be abused.

9. Will my tile grout be sealed?

We do not recommend sealing of tile grout due to the ongoing maintenance factor. Future repairs to grout may be compromised by grout sealer.

10. What can I expect from my yard?

Frequently watering for the first few weeks is essential. Refer to the water schedule included in your warranty manual. Fertilizing and mowing at the proper height will enable your yard to become established. Swales will be created to allow and provide proper drainage of your yard. Be mindful not to obstruct swales with landscaping, flower beds, or buildings. If standing water remains in a depressed area for more than 48 hours after a normal rainfall, we will make corrections. If settlement occurs, we will address the situation one time during your 12-month warranty period. Please refer to the Warranty section of this handbookl for more specific information.

Please note that sod applications may extend over the property line when there is an "unbuilt" homesite adjacent to the property. The boundaries of the sod do not indicate the location of property lines.

11. Will my house be 100% perfect when complete?

The reality is that this is a physical impossibility. However, we can assure you that with our inspection processes, we will make every effort to get your home as complete as possible.

FAQ'S CONCERNING HOUSE CLEANLINESS DURING CONSTRUCTION

1. Should my house be clean each night after a day's work?

Many trade operations take more than one day to complete; therefore a house will frequently look "under construction" overnight. Trade contractors should remove the bulk of their trash on a daily basis and then are required to broom sweep the house when their trade operation is complete.

2. How will my tubs be protected after installation?

During construction, tubs should have covers on them and be relatively trash free. Unfortunately, tubs can't be cleaned on a daily basis and so they may accumulate some trash from time to time.

3. Will there be debris in my air ducts?

During the installation of your HVAC system, the vent outlets are covered to help eliminate debris. During the course of construction, it may be necessary to remove these covers to allow air to move through the home. There will be some dust and small amounts of debris that could get in the register area.

FAQ'S CONCERNING INSPECTION, HOMEOWNER ORIENTATION & WARRANTY

1. Will a pre-construction meeting occur?

You have an opportunity to meet with your Builder and Market Manager prior to job start at the "Builder Introduction Meeting". Purpose of the meeting is to meet your Builder, review final plans, walk your homesite, and answer questions. This meeting is not an opportunity to make changes. All changes should have been completed at the Final Plan Review

2. What is the purpose of the Pre-Drywall Inspection?

The Pre-drywall Inspection has three functions. First, it is to demonstrate what goes on behind the drywall, plumbing, electric, mechanical and structural systems. Second, it allows us to review your options with you to ensure that they are being correctly installed. Third, it provides you the opportunity to pose any questions you may have directly

to the Builder. Please note that this inspection is not an opportunity to make changes. Pre-Drywall Inspections will be scheduled during normal business hours on a weekday and will usually take one hour to complete.

3. Is there a quality inspection conducted on my home?

Within our internal processes, a quality inspector conducts a thorough inspection of your home upon Builder completion. The Builder is given a minimum of 5 days to correct any defects prior to orientation.

4. When will the Homeowner Orientation be scheduled for my home?

You will receive a letter upon completion of texture indicating your orientation date. Your Market Manager will contact you to schedule your orientation time.

5. What happens to the Homeowner Orientation Checklist items?

All items listed on your Homeowner Orientation Checklist Form will be completed prior to closing, and re-inspected by you, with the exception of weather related items and backordered items. Any additional items presented to the Builder after the Homeowner Orientation may not be completed prior to closing.

The completion of all items are subject to material availability and weather.

6. Can I bring a professional new home inspector to the Orientation?

In order to save your time and that of our inspector, we do not allow home inspectors to be a part of the Homeowner Orientation. You are welcome to hire a new home inspector, but the inspection must be scheduled (through your Market Manager) to occur within one week prior to the Homeowner Orientation. If a radon test inspection is requested, it must also be scheduled through your Market Manager and must occur a minimum of one week before orientation. Drees will review the private inspection list, but it may contain opinions that Drees will not address. Drees will address all concerns related to code violations. Acceptance of a private inspection list does not constitute a contractual agreement to complete that list.

7. What about care and maintenance responsibilities for my home after closing?

Generally speaking, we are responsible for defects in materials and workmanship for one year. You are responsible for maintenance related items. Please refer to your Warranty for more specific information.

8. After we move in, when will Warranty visits be scheduled?

There are two standard warranty appointments available. One is sixty days after your closing and the other is approximately 11 months after closing. A Drees Warranty Rep will contact you to address any warranty concerns. Be mindful that certain warranties will expire after the 1st year. It is imperative that all warrantable items be documented with our warranty department prior to your one- year anniversary.