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BAYWAY HOMES

WELCOME TO YOUR NEW HOME

Thank you for trusting Bayway Homes to build your family's new home. We're proud to have been a part of this special time in your lives and look forward to having you in our community of satisfied Bayway Homeowners.

As the coming days pass, you may have questions regarding your new home and the preparations that need to be made for your move. This package contains information to help answer some common questions about arranging for utilities, requesting service once you've moved in your home, and basic home maintenance. A member of Bayway's Construction Team will browse through this booklet with you so you'll have an opportunity to get a clear understanding of the information it contains.

If at any time in the future you have any questions or concerns, please contact us at (281) 648-2425. We'll be happy to assist you in any way we can.

Thank you again for trusting Bayway to build your family's home. We're glad to have you in our community.

Sincerely,

Jon Skeele
President

CLOSING PROCEDURE

Congratulations on buying a Bayway Home. We are excited about your move into your new home. To help speed up the process, please review this Closing Procedure.

You will have two New Home Introduction Meetings with the construction manager prior to closing.

The first meeting is scheduled a few days before closing. The primary objective of the meeting is to inspect the home and make a list of any unacceptable items the homeowner would like corrected. The construction manager leads this inspection and explains warranties, utility transfer, and other helpful information about the operation of your home.

Time _____ Date _____

The second meeting is usually conducted a few hours before the actual closing, allowing you enough time to receive your final figures from the title company and go to your bank to get a cashier's check. The primary objective of this process is to make sure the home is completed and in a satisfactory condition. The paint card is signed at this time. The construction manager and homeowner review the inspection list making sure all items are complete. This is not a reinspection of the home, it is a qualifying of the first meeting. Any new items found at this time will be addressed on a warranty list. Any remaining questions the homeowner might have are answered at this time.

IMPORTANT

Be sure to choose your *hazard insurance company* two weeks prior to closing. Then, notify your mortgage company to inform them of the details of your hazard insurance coverage. **You cannot close without your hazard insurance.**

IMPORTANT

Funds due at closing **must** be in the form of a cashier's or certified check made out to Texas American Title Company.

Time _____ Date _____

BAYWAY HOMES NEW HOME INTRODUCTION: FIRST MEETING

NAME		JOB#	DATE	
ADDRESS		CONSTRUCTION MANAGER		
	DESCRIPTION	RESPONSIBLE CONTRACTOR	DATE SCHED	DATE COMPL
1				
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
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19				
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22				
23				
24				
25				
26				
27				
28				
29				
30				
HOMEBUYER'S SIGNATURE			DATE	
CONSTRUCTION MANAGER'S SIGNATURE			DATE	

PLUMBING

1. Instruction on use of faucets (cleaning of aerator and water cutoffs).
2. Instruction on use of shower and tub drain
3. Hot water heater.
 - a. Pop-off valve and line.
 - b. If water heater is not hot, check pilot light and/or thermostat.
4. Location and instruction of main house water cutoff.
5. Tub inspection locations and purpose.

Note: If plumbing is stopped up and service man finds foreign objects in the line, the homeowner will be billed for the call.

ELECTRICAL

1. Switch-controlled electrical outlets.
2. Bulb sizes for light fixtures.
3. GFI outlets.

HEATING & AIR CONDITIONING

1. Location and operation of thermostat.
2. If heat or A/C does not operate:
 - a. check thermostat setting.
 - b. check breaker box to be sure breaker is "ON" position.
 - c. check pilot light.
3. Location of filters (should be replaced at least every 30 days).

APPLIANCES

1. Instruction on use and care of dishwasher.
2. Instruction on use and care of disposal.
 - a. Reset button on bottom.
 - b. To unjam, move with allen wrench.
3. Instruction on use and care of oven and microwave.
4. If appliances do not operate always check breaker box.

GENERAL-INSIDE

1. Floor tile is not covered under warranty if damaged by neglect such as casters not being used under furniture.
2. Carpet has a tendency to loosen in damp weather but will stretch again in dryer weather.
3. Paint
 - a. Not covered under warranty. (We do not do touch-ups).
 - b. Do not scrub latex painted interior walls.
4. Cracks in tile grout are not covered under warranty - use Dap.
5. Inside doors - variance of 1/4" to 1/2" is normal depending on weather conditions.
6. Landscaping around your home is not covered under warranty.

After closing, if you should have further questions concerning your home or the Bayway Homes One Year Warranty, call the Customer Service Department at (281) 648-2425 for clarification or instruction.

I have discussed each of the above items with a Bayway Homes Representative and understand them. I have also been instructed in the use and care of the above listed items in my new home.

