



## Homebuyer's Guidebook

### Table of Contents

|                                                    |           |
|----------------------------------------------------|-----------|
| <b>Purpose of the Homebuyer's Guidebook</b>        | <b>1</b>  |
| <b>Sales Agreement and Financing Your New Home</b> | <b>1</b>  |
| Complete the Sales Agreement                       | 1         |
| Loan Application                                   | 1         |
| List Existing Home for Sale with Licensed Agent    | 2         |
| Home Selling Hints                                 | 3         |
| <b>Personalizing Your New Home</b>                 | <b>4</b>  |
| Procedures for Personalizing Your Home             | 4         |
| <i>Structural Selections</i>                       | 4         |
| <i>Exterior Selections</i>                         | 4         |
| <i>Equipment Selections</i>                        | 5         |
| <i>Confirm Plot Plan</i>                           | 5         |
| <i>Permit Submitted by McArthur Homes</i>          | 5         |
| McArthur Homes Design Studio                       | 6         |
| <i>Design Studio Guided Tour</i>                   | 6         |
| <i>Design Studio Preview Hours</i>                 | 7         |
| <i>Design Selections Meeting</i>                   | 7         |
| Home Plan Approval Meeting                         | 11        |
| Construction Deposit                               | 13        |
| Procedures for Special Requests                    | 15        |
| <i>Special Request Limitations and Exceptions</i>  | 17        |
| Procedures for Change Requests                     | 18        |
| <i>What are Change Requests</i>                    | 18        |
| <i>Pricing for Late Change Requests</i>            | 18        |
| <i>Exceptions to Cut-Off Task Deadlines</i>        | 18        |
| Understanding the Construction Planning Process    | 19        |
| <b>Begin Building New Home: Construction Phase</b> | <b>21</b> |
| Foundation                                         | 21        |
| Framing                                            | 21        |
| Pre-drywall Inspection                             | 22        |
| Drywall and Paint                                  | 24        |
| Exterior Finishes                                  | 24        |
| Interior Finishes                                  | 24        |
| <b>Preparation for Closing</b>                     | <b>25</b> |
| Detailing of Home                                  | 26        |
| Company Inspection                                 | 26        |
| New Home Orientation Tour                          | 26        |
| <b>Closing</b>                                     | <b>27</b> |
| <b>Completion of Orientation Tour Noted Items</b>  | <b>27</b> |
| <b>Warranty Service</b>                            | <b>28</b> |
| <b>Homeowner Maintenance</b>                       | <b>28</b> |

### **Purpose of the Homebuyer's Guidebook**

We have developed this guide to help you understand the many steps involved in building your home, as well as the procedures used by McArthur Homes to manage the process. By reviewing this guide early, you will have a better understanding of the workings of our company and understand your role, and required time commitment, in building a new home for your family. Naturally, there are several policies and schedules that must be adhered to in order to build a new home; the more familiar you are with these, the smoother and more enjoyable the experience will be for you and your family.

If you have any questions, as always, please contact your Community Sales Manager; they are always anxious to help you.

### **Sales Agreement and Financing Your New Home**

#### ***Complete the Sales Agreement***

After completing the Sales Agreement with your Community Sales Manager, the agreement is reviewed by McArthur Homes' Sales Manager to insure that the Agreement represents accurately all included features of the home at that time, as well as pricing for the home and home site, accuracy of addenda, and other details to the agreement. Upon occasion, it may be necessary to correct or clarify inaccuracies in the original agreement as written. If this occurs, your Community Sales Manager will contact you to complete the necessary changes. Once everything is in order, a company officer will sign the paperwork for the Seller to complete the agreement. A signed copy of the complete agreement will be mailed to you from our main office at the address provided in the agreement.

McArthur Homes Inc. is the General Contractor actually building the homes, McArthur Realty, LC is the real estate broker which employs the sales staff assisting in the contracting of the home, and the Seller identified in the contracts is the party which actually owns the property and with whom each Buyer is doing business. The Seller varies from community to community. Through management agreements and contracts among those parties, we act in concert with one another to provide a streamlined and coordinated experience for each Buyer. For simplicity within this Buyer's Guide we will generally refer to any one of them or the group as McArthur Homes.

#### ***Loan Application***

You should make application for permanent financing **within 7 days** of the Agreement Date. This will provide sufficient time for approval. Permanent financing is the loan you will receive to purchase the home when the home is completed. (McArthur Homes will provide all construction financing, which is used during the construction of the home.) It is entirely your responsibility to select, apply and provide the required information to your chosen loan officer.

We highly recommend you use our expert lender(s) for your permanent financing. They have worked successfully for several years with McArthur Homes and our buyers. Because they are familiar with our homes and processes they are able to provide the smoothest and most hassle-free financing experience to our homebuyers. We coordinate closely with them to assist in making sure this important part of the home investment goes well for you. We can not offer the same endorsement, or service, for any other lender(s). Experience has

proven that the vast majority of problems with a buyer's permanent financing are connected with the buyer's insistence on using a different lender, often a "personal friend" or "close relative". This is a stress you don't need as you try to complete this important investment.

When you apply for a loan you will typically need to provide the following items:

1. W-2 Forms from previous two years
2. Names of Banks and account numbers for all savings and checking accounts
3. Names of Lenders and balances of all loans, including home, car, boat, home equity lines, student loans etc.
4. Tax returns from previous two years if self-employed
5. Appraisal Fee (typically about \$350)
6. Credit Report Fee (typically about \$30)

Your lender should then provide to you a "Pre-Approval" letter stating that you are qualified to purchase a home at a given purchase price pending final verification of certain items. Please provide this pre-approval letter to your Community Sales Manager within 14 days of writing the Agreement.

### ***List Existing Home for Sale with Licensed Agent***

If you have a home to sell as a condition of your new home purchase, an "Addendum C, Acceptance of Contingent Offer" should be completed. If you have not already done so, we ask that you meet with a real estate agent for a comparative market analysis on your existing home. This information will help determine the right asking price for your home. It is important for us to know as early as possible if the sale of your home is likely or not.

While there is no obligation to you through the presentation of the comparative marketing analysis, it is our experience that homes listed with real estate professionals sell more quickly than those sold directly by owners. In order for us to take on the risk of building a new home to your specifications, we need to be confident that your home will sell and close prior to the completion of the home we are constructing.

If you have not already decided on a Real Estate Professional to assist you in selling your home, **McArthur Realty can help you**. In addition to the Community Sales Managers that are dedicated to the sales of new homes at our communities, we also have professionals dedicated to the Resale market. Ask your Community Sales Manager for contact information for one of these skilled professionals.

### ***Home Selling Hints***

We understand selling your current home is as important as purchasing your new one. So, to help you we have compiled a list of ideas to create an irresistible home that prospective buyers won't be able to forget.