Address _____

Homeowner _____

Date _____

BayWay Homes Representative _____

Date _____

BayWay Homes

Homebuyers Acceptance Statement Items to be Completed After Closing

NAME _____

STREET ADDRESS _____

COMMUNITY _____

The homebuyer(s) hereby acknowledge that the premises have been satisfactorily Completed and are fully acceptable to them, save and except the following Items:

#	DESCRIPTION
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WARRANTY INFORMATION SHEET

1. All warranty claims will be addressed to Bayway Homes' main office in letter form.
2. The only warranty matters to be handled on a verbal basis will be those involving emergency situations.
 - a. Power outage - partial or total (not associated with Texas New Mexico Power.
 - b. Roof leaks - damaging carpet, furniture, walls, etc.
 - c. Plumbing leaks - causing damage to carpet, etc.
 - d. Leaks in exterior underground plumbing lines.
 - e. Any gas leaks.
 - f. Complete sewage back-up. (See #8 below)
 - g. Heater not functioning in weather below 50 degrees.
 - h. Air conditioning not functioning in weather above 75 degrees.
3. Bayway will handle warranty claims under you extended warranty program guidelines.
4. Items commonly affected by "wear and tear" or other circumstances outside Bayway Homes control will only be repaired as specified on the orientation (First New Home Introduction Meeting) tour document.

These affected items are:

 - a. Chipped, cracked or dented sinks, tubs or shower enclosures.
 - b. Torn, gouged, stained or loose floor tile or carpeting.
 - c. Chipped, scratched or cracked cabinets, counter or vanity tops, ceramic or Italian tile.
 - d. Cracked or scratched window glass, mirrors or light fixtures.
 - e. Scratched or dented appliances or water heater.
 - f. Missing or damaged windows, doors or screens.
 - g. Inoperative or maladjusted sliding closet doors or sliding glass doors or windows.
 - h. Sticking doors.
 - i. Improperly adjusted weather-stripping.

- j. Minor drywall, masonry or stucco cracking.
- 5. All home components mentioned in the above list are warranted for a period of one year for latent defects in workmanship and materials as specified in the extended warranty program warranty documents. Problems with such components resulting from abuse, misuse or neglect, in the sole judgment of Bayway Homes and your extended warranty program, are not covered.
- 6. Normal homeowner maintenance items are excluded in accordance with your extended warranty program.
- 7. Cracks in concrete walks, driveways, and patios due to expansion, contraction, and settling are, to some extent, normal characteristics of concrete. The determination of an abnormal occurrence requires professional expertise. Any such repairs will be done only when deemed necessary by Bayway Homes and in accordance with the quality standards section of your extended warranty documents.
- 8. If a drain stoppage is reported to Bayway Homes with 72 hours after occupancy, Bayway will clear the drain. After 72 hours, and for the remainder of the warranty period, drain stoppages will be handled in accordance with the quality standards section of your extended warranty program documents.
- 9. Plants and grass are warranted for a period of 30 days from the date of planting. Plants and grass showing signs of dying due to improper care will not be replaced.
- 10. All warranty claim letters will be logged in at the main office in the WARRANTY LOG BOOK.
- 11. The Construction Manager will promptly correct items after receiving the letter from the main office to correct the matters described in the letter.

Construction Manager	Date
Homeowner	Date
Homeowner	Date

MAKING ARRANGEMENTS FOR UTILITY SERVICE

During your New Home Introduction you will be given a list of the utility companies that service your community. You will want to contact each of the utility companies and ask them to set up your service so that it is activated with three working days of your closing. Bayway will disconnect its utility service.

For instance, if your closing is scheduled for Monday, contact the utility companies on Friday and ask that they begin your service Tuesday or Wednesday. Bayway will have already requested our service be disconnected on Thursday. Scheduling your service to be turned on before Thursday would prevent any possibility of temporarily being without utility services in your new home.

HOW TO REQUEST WARRANTY SERVICE ONCE YOU'VE MOVED IN

There are two basic types of service requests for your new home. Emergency Service and Non-emergency Service. In either event, we will be happy to help you in any way we can. Emergency situations, because they need immediate attention, will be handled most effectively if you, the homeowner, follow the guidelines below and contact the appropriate company to address the situation. This will enable you to handle the situation in the event Bayway's office is closed, or our construction staff is temporarily away from their offices. For non-emergency situations please send a letter to our Customer Service Department, P. O. Box 368, Houston, Texas 77001. A Customer Service Representative will be happy to assist you.