1. When a prospective buyer drives up, a clean yard can make all the difference.
2. Put all the kids' bikes and toys in the garage or storage. Remove the clutter.
3. Cut back all shrubs and trees that are covering windows making rooms dark.
4. Keep an abundance of flowers in front and back yards.
5. Clean pools and fountains. Have fountains running when showing the house.
6. Once inside your home the buyer should enter a warm and inviting atmosphere. If you have a music system, leave it on softly in all rooms. If not, hide individual radios throughout the house. Make sure the volume is always soft. Be sure you use a quiet, non-offensive station.
7. Have three light sources per room and leave lights on when showing your home.
8. Keep all lighting fixtures clean and in good working condition. Watch for burned out light bulbs. Update light fixtures in dining room and hallways if necessary.
9. Tile, vinyl and wood should be kept clean and in good condition. Flooring should be light color and simple pattern.
10. Have your carpet cleaned if necessary and vacuumed at all times. If the carpet is in bad condition, replace it. A neutral color is always best.
11. Keep handrails clean and polished. If needed, paint all handrails and caps a light/neutral color.
12. Arrange furniture to allow an easy traffic flow. Remove any unnecessary furniture that might clutter the room. Keep furniture clean and in good condition.
13. All rooms should be cleaned and well organized. Avoid excess clutter. Box up all unnecessary household items that only take up space.
14. Clean all windowsills, windows and window treatments.
15. Add new window treatments (if necessary) that won't obstruct views. Make sure existing window treatments are not worn out, faded or frayed. Keep all window treatments open, allowing the natural light to flow in.
16. Keep fresh flowers throughout the house while showing.
17. Paint all walls a neutral color, e.g. white or almond.
18. Dust and clean fireplace, including mantel and hearth.
19. Keep fireplace burning in the winter.
20. Set table with place settings, silverware and fresh flowers in dining room.
21. Keep storage spaces clean and organized.
22. Clean all kitchen appliances inside and out, hoods and vents.
23. Clean debris from luminous ceiling panels.
24. Dust and polish cabinetry with wood polish.
25. Keep refrigerator clean and smelling sweet.
26. For a special touch bake apples with cinnamon for a warm pleasing "homey" kitchen scent.
27. Keep closets and cabinets cleaned and organized. Prospects will open doors and cabinets.
28. Re-grout, if necessary, floors and counter tops where hard surface has been soiled.
29. Be sure the garage is clean and organized.

### Personalizing Your New Home

The ability to personalize your home with a wide variety of selections is one of the great benefits of building a new home. At McArthur Homes we want you to enjoy this benefit of building. We have found the best way to personalize a home is ***careful planning BEFORE construction starts***. Most likely, you have started to consider, discuss and perhaps even request pricing on some selections before you completed the Sales Agreement. This is excellent, and we want to help you in every way possible to fully consider the choices available to you. You should receive a complete list of all Available Personal Selections that pertain to your chosen home and neighborhood upon acceptance of the agreement. This is typically provided to you by your Community Sales Manager. Please review these available selections carefully.

Because there are over eight hundred selections to choose from, most buyers find everything they are looking for on our list of Available Personal Selections. We have worked hard to select the most popular and trouble-free products to offer our customers. For those few buyers who might be looking for something different, we have a procedure in place for Special Requests (see page ).

### ***Procedures for Personalizing Your Home***

Some personalized selections are made with your Community Sales Manager, and others are made at the Design Studio. It is important to begin to consider your selections immediately so that you may finalize and authorize your selections by the agreed upon deadlines.

### **Structural Selections**

All the selections which affect the structure of the home must be **finalized within 14 days** of the Agreement Date. These would include such things as choice of elevation, garage size and placement, flex space designs (i.e. study or 3rd bedroom), bay windows, finished basement space, and other framing changes which might be available. These selections are completed with your Community Sales Manager. It is important that these selections are finalized early because of their effect on other personal selections, such as flooring quantities and cabinetry.

Permits are not submitted until these selections are complete, and failure to meet these deadlines, may delay the start of construction. Some communities require the exterior color selections detailed below to also be submitted at this time.

### **Exterior Selections**

All items related to the exterior of the home such as exterior color pallet choice, exterior decks, patios, and landscaping are also completed with the Community Sales Manager. These should be completed prior to your final meeting at the Design Studio where you will finalize and authorize all selections. The Design Studio is not prepared to help you with the exterior of the home, so please complete this with your Community Sales Manager prior to your Finalization meeting.

### **Equipment Selections**

Selections such as electrical outlets, phone wiring, security systems, heating and cooling systems, and other equipment should be considered next. These are also completed with

the Community Sales Manager and should be finalized at least **one week before your Design Selections Final Meeting**.

### Confirm Plot Plan

A plot plan is part of the permit application made with the city. It shows how the house will sit on the lot, where the easements are, and the orientation of the house. Once approved by the city, this plot plan is then used by the field superintendent to stake the location of the house.

Often, the location of the house is pre-determined by the curb cuts for the driveway access, location of utilities, or some other factors. In such cases, there may be little choice available to the Buyer regarding placement. In some communities, there is more latitude in the placement of the house and driveway. Your Community Sales Manager may review a layout with you and ask you to confirm its placement **within 14 days** after the Agreement Date. If a choice is available, you may want to consider the following factors:

1. South / West orientation for natural snow melting of driveway
2. Views from living areas / bedrooms
3. Avoiding views directly into homes across the street
4. Variety of street scene
5. Avoiding headlights coming into living area (on T-intersection)
6. Landscaping or drainage issues
7. Location of utility boxes, fire hydrants, street lights etc.

If no preference is stated, we will choose the orientation of the home using the same factors.

The location shown on the plot plan can vary within a couple feet to actual measurements at completion.

### Permit Submitted by McArthur Homes

Typically, three conditions must be satisfied prior to submitting an application for a building permit. These are:

1. Written Loan Approval received by McArthur Homes from your permanent lender
2. Reviewed Plot plan
3. All structural/ framing selections completed, and accepted by McArthur Homes.

Building permits can cost tens of thousands of dollars and obtaining one is a time consuming process at most cities. Changes are likewise costly. Therefore, once a permit has been submitted, changing house plans, adding or deleting structural/ framing selections, altering the amount of finished space, or selecting a different lot, cannot be done.

Once the application for a building permit is submitted, it can take anywhere from a couple of days to several weeks for the city to issue the building permit. The time required depends on the city, the nature of the plan, and the volume of applications the city is currently receiving. At times, we may submit the permit prior to the payment of non-refundable construction deposit and therefore it is important that the 14 day structural selections be finalized and complete.

### **McArthur Homes Design Studio**

Our state-of-the-art Design Studio is located at our main office on 9962 South Redwood Road, in South Jordan, Utah. The Community Sales Manager will help you schedule your appointment for your Design Studio Guided Tour at the time of completing your original agreement and Design Selections Final Meeting at the time of completing your structural selections. If this was not completed at that time, you should contact the Community Sales Manager immediately to schedule these appointments.

The Design Studio is nearly 2,000 SF and provides you with one-stop convenience in coordinating the hundreds of selections available. As much as possible, we have tried to display large samples that assist in seeing the “real” look that is sometimes hard to visualize from smaller samples. Additionally, we are able to present many of the selections in “life-like” vignettes to help visualize how the different selections might look in your home. We believe the Design Studio to be the best in the state, and hope you find it helpful as you consider and finalize the important selections that will become part of your new home.

### **Design Studio Guided Tour**

To become familiar with the studio and its selections, so that you can make the most of your time as you preview prior to your Selection Meeting, we ask that everyone first attend a Design Studio Guided Tour, held each Saturday morning, by appointment (space is limited). Times may vary, please check our website at [www.mcarthurhomes.com/design-studio-tools](http://www.mcarthurhomes.com/design-studio-tools) for available times. You should reserve your space with your Community Sales Manager right away to be completed within the first two Saturdays following the Agreement Date. **As a courtesy to other home buyer's children under the age of 12 should be left at home.**

The group tour will introduce you to our design studio, all the wonderful products available for your home, where you can find them at the studio, and important product information. You should bring the catalog of selections with pricing that you will receive from your Community Sales Manager with you to the Guided Tour, (and all subsequent visits to the Design Studio). You may even meet some of your future neighbors as you begin the design selections process.