EMERGENCY SERVICE

Simply put, emergency situations are those that affect your ability to live in your home safely and comfortably. Examples of emergency situations would include: loss of electricity, major plumbing leaks, smell of gas inside or outside the home, water damage, loss of heating in the winter or air-conditioning in the summer.

During your New Home Introduction you will be given a list of important telephone numbers. This list provides the names of utility companies that service your community and the companies that handle emergency situations like those mentioned above.

Certainly, we hope you never encounter any of these situations. If, however, you do, follow the guidelines below and then contact the appropriate company so the situation can be handled immediately.

LOSS OF ELECTRICITY:

1. Check your breaker box first. The breaker box is located outside your home and was pointed out during your New Home Introduction. Flip all breakers to off, and then one by one (main breaker first), turn each one back on. If your power is not restored, call your electric company for further assistance.
2. If you notice the power is off in the surrounding area, call your electric company to report the situation.
3. If your underground service has been cut, Bayway Homes is responsible only if one of our subcontractors was responsible for the digging that led to a line being cut. Your electric company would be responsible if they were responsible for the digging that led to a line being cut. (If you or a neighbor

needs to dig in your yard, you must call the utility coordinating committee so they can mark utility line locations and help you avoid potentially dangerous and inconvenient situations.)

4. In some instances your electric company may need to run an over ground emergency cable to temporarily connect electricity to your residence. There may be a fee for this service, and electric company will request you be at home to sign for the service at the time it is connected.

5. If both the oven and the cooktop are not working, this is an emergency. You can call the appliances company listed in your important phone numbers. If, however, either the oven or the cooktop is operable this is not considered an emergency and should be reported to our offices as soon as possible. Dishwashers, garbage disposals, individual light fixtures and individual electric outlets that may not work should also be reported to our office as soon as possible. Our office number is (281)648-2425, we'll be here to assist you in any way we can.

PLUMBING LEAKS:

1. In case of a major plumbing leak, first try to turn off the water at the cut off valve on the leaking fixture. These valves were pointed out to you during your New Home Introduction. If the water does not stop, or if you can not find the cut off valve, you can turn off the water at the main water valve located outside your house. The main valve is the one that comes out of the ground and goes into your house. This valve was also pointed out during your New Home Introduction. It is important that these steps be taken to prevent further damage due to the leaking water.

2. A slow drip is not an emergency. Use a receptacle (bucket, pots or pans, etc.) to catch water until the next business day, at which time you should report the drip to our office as soon as possible.

3. If all commodes are not working, this is an emergency and should be immediately reported to the plumbing company designated on your phone list. If at least one commode is working, continue to use that commode and call our office as soon as possible. The same applies to tubs, showers, vanities and sinks.

4. As per your homeowner's warranty, the builder is not responsible for secondary damages, so the homeowner is advised to protect all personal belongings and other items in the home in the event of a leak.

5. Remember that an unknown source of leaking water could be a roof or flashing leak. Not much can be done when these types of leaks are discovered except protecting other items in the home until the source of the leak can be identified and repaired. A plumber will charge for a service trip if the leak is not due to a plumbing defect.

6. Frozen pipes are the responsibility of the homeowner. If the pipes are frozen, you should not leave the house unattended or you should turn off the main water supply. The pipes may not leak until thawed, usually midday, and then tremendous damage could result if the water were left on.

7. To help prevent the pipes from freezing, we suggest that several faucets be left partially open to keep the water moving during freezing weather, alternating from cold to hot water. Usually, cutting of the main supply and draining the pipes does not remove all the water and pipes can still burst.

WATER DAMAGE:

Be careful of electrical shock. If possible, turn off the source of the problem, either at the fixture or at the main valve. Wet carpet should be pulled up and propped up to air out. Wet padding should be thrown away. Other items should be moved or protected to prevent further damage. You should report this to the main office at (281)648-2425 as soon as possible.

AIR CONDITIONING & HEATING SYSTEM MALFUNCTION:

1. Check your breaker box first. If this does not restore operation to your air conditioner, then check the A/C cutoff switch located above your condenser unit outside your home.
2. If other electrical problems also exist at the time your air conditioner or heating unit is not working, the problem is most likely an electrical one. (For instance, if your air conditioning is not working and you notice your oven is also not working.) In this case you should contact your electric company.
3. Examples of emergency situations regarding your air condition and heating would be: air conditioning not working during extremely hot weather or heating not working during extremely cold weather. In cases where your air conditioning or heating stop working during mild temperatures every effort will be made to correct the problem as soon as possible.
4. If extreme weather conditions exist and you must leave your home, you should protect your home from freezing pipes if the heating unit is not working in winter. In the summer, turn off the air conditioner to prevent damage to your compressor.