At the Design Studio Guided Tour, you will be provided worksheets to keep track of the personal selections to consider along with any choices you have made. Use these throughout your preview visits to make sure you carefully consider all your choices in advance of the Design Studio Final Selections Meeting.

**Please leave any children under 12 at home.** This is an important safety as well as procedural concern. First, there are many large and heavy samples which are designed to be movable. Children may injure themselves or others, or may damage the samples and displays. Because the design studio is divided into separate areas it is impossible to watch and properly care for children. But perhaps even more important is that we want you to be able to be 100% focused on choosing the selections for your home. Our experience has taught us that children are often a significant distraction to both you and other buyers who might be present. When you are able to give the selection process the time and attention required, you will find it to be very enjoyable, even fun and exciting!

### Design Studio Preview Hours

This is time set aside for you to come in and focus on making your preliminary design selections. The current Design Studio Preview Hours can be viewed on our website [www.mcarthurhomes.com/design-studio-tools](http://www.mcarthurhomes.com/design-studio-tools)

These hours do vary from time to time, so please confirm hours on our web site prior to visiting.

The Design Consultant will be available to answer questions during preview hours, but generally not able to finalize and document selections for you. You are welcome to bring friends and adult family members (**again, no children please**) to look over the selections you might want to consider. This is also a great time to ask any additional questions you may have. If you are interested in a personal selection for your home that is not listed in our catalog, please speak to the Design Consultant about the possibility of a Special Request (see page ) at this time. You are encouraged to come as often as you would like in the time leading up to your Final Design Selections Meeting.

### Design Selections Meeting

The Design Consultant will meet with you at our Design Studio to assist you in finalizing your selections for the interior of your home. All exterior related choices should be made with your Community Sales Manager prior to this meeting. At the conclusion of this meeting, **you will finalize and authorize all of your personal selections**. You should allow approximately two hours for this meeting.

Again, **please do not bring children under the age of 12 with you to your Design Selections Meeting**. Also, other friends and family members should avoid attending—having too many people actually adds to the confusion and does not make selections easier for you. Your Design Selections Meeting should occur **within 25 days of your Agreement Date**.

Please do not come expecting to make additional Special Requests for items not in our List of Available Personal Choices during the meeting. Estimating prices for special requests may require additional time for McArthur Homes or its trade contractors to bid items. Furthermore, YOU may require more time to make your decision concerning how much you choose to spend.

Any selections that are requested after this meeting will be treated as Late Change Requests and will incur additional fees. See "Late Change Requests" on page .





### Finalization and Authorization of Selections

Addendum to Real Estate Purchase Contract - Residential Construction (Agreement) dated the 7/7/2011, between **Joe and Jane Homebuyer** as Buyer(s) and **McArthur Homes, LC** as Seller(s), covering real property described as follows:

Community: Thanksgiving Meadows Home Site: 0610  
Home Design: Stratford City: Lehi County: Utah

- ☐ 1. After Finalization and Authorization of Selections as indicated by Buyer's signature(s) below, there shall be no additional options, deletions, or changes; any exceptions are noted as follows: \_\_\_\_\_.
- ☐ 2. Buyer(s) understand that if Seller does accept any changes, additions, deletions, etc. after executing Finalization and Authorization of Selections (except items listed in paragraph 1 above), there will be a **MANDATORY \$100 processing fee per item**, regardless of scope of change (even if Buyer is due a credit) and that the cost of the item selected **WILL BE HIGHER** than originally noted. Buyer(s) understand that the only way to receive official authorization of a Change Request is to receive written approval for the Change Request on the Change Request form. Verbal indications of approval are not valid. Buyer(s) understand that every Change Request is reviewed individually for every home, and the acceptance of a previous Change Request does not guarantee acceptance of another change request. Buyer(s) also understand that a higher deposit/payment in full will be required for change request items which are approved. Change Requests are only valid upon receipt of requested deposit/payment in full and completion of Options and Upgrade Addendum.
3. Buyer(s) understand that due to Seller's policy of continual research and improvement, Seller may decide to offer new products after Buyer's selections have been completed, and that Buyer(s) may not have the opportunity to purchase these items.
- ☐ 4. Buyer(s) understand that the only items which will be ordered for Buyer's home are those listed on the signed Option and Upgrades Addendums or Personal Selections Addendums. It is Buyer's responsibility to insure the accuracy of these signed documents. These signed documents will supercede any discussions or verbal representations by Seller representatives which may differ from the signed documents.
5. Buyer(s) understand that if a product Buyer(s) have ordered becomes discontinued, Seller has the right to substitute an equal or better product. If a color/finish/style choice is required for this new product, Buyer(s) agree to make that selection within 5 business days of notification by Seller, or Buyer(s) hereby authorizes Seller to make that selection.
6. Buyer(s) have carefully reviewed the selections on all Options and Upgrade Addendums and Personal Selections Addendums. All selections are final, and Buyer's signature below authorizes Seller to purchase these items. Buyer(s) acknowledge that the Available Personal Selections List was reviewed in detail, and that Buyer(s) was given the opportunity to purchase the items listed therein.
- ☐ 7. Buyer(s) have reviewed the Important Product Information and understand its contents including limitations to product performance and warranty coverage.
- ☐ 8. Buyer(s) have received and reviewed the Limited Warranty and understand and agree to its scope, limitations and terms. Furthermore, the acceptance by Buyer(s) of the terms of the Limited Warranty is a key inducement to Seller to enter into and consummate this Purchase Agreement.

All parties hereby acknowledge and agree to the above terms and conditions

|                         |               |                                                                          |               |
|-------------------------|---------------|--------------------------------------------------------------------------|---------------|
| _____<br>Joe Homebuyer  | _____<br>Date | _____<br>McArthur Homes TM, LC                                           | _____<br>Date |
|                         |               | By its Manager, McArthur Homes, Inc<br>By One of Its' Corporate Officers |               |
| _____<br>Jane Homebuyer | _____<br>Date |                                                                          |               |



## Important Product Information

1. Any Natural Product: Variations will occur in any product which features a natural material. This variation is not a defect, but a normal characteristic of this product. The final product installed in your home may differ from samples you have seen.
2. Wood: Variations in grain, color and finished look will occur in this product. This variation is not a defect, but a normal characteristic of this product. The final product installed in your home may differ from samples you have seen.
3. Stained Wood: Stains and glazings will appear differently when applied to different wood species and by different trades. The same stain or glazing used on cabinetry, railings and mantles will differ in appearance.
4. Solid Surface Counters: Solid surface counters may scratch or stain. Consult product literature for further details.
5. Granite: Granite is a natural product. Variations will occur in this product. This variation is not a defect, but a normal characteristic of this product. The final product installed in your home may differ from samples you have seen. Granite is stain resistant but not stain proof and can be stained, scratched or damaged by acidic liquids, ammonia, chemicals, oil and grease and abrasive products. Do not cut directly on granite surface as granite can show cut marks. Excessive water remaining for long periods of time can cause hard water deposits. Fissures, pit areas and veining are all natural characteristics of granite. Granite counters should be resealed as part of normal homeowner maintenance regularly. Granite seam locations are determined by manufacturer/installer.
6. Plumbing: Variations in color may occur between plumbing products due to variations in material, manufacturer and/or other conditions.
7. Carpet: Carpet installed in your home may differ from samples you have seen due to dye lots and other considerations which are considered normal. Seams will be more visible in some carpets (i.e. berber carpets and low density carpets) than in others.
8. Flatwork, Patios: All flatwork is subject to shifting and cracking. Shifted or cracked flatwork is not covered under Seller's warranty unless exceeding tolerances specified in Limited Warranty.
9. Wrought Iron: Wrought iron requires maintenance. Periodic painting or touch up is required as part of normal homeowner maintenance.
10. Masonry: Cracking of masonry walls is normal and to be expected, unless cracks exceed specifications in Limited Warranty. Brick veneer walls are considered decorative and should not be used for structural purposes.
11. Fixture Finishes: Finish colors may not match other fixtures with the same finish description (such as Oil Rubbed Bronze, or Satin Nickel). These are used to describe their general appearance and not an exact defined color and finish. Seller may not use the same finish description as used by the manufacturer.
12. Paint: Dark paint colors may show touchups or light shadows. Any paint with LRV < 50 requires smooth wall or old world texture to reduce, but not eliminate, noticeable touchups of these paints. White painted cabinetry and railings are prone to accentuate minor cracks and joints. Touchup of these areas will show brush strokes. White painted cabinetry and railings are NOT touched up after move-in and occupancy and are not warranted against cracking or joint separation.

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Buyer Initials

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13. HVAC Equipment Sizing: Recent building code developments have placed more stringent requirements on sizing Heating and Air Conditioning equipment "correctly". The current regulations require that the heating equipment be sized to heat the home to no more than 72 degrees when the outside temperature is at its coldest projected low of 11 degrees for Salt Lake county. The cooling equipment will be sized to cool the home to no less than 75 degrees when the outside temperature is at its highest projected high of 94 degrees in the Salt Lake area. These outdoor temperatures are 97% of the historical extremes-meaning that 97% of the time the temperatures are expected to be within these limits. McArthur Homes, with approval from the municipality, may modify the expected temperature range to cover a wider range (i.e. higher highs, and lower lows). Buyers concerns, if any, regarding the standard equipment sizing, or special requests due to specific medical or other circumstantial requirements for heating and cooling of Buyer's home have been addressed and resolved through other addendums to the Agreement.
14. HVAC Filters: The heating and cooling system equipment is designed to work properly with clean filters installed. Failure to change air filters frequently will greatly reduce both the performance and life of the HVAC equipment. Similarly, installing filters that restrict the air flow, such as many of the so called "HEPA" filters will greatly reduce both the performance and life of the HVAC equipment. Before replacing filters with types different than what is installed originally, you should consult a HVAC professional contractor familiar with the design of your system.

 

Buyer Initials

### ***Home Plan Approval Meeting***

Following the Design Selections Meeting, the purchasing and drafting departments begin preparing documents for the construction of your new home. A full size set of construction drawings are “red-lined” and prepared with appropriate notations for the selections you have made at the Design Studio as well as at the community Sales Center. These plans are reviewed with all homebuyers of “detached homes” (all homes other than condos and townhomes) as the main focus of the Home Plan Approval Meeting.

This meeting will take place in the conference room at the main office located at

9962 South Redwood Road  
South Jordan, Utah  
(801) 253-9910

You will meet with someone from the construction or purchasing departments who is knowledgeable about construction and construction drawings. He will contact you following your Finalization and Approval Meeting, to schedule this meeting, which is **only held during business hours**. If you require advance scheduling, please notify your Community Sales Manager who will assist in making the necessary arrangements and appointment. You should anticipate spending two hours at this meeting.

The purpose of the meeting is to review, with the opportunity to clarify, both included components of the design as well as the personal selections made. No new selections or changes should be done at this meeting since all should have been finalized and authorized at the Design Studio. The Home Plan Approval Meeting is designed to transition from the planning phase to the actual construction phase of your new home. The goal of the Home Plan Approval Meeting is to end the meeting with both you, and our McArthur Homes team knowing exactly what is to be built, and how much it will cost.

This meeting precedes scheduling any construction to begin, therefore, delays in holding this meeting will delay the start of construction.

So that you will be able to focus on the important issues being covered at this time, **please do not bring children under the age of 12 or other friends or family members to this meeting.**

The Home Plan Approval form follows on the next page.



## Home Plan Approval

This constitutes an Addendum to Real Estate Purchase Contract - Residential Construction (Agreement) dated the 7/7/2011, between **Joe and Jane Homebuyer** as Buyer(s) and **McArthur Homes TM, LC** as Seller(s), covering real property described as follows:

Community: Thanksgiving Meadows

Home Site: 0610

Home Design: Stratford

City: Lehi County: Utah

1. Buyer has reviewed the construction drawings with Seller's representative and approves drawings for construction. Should a discrepancy exist between the construction drawings and Buyer's Personal Selections or Seller's Included Features, the Personal Selections Addenda or Seller's Included Features shall take precedence. If a discrepancy exists between the construction drawings and Seller's marketing materials, collateral, model homes, or other homes built by Seller, the construction drawings shall take precedence.
2. An inspection, the Pre-drywall Inspection, will occur at the home 2 – 3 weeks following the framing start. At this time, Buyers will review the placement and construction of several Personal Selections and some included features. This meeting will be conducted by the Construction Manager. With this one exception, Buyers are asked to refrain from communicating with construction personnel. **All questions regarding schedule, selections, completion dates, or concerns regarding construction of the home are to be directed to the Community Sales Manager. They are best prepared to help you and follow-up.** Construction personnel are expected to devote their time, energy and resources to constructing the home and working with the trade contractors and suppliers.
3. Buyer acknowledges that completion dates provided by Seller's representatives are estimates only and can be advanced or delayed by a variety of factors, including but not limited to weather, materials delays or shortages, labor availability, or vandalism.
4. Seller assumes no obligation as it relates to Buyer's closing, financing, and moving arrangements. In particular, Seller shall not be responsible in any way for costs related to Buyer's election to "lock interest rates", storage of household goods, or other moving related expenses, for any reason.
5. Seller has taken steps to minimize stormwater pollution that may result when rainfall or snowmelt runs off bare soil. These steps include, among other things, protecting streets, storm drains and water retention areas from stormwater runoff from your lot that may contain sediment and other pollutants. Seller uses Best Management Practices (BMPs), as defined by the EPA and state/local agencies, to control stormwater pollution from each lot. BMPs include devices and structures such as silt socks, cut-back curbs, silt dikes, silt fencing, straw rolls and other devices to control erosion.  
**Upon purchase of your lot and new home, you assume all liabilities associated with the UPDES UTR300000 Stormwater General Permit (<http://www.waterquality.utah.gov/UPDES/stormwatercon.htm>) for the lot which requires you to comply with all applicable regulations while ultimately stabilizing your property with permanent landscaping practices common to this area. Furthermore, until the landscaping is complete, you will be responsible for preventing rain and snowmelt from carrying sediment into streets from any un-landscaped areas on your lot.** If your landscaping is to be installed after you close on the purchase of your home, there may be stormwater and erosion control BMPs installed on or near your property, adjoining the un-landscaped portion of your lot. Buyer agrees to not remove those BMPs until all landscaping is completed. Buyer agrees to not stockpile landscape materials such as dirt, gravel and the like in the street. Any such stockpiles should be placed on the lot behind a BMP.
6. Buyer irrevocably grants to Seller, its assigns, and designees an easement and right-of-way upon areas of said homesite which are not yet landscaped for a period of six (6) months, commencing on the date of closing. This right-of-way is designed to allow Seller to complete construction on adjacent or nearby homesites.