SOME OTHER CASES AND REQUIRED ACTIONS:

FIRE: Call the Fire Department at 911. If time permits, call the Police Department or Sheriff's Department. It would also help if the main electrical breaker could be turned off at this time.

HOME MAINTENANCE

A. INTERIOR HOME CARE

MAINTAINING AIR CONDITIONER, HEATER and HOT WATER HEATER:

Your air conditioner and heater are operated through the thermostat control units. The fan of the air conditioner unit operates on AUTO and ON. Filters for the air conditioner should be changed once a month to insure proper heating and cooling of the unit. These filters may be purchased at various variety and hardware stores. The size will be printed on the one initially installed behind the return air grill. In the off season, the air conditioner should be operated briefly once a month. Seasonal inspections by the installers are a good preventative maintenance practice.

An emergency condensation drain is installed in the soffit of your home. If you detect water leaking from this drain the A/C company should be notified to correct this problem.

The water heater is located in the attic of your home. The water heater should be set at a comfortable setting by adjusting the control on the heater. Draining the heater with a garden hose connected to the outlet at the bottom every 6-9 months will help prevent calcium buildup and prolong the life of the unit. The safety relief valve is located at or near the top of the water heater and is pressure operated. It may also be manually operated. If this valve drains hot water through the outside drain you should notify the plumber at once.

KITCHEN EQUIPMENT:

A use and care manual as well as warranty information for each of your appliances will be left in one of your kitchen drawers. Please read through this information carefully.

Some things to remember when using the dishwasher: run hot top water before starting the dishwasher. You may want to hand wash plastic dishes because high temperatures may melt plastic dishes. You will want to pre-rinse dishes before loading the dishwasher to reduce sediment in the dishwasher during the wash cycle. Running the garbage disposal before each use of the dishwasher will also reduce the amount of sediment in the dishwasher during the wash cycle.

The operation switch for the garbage disposal is located on the wall above the counter closest to the disposal. Always run tap water when operating your garbage disposal. Bones, large seeds, etc. should not be put into the disposal because they may cause a jam. In the event something accidentally gets into the disposal and causes a jam, follow these instructions:

(1) Turn the disposal off at the switch, (2) remove all materials from the disposal, (3) press the reset button on the bottom of the disposal until it will stay depressed, (4) turn the disposal on at the switch, (5) after trying this, if the disposal is still not turning, turn the disposal off at the switch, (6) press the reset button until it stays depressed, (7) and use the allen wrench for your disposal to manually turn the blade counter clockwise several times. Then turn on the disposal at the switch. The disposal should then be working.

All kitchen counter tops, whether Formica or ceramic tile, can be cleaned with a kitchen cleanser such as "Fantastik," "409," or "Glass Plus." Strong abrasives are not recommended because they might scratch the finish on your counter top.

BATHROOM MAINTENANCE:

The cultured marble used in the baths of your home should be cleaned with a non-abrasive cleaner and a soft cloth or sponge to prevent scratching.

Grouting around the tile, the tub areas, and commodes should be replaced as need to seal wet areas. Grouting is warrantable for the first thirty days after closing. After this time it is part of regular home maintenance.

MAINTAINING INTERIOR PAINTED SURFACES:

All painted surfaces inside your home are painted with interior latex or enamel. The enamel surfaces can be cleaned with mild soap and water. The latex paint is water based and may wash off. We have provided a paint touch-up kit at time of your final New Home Introduction Meeting for touching up smudges on the latex paint in your home.

Touch-up - Interior Flat Wall Paint

Listed below are some helpful instructions that should be used to help insure good touch up of wall paints. Due to the lighter textures being used on the interior walls as well as the darker decorative colors, it is more important than ever to follow these instructions.

1. Apply wall paint evenly when coating the walls to help insure good coverage of the wall paint. Materials should not be thinned. Adding water only decreases the hide of the wall paint. Without proper hide of wall paint good touch-up can not be obtained.

2. When doing touch-up, thin the wall paint approximately 20-30%. With the lighter textures not being used it is important not to put the touch-up paint on too thick. Our wall paints are very thick (approximately 95 k.u.) when opened. If touch-up paint is applied too thick, it can change the texture slightly on the wall causing the light to reflect off these spots differently. When this happens you will see a difference in the touch-up spot when you look down the wall. A this touch-up spot will be more likely to blend in and match.

3. Feather touch-up spot out. It is important not to leave a defined edge in your touch-up spot. Without this edge it is harder to notice any touch-up spot.