All parties hereby agree to the above terms and conditions

\_\_\_\_\_  
Joe Homebuyer

\_\_\_\_\_  
Date

\_\_\_\_\_  
McArthur Homes TM, LC

\_\_\_\_\_  
Date

By its Manager, McArthur Homes, Inc  
By One of Its' Corporate Officers

\_\_\_\_\_  
Jane Homebuyer

\_\_\_\_\_  
Date

## Construction Deposit

The Construction Deposit is **paid within thirty days of the Agreement Date**. Whenever possible, we encourage you to pay the deposit at the time of your Design Selections Final Meeting where the total price is determined. The deposit amount is calculated based on the purchase price, including not only the base price of the home and home site premium, but also all personal selections.

| Type of Home | Total Sales Price             | Required Construction Deposit |
|--------------|-------------------------------|-------------------------------|
| Townhomes    | Up to Base Price + \$30,000   | 4% of Total Sales Price       |
| Townhomes    | Up to Base Price + \$80,000   | 7% of Total Sales Price       |
| Townhomes    | Above (Base Price + \$80,000) | 9% of Total Sales Price       |
|              |                               |                               |
| SF Detached  | Up to Base Price + \$50,000   | 5% of Total Sales Price       |
| SF Detached  | Up to Base Price + \$100,000  | 8% of Total Sales Price       |
| SF Detached  | Above Base Price + \$100,000  | 10% of Total Sales Price      |

You must pay your deposit and have your Home Plan Approval meeting scheduled in order to secure the next available Frame Start Date commitment. This will determine the timing of both the start and completion of the home. An approximate timeframe for completion can be provided at this point. An update to the completion timeframe will be made following the Pre-drywall Inspection. If you are anxious to start your home, it is always best to pay the Construction Deposit early to “lock-in” your Frame Start date, provided your other meetings are scheduled and completed as scheduled.

It is important to understand that the deposit is completely non-refundable if you are unable to complete the purchase for any reason. In building your home, McArthur Homes may invest hundreds of thousands of dollars. The Construction Deposit expresses your commitment to the purchase of the home, as well as offsets unrecoverable costs in the case you do not complete the purchase.

Typically, Framing Start dates are assigned after all meetings are completed and all construction deposits are paid. However, upon a buyer's written request a tentative Framing Start date may be assigned with the following conditions:

- 1) the expected construction deposit is paid in full
- 2) all meetings are scheduled
- 3) there are no outstanding special requests



## Non-Refundable Construction Deposit Receipt and Agreement

The following constitutes an Addendum Real Estate Purchase Contract - Residential Construction (Agreement) dated the 7/7/2011, between **Joe and Jane Homebuyer** as Buyer(s) and **McArthur Homes TM, LC** as Seller(s), covering real property described as follows:

Community: Thanksgiving Meadows Home Site: 0610  
Home Design: Straford City: Lehi County: Utah

The following terms and conditions are hereby incorporated as part of the Agreement.

1. Buyer(s) hereby delivers to Seller as Non-Refundable Construction Deposit the amount of

\$ \_\_\_\_\_, in the form of

- ☐ Personal check (Check # \_\_\_\_\_),  
☐ Bank or cashier check, or  
☐ Cash,

which Buyer(s) understands and agrees will be deposited into Seller's general checking account to be used as payment for permits and fees, construction costs, land costs, commissions, and other costs associated with the sale and construction of the Property referenced above. Seller may have previously paid some of these costs.

2. Buyer(s) understands and acknowledges that this Non-Refundable Construction Deposit will not be refunded or otherwise credited to Buyer in the event Buyer does not successfully close and purchase the Property due to Buyer's non-performance of any and all conditions of the Agreement for any reason, regardless of circumstance.
3. Buyer(s) hereby waives all contingencies of the Agreement.

\_\_\_\_\_  
Joe Homebuyer Date

\_\_\_\_\_  
Jane Homebuyer Date

\_\_\_\_\_  
Deposit Received by Date

### ***Procedures for Special Requests***

If you are looking for selections that are not part of our Available Personal Selections, you may choose to make a Special Request for your desired selection. The principles and procedures are outlined below.

First, it is important to understand that McArthur Homes is not a “**custom**” home builder. Our focus is to provide all our homebuyers with the best value possible by providing proven product choices from our proven trade partners and suppliers. By focusing on our own designs and pre-selected product choices, we are able to achieve efficiencies in production for the contractors and suppliers who will work on your home. As mentioned above, there are over eight hundred Available Personal Selections. Most buyers are able to find everything they need with these proven, pre-planned, and pre-priced choices.

Second, Special Requests should be limited in both scope and quantity. Special Requests should be minor in nature and not constitute re-design. Typically, homebuyers are able to satisfy their needs with no more than a few Special Requests. “Hidden costs” such as inconvenience to buyers, construction delays, and uncertainty, as well as the financial costs are concerns we attempt to avoid by limiting Special Requests. If these limitations don't fit your needs, you might be better served by approaching a custom builder who is geared toward making changes and accommodating all types of requests.

Because Special Requests are not included as part of the regular home purchase, there is a small fee associated with this service to offset some of the additional resources and expenses required to research Special Requests. The fee is paid in advance at the time the Request Form is completed and submitted to the Estimating Department. The fee applies to each individual request. Any request for pricing that involves items other than our pre-planned selections should be executed on the Special Request Form (one item per form) with the appropriate fee. It is important to complete the information with adequate detail and specificity for the Estimator to price accurately. Variations of the original request need to be submitted on additional forms, with additional fees. (See sample Special Request Form on the following page).

We will not approve requests we determine will impede our ability to deliver quality homes on time to all our customers. So, if your special request would place an undue burden for some reason that might disrupt the construction of others, the request will be denied. This is most common with Change Requests after the start of construction (see below) but could also apply to Special Requests prior to start of construction.

If your request is denied by us we will refund the fee. However, if you choose to not move forward with the special selection we researched and approved, the fee you paid is non-refundable.

If you are purchasing a home that is already under construction, there may be selections that are no longer feasible to install, or that might become unfeasible in the near future.





## Special Request Form

Use for buyer requests not listed as Available Personal Selections  
Only one item per form

Special Request Form related to Real Estate Purchase Contract - Residential Construction dated 7/7/2011, between **Joe and Jane Homebuyer** as Buyer(s) and **McArthur Homes, LC** as Seller(s), covering real property described as follows:

Community: Thanksgiving Meadows Home Site: 0610 City: Lehi County: Utah

|                     |  |             |                  |
|---------------------|--|-------------|------------------|
| Date Requested      |  | Sales Agent |                  |
| Sale Status         |  | Plan Name   | <u>Stratford</u> |
| Construction Status |  | Elevation   |                  |

### Description of Special Request

Include specific location, color, finish, dimensions and style. Incomplete descriptions will be returned.

|  |                                                  |
|--|--------------------------------------------------|
|  | Processing Fee Paid (non-refundable if approved) |
|  | <input type="checkbox"/> Amount: _____           |
|  | <input type="checkbox"/> Drawings / SLA Attached |
|  | NS Add'm ____ Line # ____                        |

I understand that the above selections are subject to availability. Seller reserves the right to make appropriate substitutions of equal or better quality. Selections above are subject to approval of Seller.

**PLEASE NOTE THE ABOVE CHANGES ARE ABLE TO BE IMPLEMENTED IF BUYER(S) EXECUTES A CORRESPONDING ADDENDUM AND MAKES REQUIRED PAYMENTS ON OR BEFORE THE DESIGN STUDIO FINALIZATION MEETING OR AS NOTED BELOW. DELAY IN EXECUTING ADDENDUM AND SUBMITTING PAYMENT MAY CAUSE SOME CHANGES TO BE TOO LATE TO BE IMPLEMENTED.**

Joe Homebuyer \_\_\_\_\_ Date \_\_\_\_\_ Jane Homebuyer \_\_\_\_\_ Date \_\_\_\_\_

|  |                                                          |                                                                     |
|--|----------------------------------------------------------|---------------------------------------------------------------------|
|  | <b>Response from Builder:</b>                            | Date:                                                               |
|  | Clarification of above description or additional details | <input type="checkbox"/> Approved <input type="checkbox"/> Declined |
|  |                                                          | Sales Price:                                                        |
|  |                                                          | Deposit Required                                                    |

McArthur Homes, LC \_\_\_\_\_ Date \_\_\_\_\_  
By its Manager, McArthur Homes, Inc

This quote is valid only for this specific home, home site, and buyer, and must be approved by Purchasing Manager or Officer of McArthur Homes Inc.  
Include the approved Special Request Form hard copy with any Addendum submitted for final contract approval.