4. When the wall or area to be touched-up is not very large, it is recommended to run corner to corner. This takes very little extra time and eliminates several small touch-up spots in a "small" area.

Monarch Paint Company is committed to supplying quality products to Bayway Homes. If you have any problems please call Bayway Homes' main office at (281)648-2425. We will be glad to come out and help find a solution to any problem you may be having.

Washing Wall Paints

Bayway Homes uses Monarch Flat Wall Paint for its walls and ceilings. Monarch Flat Wall Paint is a high quality latex wall paint with good washability. Homeowners often inquire about the proper way to wash painted walls.

Flat latex wall paints are composed primarily of Titanium Dioxide, various inert pigments (used to impart flatness), and latex resin. Small quantities of wetting agents and other additives are used. It is the inert pigments which are sensitive to washing and scrubbing. All of the pigments which have the ability to impart flatness are by their very nature somewhat fragile and tend to burnish when subject to

vigorous scrubbing. This occurs because the actual pigment particles are fractured during the scrubbing process if too much force is used. Even the most scrub-resistant paints can be affected.

It is entirely possible to wash walls to remove dirt and other foreign substances from walls which have been coated with flat latex paints. It is important to remember that these paints are somewhat sensitive, however, particularly when compared to latex enamels.

If one wishes to remove dirt or other soil from a wall painted with a flat latex paint, one should use a cloth dampened with water only during the first attempt. A gentle wiping motion should be employed. The temptation to use patent cleaning solutions (Windex, Formula 409, Fantastik) should be resisted since these compounds contain strong solvents and wetting agents which can actually attack the latex resin itself. Mild soap may be used if water alone does not remove the dirt or soil.

Flat wall paints are also considerably more porous than latex enamels due to the pigment loadings necessary to make them flat and allow them to have good touch-up qualities. Large quantities of water and soap or the use of patent cleaners can penetrate these coating and cause any texturing material which is on the walls beneath them to soften and be loosened. In these cases, it would appear the paint has failed when actually the texturing material has been re-wetted and softened. The topcoat comes off with the texture.

The use of too much force when washing flat wall paints can cause burnishing or the coating. These marks appear as a shiny spot on the wall. The force used during scrubbing actually fractures the pigment particles and causes these fractured particles to be removed from the coating. When these pigment particles are removed, the surface profile of the coating is destroyed and the scrubbed area develops more sheen and appears as a shiny spot. This problem is common to ALL flat wall paints regardless of the manufacturer.

MAINTAINING FLOORS:

Regular vacuuming of your carpet will enhance and prolong its beauty and life. If needed, spot cleaning is recommended with a product called "Incredible."

A small note about vinyl floor coverings: Many homeowners like to decorate with floor rugs. Many area rugs are backed with rubber to prevent the rug from slipping. Rubber backing will discolor the vinyl floor covering over time. To prevent discoloration, a foam pad can be used beneath floor rugs to hold them in place.

MAINTAINING DOORS AND WINDOWS:

DOORS: Bayway provides a beautiful fir door on each home that is built. Your door has been stained and sealed with polyurethane to keep it beautiful and protect it from the weather. Sunshine and humidity are harsh on your front door and will dull the finish and in some cases cause cracking if the door is left unprotected. You can keep your door looking beautiful and protected by lightly sanding it and then applying Monarch Brand M-thane polyurethane every 4-6 months.

Seasonal inspections of caulking around the windows is suggested to prevent leaks and rattles that result from the normal cracking or chipping of the caulk. After extreme weather seasons, check weather-stripping around doors and windows.

A note about the frosted glass windows in the bath areas of your home: This decorative glass appears to be opaque and obscure vision into your home. It is in fact transparent. The frost on the glass is strictly for decorative purposes and does not prevent passers by from seeing into these areas of your home. From several feet away clear silhouettes of objects, persons, or movement in these rooms are

visible. It is for this reason, as well as for your comfort and security, that we strongly recommend window coverings in these areas of your home.

B. EXTERIOR HOME CARE:

LAWN DRAINAGE:

The grading of your homesite and drainage have been approved and certified by a licensed surveyor. Any alteration of this drainage could nullify your warranty. A few helpful tips are listed below:

- * Flowerbeds should not be built above the slab line. In times of heavy rain, water can drain from flowerbeds into the home if the beds are too high. Any water damage caused by these circumstances is not warrantable.
- * Trees should not be planted with 5 feet of your home.
- * Drainage around your home should run away from the house. After a heavy rain, water may accumulate in the yard and take as long as 24 hours to drain away. It may take as long as 72 hours in the swales.