### Special Request Limitations and Exceptions

The table below lists Special Requests which will not be approved. Exceptions to this are rare and may only be granted by one of the Owners. Requests for exceptions are processed the same other than the small processing fee is Non-Refundable even when denied. The form should be submitted with the word "Non-Refundable" written next to the fee paid, and "Request for Exception" written across the top,

| Request Description                                                                                                  | Background or Comments                                                                                                                                                                                                                                                                  |
|----------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Exterior french doors                                                                                                | Only sliding patio doors are available. These provide much the same look, but are more secure and resistant to weather conditions. Inherent warranty concerns.                                                                                                                          |
| Changes to footing and foundation plans (other than garage size)                                                     |                                                                                                                                                                                                                                                                                         |
| Changes to structural or load bearing walls                                                                          | Except limited beam replacement for wall; requires re-engineering                                                                                                                                                                                                                       |
| Changes to exterior wall and interior bearing wall placement and size                                                | Except limited changes to windows; requires re-engineering                                                                                                                                                                                                                              |
| Changes to structural framing that would require "special" framing to meet engineering requirements                  | Special framing may include the requirement for steel columns or beams.                                                                                                                                                                                                                 |
| Changes to furnace and flu placement                                                                                 |                                                                                                                                                                                                                                                                                         |
| Tile countertops                                                                                                     | Inherent warranty concerns                                                                                                                                                                                                                                                              |
| Partially finish basement space (i.e. up to drywall only, or just the heat ducts)                                    | Basements must remain unfinished or be completely finished within any given space or room                                                                                                                                                                                               |
| A/C Rough-in only                                                                                                    | Sizing issues between coil, line-set and condenser units.                                                                                                                                                                                                                               |
| Patio slabs larger than 10 x 16 and RV parking                                                                       | Many of the soils in the valley are expansive. It is best to delay installation of large patios for up to a year. You might consider using gravel as a temporary solution.                                                                                                              |
| Any selection or change that would require a change in trade contractors or supplier                                 | We will only use our existing pool of contractors and suppliers to construct the home                                                                                                                                                                                                   |
| Changes to the construction of the home that is already completed or can not be implemented on established schedule. | In order to insure the highest quality and value, we stagger the construction of the homes on an "even – flow" schedule which provide consistency and predictability for the trade contractors and suppliers. Changes to one schedule may prevent other homes from being built on time. |
| Any work or product provided by buyer during construction                                                            | There has been a significant shift away from "sweat-equity" for a variety of reasons including licensing, insurance, re-sale issues, builder's warranty.                                                                                                                                |
| Cantilevered extensions                                                                                              |                                                                                                                                                                                                                                                                                         |

### ***Procedures for Change Requests***

#### **What are Change Requests**

Late Change Requests are ANY requests for additions, deletions, modifications to the specifications of the home following the Finalization and Authorization of Selections at the Design Studio Meeting.

The construction of the home begins immediately following the Design Studio Meeting as we “build on paper” everything that will be “built in the field” as described below in “Understanding the Construction Planning Process”. That is why requesting changes even before you see the construction on your home site will require the procedure for Late Change Requests.

Should some circumstance arise that compels you to request a change to the home being built contact your Community Sales Manager and first verify that the stage of construction has not passed the cut-off point for the selection you are considering. Every selection has a cut-off task in advance of the start of construction to allow time for the change to be communicated and implemented. Provided there is adequate time, complete the Change Request Form (see sample on following page). This is completed for all requests, whether the selection is part of our Available Personal Selections list or not.

#### **Pricing for Late Change Requests**

Pricing for Late Change Requests consists of the following components: (1) a Late Change Request fee, (2) the price of the selection itself; and (3) an administrative fee.

(1) The Late Change Request fee is similar to the Special Request fee and procedure described above, except that the fee is non-refundable in all situations.

(2) **The price of the selection itself will ALWAYS be more than the regular price.** The primary reason for this is simply that despite whatever steps are taken to implement a change at this point, there will be more frequent mistakes and greater expense than had the selection been made at the appropriate stage of construction planning. Instead of passing those costs onto all buyers, we pass those increases on only to those making changes later in the process. While any given home and its changes may not be affected, over time some will be greatly affected and therefore the cost to do the change itself is always higher.

(3) The administrative fee offsets some of the additional cost in regenerating purchase orders, schedules and communication that is required to implement the late change. This fee is paid when the buyer authorizes moving forward with an approved request.

#### **Exceptions to Cut-Off Task Deadlines**

Like exceptions to allowable Special Requests, exceptions to deadlines for Cut Off Tasks are only made on rare cases, and may only be approved by one of the owners of McArthur Homes. In this case, both the Late Change Request fee, [(1) above], and the Administrative fee [(3) above], are paid at the time of the request, and both are Non-Refundable.

**Remember that exceptions are rare** due to the inherent disruptions to schedules, including other homes.



## Late Change Request Form

Use for all requests following Finalization and Authorization of Selections  
Only one item per form

Special Request Form in connection with Real Estate Purchase Contract - Residential Construction dated 7/7/2011, between **Joe and Jane Homebuyer** as Buyer(s) and **McArthur Homes, LC** as Seller(s), covering real property described as follows:  
Community: Thanksgiving Meadows Home Site: 0610 City: Lehi County: Utah

|                     |  |             |                  |
|---------------------|--|-------------|------------------|
| Date Requested      |  | Sales Agent |                  |
| Construction Status |  | Plan Name   | <u>Stratford</u> |
|                     |  | Elevation   |                  |

### Description of Change Request

Include product code if applicable, specific location, color, finish, dimensions and style. Incomplete descriptions will be returned.

|  |                                                                                                                                                                                     |
|--|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|  | <b>Late Change Request Fee Paid (non-refundable )</b><br><input type="checkbox"/> Amount: _____<br><input type="checkbox"/> Drawings / SLA Attached:<br>NS Add'm _____ Line # _____ |
|--|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

Buyer(s) understand that the above selections are subject to availability and that **sales prices will be higher** than prices quoted prior to Finalization and Authorization of Selections. Seller reserves the right to make appropriate substitutions of equal or better quality. Selections above are subject to approval of Seller.

**PLEASE NOTE THE ABOVE CHANGES ARE ABLE TO BE IMPLEMENTED IF EXECUTED ADDENDUM IS RECEIVED FROM BUYER(S) WITH ANY REQUIRED PAYMENT WITHIN 5 BUSINESS DAYS (UNLESS OTHERWISE NOTED BELOW) OF APPROVED DATE. ANY DELAY MAY CAUSE SOME CHANGES TO BE TOO LATE TO BE IMPLEMENTED, EVEN IF APPROVED ON THIS FORM.**

Joe Homebuyer

Date

Jane Homebuyer

Date

|                                                                                           |                                                                                                                                              |
|-------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Response from Builder:</b><br>Clarification of above description or additional details | Date:<br><input type="checkbox"/> Approved <input type="checkbox"/> Declined<br>Sales Price:<br><br>(Plus \$100 LCO Fee)<br>Deposit Required |
|-------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------|

McArthur Homes T.M, LC

Date

By its Manager, McArthur Homes, Inc  
By One of Its' Corporate Officers

Include the approved Change Request Form hard copy with any Addendum submitted for final contract approval.

### ***Understanding the Construction Planning Process***

Our goal is to deliver the best home value possible. An important part of creating value is our ability to control costs and thereby offer homes at a lower sales price than comparable homes from other builders. One way we control costs is using a detailed Purchase Order system for each home. The Purchase Orders spell out exactly what is included, and at what cost. For example, a Purchase Order for Tile would specify tile colors for floors, fireplace, bathroom surrounds as well as square footage and pricing. Any Personal Selections chosen such as tile trim colors in bathrooms or kitchen backsplash are also included. This level of detail helps insure that the right work is done on the right house.

All the purchase orders are issued prior to starting construction. The trade contractors and suppliers as well as superintendents have the information required to build the home at the beginning of the job. One of the advantages of this pre-planning system is that the superintendents become familiar with the home to be built, even before it is actually built. They can internalize the myriad of detailed information associated with each home over a longer period of time instead of learning new details each week as construction progresses. Another advantage is that contractors can order supplies with long lead times to meet construction schedules. For example, a tile accent might have an eight week lead time. Because the tile contractor has all the information when the home is at foundation stage, he can order the appropriate tile in plenty of time. The result is smoother operations for the tile contractor, the tile supplier, and on-time delivery for the buyers.

This pre-planning of the entire job also means that changes after the start of construction are much more difficult. For example, the cabinet maker will have a work order for cabinets at the time the foundation is being completed, even though the cabinets are not installed until a few weeks before completion and closing of the home. If changes were allowed after the start of construction, it would likely result in frustrating delays and/or costly errors. It is in part due to these reasons, that we discourage making changes after the Finalization and Authorization of Selections.

There is a sample of our construction document package issued at the start of construction in the Design Studio. You might be interested to realize that it is about 7" thick! Making changes is always more involved than it appears. Items included in the package are:

1. Building Permit issued by city
2. Approved Plot Plan signed by buyer
3. Purchase Orders
4. Critical Path Schedule specific to the home
5. Footing, Foundation, Framing, and Electrical Plans (redlined as required by personal selections)
6. Lumber, window, door package detailed lists
7. Copies of Sales Agreement including Addendums

### **Begin Building New Home: Construction Phase**

Once the entire planning phase is completed, the on site superintendent receives the Construction Package and begins to schedule the work with the trade contractors and suppliers.

#### ***Foundation***

Using the approved plot plan, he will stake out the corners of the house on the property and provide instruction to the excavator on the depth of the hole. The depth of the hole is approximately 60" below the top of curb for homes with a 30' setback, and more for homes closer to the curb. This can change depending on such factors as:

1. slope of lot
2. proper drainage
3. height of neighboring homes
4. required/excess fill dirt
5. varied setbacks

Activities occurring in this phase of construction include:

1. Excavation
2. Footing
3. Foundation
4. Damp proofing
5. Backfill, and set window wells
6. Plumbing Sub-rough (to set the drains below the basement floor)
7. Basement and garage slabs
8. Utility connections

#### ***Framing***

Perhaps the most exciting time during construction is the framing stage, where the entire shape of the house takes form. It can seem like the house is built "overnight".

One of the most important production methods we employ is the "even-flow" scheduling of Framing start dates. This provides the ability to keep good framers busy and increases their quality, productivity and reliability. Based on the pace of sales, we contract with the appropriate number of framers to stay ahead of the average numbers of sales over time. Frame start dates are "week of" dates, and of course can vary slightly. On average the framing start date system is quite accurate and seldom varies more than a week.

Absolutely, do not connect to, tamper with, or modify the high voltage house wiring in any way. Modifications or additions to the electrical wiring **MUST** be done by McArthur Homes and our licensed electricians. The safety of the home is of prime importance and we can not make exceptions to this policy. Any such changes will be remedied and the cost for corrections added to the purchase price. Even if no corrections are required an expensive inspection fee will be assessed by our electrician and McArthur Homes. Please don't think it won't be noticed, it **ALWAYS** is "caught" and will be a cause for unnecessary stress and frustration.

Immediately following framing, the rough-in heating, plumbing, and electrical are completed. An important city inspection, known as the "4-way inspection", signals the end of this phase and the "OK to proceed" to insulation and drywall.

Activities that occur during this phase of construction include:

1. Framing
2. Setting trusses
3. Electrical Rough-in
4. Low-voltage wiring
5. Plumbing Rough-in
6. Heating and Air Conditioning Rough-in
7. Roofing
8. Utility Connections
9. Fireplace box
10. Exterior Doors
11. Final Framing corrections

### ***Pre-drywall Inspection***

We will invite you to visit the home with a representative from McArthur Homes and review the construction prior to the installation of drywall. This typically occurs about three weeks after start of framing. At this point, the framing, electrical, plumbing and heating roughs will be completed. Together, we can examine the placement of items such as TV, phone, computer wiring, door openings, and many interior details, to confirm that they are correctly placed according to any personal selections you might have made, as well as all included features and design elements of the home. This is the final opportunity to adjust or correct missing or incorrect selections or design element for any item available to be reviewed at this time. The "Pre-drywall Inspection, Review and Acceptance" form will be completed at this time, (see next page for sample).

It is a good idea to pay particular attention to placement of light switches and outlets, dimensions of media centers, overhead light fixture placement such as at the nook table, door swing direction, heat register placement, as well as every personal selection previously made.

The inspection is also a good opportunity to gain a better understanding of how your house is built. Many of our quality features are best pointed out at this stage of construction. At the inspection, you should review grading of the home site and discuss landscaping details when applicable.



**Four-Way Walk-Through  
Review and Acceptance**

Buyer: \_\_\_\_\_ Date: \_\_\_\_\_

Community: \_\_\_\_\_ Home Site: \_\_\_\_\_

Buyer acknowledges that the home may have changes in the "approved plans." These may include, but are not limited to, floor plan layout, dimensions, elevations, structural, plumbing, electrical, and mechanical changes.

The above changes may be a result of Buyer's change orders or personal changes with the Seller, supplier, trade contractor, or may be omissions or variations from the original designs, or may be due to Seller modifying plans to improve the home structurally, cosmetically, or to correct errors in the plan.

Buyer has reviewed the home at this time and accepts the home as it has been built, with all plumbing locations, electrical plugs, switches, lights, TV jack and phone jack locations approved as installed, with any required adjustments listed below.

|       |       |
|-------|-------|
| _____ | _____ |
| _____ | _____ |
| _____ | _____ |
| _____ | _____ |
| _____ | _____ |
| _____ | _____ |
| _____ | _____ |
| _____ | _____ |
| _____ | _____ |
| _____ | _____ |

|       |       |                      |       |
|-------|-------|----------------------|-------|
| _____ | _____ | _____                | _____ |
| Buyer | Date  | Construction Manager | Date  |



### ***Drywall and Paint***

Immediately following the Pre-drywall Inspection, the walls will be insulated. Next, the drywall is hung followed by several coats of taping, mudding and texturing.

Following drywall, the interior doors are hung and finish carpentry is started. Certain areas of the floor will not have baseboard installed at this time. Areas where there will be vinyl or other hard surface flooring will have baseboards installed after the flooring to insure a tight fit. Areas next to fireplace mantle legs are also installed later due to the variation in mantle dimensions.