CONCRETE MAINTENANCE:

Your concrete driveway is built to accommodate vehicles weighing less than 1/2 ton. Vehicles weighing over 1/2 ton (heavy moving vans, concrete trucks, sand trucks) and other heavy equipment should not be driven onto or over the driveway.

Hairline cracks in your driveways, patios, and sidewalks may appear as time passes. These cracks are caused by natural movement of the earth and settlement. They are common to this geographical location and are not significant.

EXTERIOR HOME MAINTENANCE:

There are openings between the bricks on the bottom row of the masonry on your home. These spaces (or holes) are to allow any moisture that may collect between the walls to drain. Please insure that these "weep holes" are kept open.

Small hairline cracks may appear in the brick and mortar. These are caused from settlement and movement of the house and are normal and insignificant.

You will want to frequently inspect the gutters on your home to keep objects from lodging and causing blockage in the gutter and downspout. Leaves and other such debris can usually be washed out with a water hose. By frequently cleaning your gutters you will also help prevent the gutters from pulling away from the house. Splash blocks are provided for your home so that water draining from the gutters doesn't wash out your flowerbeds. We strongly recommend these splash blocks remain in place because they direct water run-off away from the house and prevent future slab problems.

MILDEW – AND WHAT TO DO ABOUT IT:

Mildew is the visible result of a type of fungi growth. All fungi propagate microscopic spores which float through the air and after landing on a hospitable surface, germinate. Fungi feed on organic matter - wood, paper, leather, plastic, or paint to mention a few -- and in the process, decompose and eventually destroy the surface on which they are growing. Mildew will also feed on superficial films of dirt, grease or other organic matter frequently found on inorganic surfaces such as metal or porcelain

strength and ability to perform its intended purpose can rely directly on some simple maintenance items that the homeowner can control.

In the Greater Houston area, the soil that supports the foundation shrinks and swells during extreme rainfall and dry weather associated with seasonal changes. In order to reduce the shrinking and swelling of the supporting soils, it is recommended that a homeowner maintain a consistent moisture level around the home. To help you accomplish this, here are some simple guidelines for care and maintenance of your home's foundation.

The grade on your home provides one of the most vital aspects of your foundation's soundness. The grade of the home is intended to direct water away from the slab to the street. You will notice that the slab of your home is exposed around the entire periphery. Grading requirements specify that the slope away from your home is to fall six inches in the first ten feet of runaway from your home. Many homes have only five feet of distance between the home and the side yard property line or fence; therefore, the six inches of fall required has to be established in the five feet available. This is the reason you may see a seep slope on the side of your house.

Swales behind and along both sides of the home are established when a home is completed. These swales are the troughs or ditches you generally see formed around the back and side yards of your home to help direct water away from the slab. The swales need to be maintained in order for water to continue moving away from the foundation. Many new homes do not have grass in the back or side yards when they are first occupied. Subsequently, heavy rainfall will usually cause silt to form in the swales. This silt will need to be removed from the swales to allow proper water flow, and can be used to fill low areas that erode.

It is recommended that you establish your yard in the back and side yards as quickly as possible. This can be accomplished by sodding the yard, sprigging the yard, or even spreading grass seed. Ground cover (grass) not only holds your grade and swales intact, but helps retain moisture in the soil beneath it, giving more consistency to the soil surrounding the foundation. If you sprig your yard, you may want to strip sod areas around your swales to minimize the erosion or silt deposits.

Another consideration for a home's grade is animals. Dogs often dig holes during hot summer days in search of cooler ground. It is important to fill these areas in so that water doesn't pool around your foundation. If the problem persists, there are products on the market that you can spray on your yard to deter dogs from digging.

FOLIAGE FACTS THAT AFFECT THE HOME:

Establishing and properly maintaining a yard significantly reduces the risk of foundation related problems for a home. The following guidelines will help homeowners protect foundations:

Proper watering is essential. If your yard is complete in the front but not in the back, the tendency is to simply water the grass or flower beds you have established. It is very important during extreme dry periods that you keep a **consistent** level of moisture in the soil around the entire perimeter of the foundation. The most convenient means of accomplishing this is with a properly installed sprinkler system. However, a hose and lawn sprinkler will provide the same results as long as you monitor the amount of time you let the sprinkler run on each side of the foundation. Remember, the key is equal distribution of water which gives consistency to the soil's moisture content.

Trees or shrubs planted near the home's foundation required special attention. During extremely dry periods, trees and shrubs will seek out water. These plants may drain excessive amounts of water from the soil in surrounding areas causing the soil to lose moisture and become inconsistent. Remember that trees and shrubs require larger amounts of water than grass.

Prune trees back that are close to the home. This will reduce root growth near or under the foundation.

Make sure that flower beds, trees, storage sheds, decks or spas do not impede the grading or drainage of your yard. Flower beds should always slope away from the foundation to avoid over saturation of that area. If flower beds cover the discharge areas of a gutter, extensions should be attached to ensure water flows properly from that area.

These maintenance tips will help your home's foundation serve its intended purpose and reduce the risk of foundation related problems now and in the years to come.

DETAILED INFORMATION ABOUT YOUR HEATING & AIR CONDITIONING SYSTEM

**** Please study carefully ****

SOME HELPFUL INFORMATION ABOUT YOUR HEATING AND AIR CONDITIONING SYSTEM

Comfort is defined differently by many people. Some like a home very cool and some like it more temperate. We have sized your air conditioning system to comply with the latest requirement of the Air Conditioning Contractors Association of America using their Manual "J" (which assumed drapes on all windows, no mini blinds, etc.) as the standard, along with the requirements of the Department of Energy and the specifications of the manufacturer of your equipment.

Your air conditioning system removes humidity first, then removes the heat from within the house. The more heat and humidity in the home from showers, cooking, windows not covered with drapes (especially on the sunny side), and activity in the home, the more running time for the air conditioner. As outside temperatures get above 90 degrees, the running time becomes long and off time becomes very short. On 94 to 96 degree days, the unit will probably run continuously from late morning until late evening with no stops or almost no stops. This is not bad. This is the design criteria and is the most efficient method of cooling. Think of it like cruising at 55 mph on the freeway as compared to stop and go traffic.

Short run time for an air conditioner creates stress to the parts and does very little to remove humidity. Long run times remove the most humidity. Please keep in mind that high humidity even in cool air is uncomfortable.

Once the temperature outside reaches 95 degrees, the temperature inside will start to exceed 75 degrees and will increase at approximately 1.5 degrees for each one (1) degree rise in outside temperature. At 100 degrees outside, you can expect 80 to 84 degrees inside.

Air conditioning systems are sized with factors that include drapes on all windows. Uncovered windows or windows with mini blinds add tremendously to the heat in the home. Mini blinds take the light rays from the sun and convert them to radiated heat waves within the living space. They are solar radiators. They are not acceptable window covering for air conditioned spaces. We recommend lined drapes or multi-cell pleated shades. Fabric or wood blinds are also acceptable.

Homes with two air conditioning systems *must* have both systems operating to achieve optimum performance. Having one unit off will not save energy but will cause stress to the other unit and discomfort with the home. The heat that enters the home cannot be removed by a single system when the systems are sized with the combined capacity equal to the required capacity. Running only one

system also causes a humidity build-up in the unconditioned area that will deteriorate the structure of the home.

An air conditioning system in the coastal Texas areas runs enough hours each year (approximately 2400 hours) to equal the equivalent of your car being driven 132,000 miles (2400 x 55 mph). Would you drive your car that many miles without changing fluids and filters and replacing tires, shocks, etc.? Fortunately, your air conditioning system is designed and installed better than that. But, you must take an active role in maintaining your system. Change filters at least monthly, clean the outdoor unit two or three times each year and have a licensed air conditioning contractor properly service your unit every year. Maintenance is the secret to good performance and longer life.

You are fortunate enough to have purchased a home with a high efficiency air conditioning system. Proper care should be taken to keep it at peak performance. We can provide you with proper maintenance and repairs by factory authorized servicemen. We are happy to service your system while under warranty. You are covered by a limited warranty. A copy may be obtained by a written request sent to our office. In general, you are covered against defects in material or workmanship for one (1) year. The compress (part only, no labor or incidentals) is warranted by the manufacturer for an additional four (4) years. Abuse, damage, acts of God, etc., are not covered. Your new air conditioning system requires an active maintenance effort on your part to reduce the likelihood of damage due to neglect, improper maintenance or abnormal use. We also maintain the system as stated in the "R.W.C." booklet provided by Bayway Homes. Certain systems we provide have enhanced warranties. Ask your sales counselor to explain your warranty.

Test your air conditioning system early each spring on a warm day. Set the thermostat to "cool" and the temperature to 3 to 5 degrees lower than the actual room temperature. This will allow you to feel if it is cooling. If any repairs are necessary, they can be completed before the hot weather begins.

Set the thermostat to a reasonable comfort level rather than to an exact number. You cannot have a maximum energy savings and maximum comfort at the same time. Thermostats are designed with a 3 to 5 degree variation.