When the painting is completed, areas of the drywall may still require touch-up. In fact, defects in woodwork may become noticeable, as well as areas of the paint itself may need a little work. This is normal in every home. Most of these items will not be corrected at this time. Additional dents, scratches, and marks will be made on the walls from other trade contractors working in the home prior to closing. Later, the painter will return and touchup all needed areas.

Activities which occur during this phase of construction include:

1. Wall insulation
2. Hanging drywall
3. Taping and texturing drywall
4. Ceiling insulation (after the drywall is hung)
5. Finish carpentry / installation of doors and trim
6. Finish carpentry / interior railing
7. Tile work
8. Paint

### ***Exterior Finishes***

Completion of the exterior will move forward independent of work being done on the inside of the home. Of course, this is subject to weather conditions, which may significantly delay exterior completion.

Typically, exterior concrete is poured very early, (if sufficient time is available prior to framing) or during later phases of construction to avoid damage. Time of year and weather also play a part in the timing of concrete pours.

Activities which occur during this phase of exterior completion include:

1. Fascia / Soffit
2. Brick or stone
3. Stucco
4. Siding
5. Rain gutters
6. Site Concrete
7. Driveway Concrete
8. Decks and Landings

### ***Interior Finishes***

After the painting is completed things seem to go rather quickly, and you know its time to start packing your bags to get ready to move. Typically you can expect a closing date within about four weeks of painting completion. If you haven't already, make certain that all your

applications are completed and in place for utility connections, (see Preparation for Closing on page ).

Activities you will see in this phase include:

1. Vinyl or other hard surface flooring
2. Tile work, if not already completed
3. Cabinet installation
4. Countertop installation
5. Plumbing fixtures set
6. Fireplace mantle installed
7. Electrical wiring completed
8. Light fixtures installed
9. Shower enclosures installed
10. Mirrors and other bathroom hardware installed
11. Door knobs installed/ closet rods installed
12. Rough clean prior to carpet installation
13. Carpet installed
14. Heating registers are installed

### Preparation for Closing

Following your pre-drywall inspection, and certainly by the time painting is completed you should make all applications for utility service to your new home. While we physically connect most utilities during construction, it is your responsibility to arrange for service to be provided. Your Community Sales Manager can provide you the names of service providers and phone numbers to contact for the subdivision you are moving to.

Here is a quick checklist:

|            |                                                                |
|------------|----------------------------------------------------------------|
| Electrical | Rocky Mountain Power: 888-221-7070<br>Lehi Power: 801-768-4833 |
| Gas        | Dominion Questar: 800-323-5517                                 |
| Telephone  | (Century Link: 1-800-244-1111)                                 |
| Water      | Contact City Government (maybe included in HOA)                |
| Garbage    | Contact City Government (maybe included in HOA)                |
| Sewer      | Contact City Government (maybe included in HOA)                |
| Cable TV   | Comcast or Satellite Company                                   |

At this time you should also touch base with your lender for permanent financing and make certain your lender is ready to close your loan.

Confirm the following with your lender:

1. Has all personal selection choices and that the total price is correct
2. Has all information from you required by underwriting
3. Has made contact with Surety Title

### ***Detailing of Home***

Your home will be cleaned prior to the Company and Buyer Orientation Tour to clean all construction related “dirt” and “debris”. This includes wiping out cupboards, cleaning flooring, washing bathroom fixtures, cleaning windows inside and out, removing stickers from windows etc. This will be completed approximately one week before your closing.

### ***Company Inspection***

When the home is complete, and ready for the final inspection by the city, the house is inspected by company management, typically the Vice President of Construction. We will review the completeness of the home, and make sure the home meets our high standards of quality. When the Company Inspection is scheduled, a Buyer Orientation Tour and Closing Date are also set. These dates are typically set after the installation of countertops, which provides approximately 2- 3 weeks advance notice. The following table summarizes the events and time table leading up to closing and move-in.

| Approximate <b>WORK</b><br>Days following<br>Counter Installation | Event leading to Closing and Move-In |
|-------------------------------------------------------------------|--------------------------------------|
| 12                                                                | Final Inspection                     |
| 13                                                                | Company Inspection                   |
| 15                                                                | Buyer Orientation Tour               |
| 17                                                                | Closing                              |
| 18                                                                | Keys / Move-In                       |

In some rare cases, it may become evident that the home will not be ready for a Buyer Orientation Tour on the scheduled date, usually two days after the Company Inspection. In such circumstances, the Buyer Orientation Tour, and subsequent Closing and Move-In dates will be rescheduled accordingly.

Although we recognize that rescheduling Orientation Tours and closing dates can cause a great deal of inconvenience and frustration to you, we have learned that delivering a house that is not ready, with too many “punch list” items will be an even greater inconvenience and frustration. For these reasons, we encourage you to make alternative housing, storage, and moving arrangements, should there be unanticipated delays.

### ***New Home Orientation Tour***

Prior to closing you will be invited to an Orientation Tour of your new home. The purpose of this tour is to provide you an opportunity to become familiar with the operation of many features and appliances in your home. Brief instructions on caring for your new home are also shared. Also, any questions or concerns regarding construction of the home should be resolved at this Orientation Tour.

As is common with all new home construction, there are items which are not warranted if not noted at the time of the Orientation Tour. It is recommended that you become familiar with the standards as outlined in the Limited Warranty prior to the Orientation Tour.

Usually the Orientation Tour is held two days after the Company Inspection. It is held during regular business hours with the last appointment starting no later than 2:00 p.m. Because the Tour can take as long as three hours. **Please leave children under the age of 12 at home.**

### Closing

"Closing" actually refers to a variety of activities that must occur to transfer ownership of the property to you. It involves the following:

1. Your lender being ready with all documents delivered to Old Republic Title
2. Buyers signing documents at Old Republic Title closing office
3. Buyers providing down payment to Old Republic Title (Cashiers check)
4. Any lender insurance such as FHA may require paperwork to be completed. This is also coordinated by you through your lender.
5. Your lender must fund the loan; meaning the money must be sent to and received by Old Republic Title
6. Sellers sign closing documents provided by Old Republic Title
7. When all of the above are completed, Old Republic Title personnel will personally visit the County Recorder's office and "record" the deed conveying title to you.

Only when these have been completed, is the transfer of ownership complete. The keys to the home are scheduled to be given to you at 4:00 p.m. the day after closing at your home by the construction manager. Any delays in the above "closing" process will also delay the delivery of keys.

Typically, the appointment for signing closing documents is set for two days after the Orientation Tour, and is held at:

Old Republic Title  
9978 South Redwood Road  
South Jordan, Utah 84095

### Completion of Orientation Tour Noted Items

During the Orientation Tour, there may be a few items noted which require adjustments or corrections. The superintendent will try to complete as many items as possible prior to your move-in date. However, some items may require more time. The target date for all items to be completed is two weeks after closing, although a few may take a little longer.

When the superintendent meets you to give you your keys, you will "initial" all items completed. These sheets are then turned into the office and reviewed to insure your home has been completed as agreed.

The Superintendent will correct only items noted at the Orientation Tour. Any other items should be directed to the Warranty Service Manager (see details in your "Limited Warranty").

### **Warranty Service**

There is a complete section covering the Limited Warranty. Please review the material provided prior to requesting adjustments for your home.

### **Homeowner Maintenance**

For many people buying a new home, a major concern is how to care properly for the different products which are part of their new home. To help in part, we have assembled some maintenance tips, and do's and don'ts to get you started. Carefully following the steps won't ensure you will never have trouble, but hopefully it will help to avoid serious or frequent damage.