In addition, if the outside temperature is 20 degrees higher than the thermostat setting inside your home, do not expect the unit to cycle off. Also, there is lag time in the evening when heat in the attic and walls affects the inside temperature even though the air outside has cooled.

Programmable thermostats - they are helpful in saving energy, but have a number of limitations. In the summer season, the temperature should not be set to rise more than 6 degrees above normal cooling temperature and in no situation should the high setting be above 83 degrees. Allow at least two (2) hours for recovery to normal settling. If the "Set-Up" temperature is not for at least eight (8) hours, the energy to cool the home down will offset any savings you may have.

SPECIAL NOTES:

Drain Lines must be cleaned each spring. Check them often. The drain is properly installed if it works the first 30 days of the first cooling season after installation. Any failure after that time is caused by mishandling or neglect. We recommend that Clorox be poured into the drain each spring, midsummer, and fall to kill natural algae that forms in drain lines.

Drain Noises are usually not the fault of the air conditioning but originate in the plumber's P trap and overflow pipe if you have drain noises.

Electrostatic Air Filters - we do not recommend them. If you install them in your home you must increase the number of filter grills in your home to at least double the filter area. You can seriously

damage your system with electrostatic filters. Air balance can not be properly completed unless the specified filter area is installed.

Air Balance is the responsibility of the homeowner. We are happy to assist you with instruction on air balance and will have a technician assist you if necessary. All windows must be covered with drapes or insulated shades before air can be balanced. Mini blinds are of no benefit to the temperature in a home. In fact, they convert light energy to radiated heat inside the living area. We discourage their use. A 3 degree variation between rooms is allowed by specifications. It is often necessary to readjust the grills in the ductwork as the seasons change, especially in the two-story homes. Adjust the grill to change air volume. "Air Balance" is just another word for "air flow control" to any room.

Keep the doors to bedrooms open or partially open to allow air to leave the rooms. *Closed doors* prevent air from entering through the duct. Turning the thermostat fan switch "on" will keep air moving in the home, which creates comfort and evens the temperature throughout the conditioned space. It also filters the air better. The fan operates at a lower [economical] speed in the "on" position. It is normal for room temperature to vary by 3 degrees from room to room.

Before you call for service be sure you have completed the following:

1. Check all operating conditions described above.
2. Be sure you *filter* clean. This should be checked and cleaned or replaced *every three weeks*. **ANY SERVICE CALLS MAKE THAT ARE FOUND TO BE CAUSED BY A DIRTY FILTER WILL BE BILLED AT OUR REGULAR SERVICE CALL CHARGE.**
3. You *must* double the area of your filters if you install Electrostatic Air Filters.
4. Be sure your thermostat is set properly for the desired results. For example, selector switch should be in "cool" position and temperature indicator set to desired inside temperature.
5. You can expect a 3 to 5 degree variation in your thermostat. The thermostat keeps the indoor fan running from 1 to 3 minutes after air conditioning or heat cycled off. This increases efficiency and comfort.
6. Do not turn the unit off and on in rapid succession. It could seriously damage your compressor. Wait three [3] minutes before restarting.
7. Check to see if the outside unit is running. If not, turn the thermostat to "off" position and throw your condenser circuit breaker to "off" position. Wait 20 minutes, then firmly return the breaker to "on" position and the thermostat to "cool" position. This should return your air conditioning unit to normal operations. **ANY SERVICE CALL THAT IS ONLY A TRIPPED BREAKER WILL BE BILLED A REGULAR SERVICE CALL CHARGE.** If compressor is off due to rapid "off/on" of the thermostat, turn breaker off for two (2) hours before restart. Breakers are often tripped during thunder storms. If you unit does not cool after an electrical storm, the breakers are probably off.

You should turn your system off at the thermostat during electrical storms and time of power failure. Wait a minimum of 20 minutes after power returns to normal before turning thermostat back on.

8. Be sure the electrical switch to the furnace, near access in attic or closet, is "on." IF THE SERVICE MAN FINDS THIS SWITCH OFF, YOU WILL BE BILLED A REGULAR SERVICE CALL CHARGE.

Check and clean condenser coil (outside unit) each Spring and periodically during the Summer to insure it is clean. Trim back grass, weeds and bushes, pick up paper, etc., to keep them from interfering with air flow.

Lubricate blower motors each Spring and Fall for longer life. Use SAE 20W non-detergent oil only.

Do not expect your system to give you adequate performance without running 15 to 20 hours each day, especially in hot weather. This much running time is necessary to keep humidity and temperature under control.

HEATING OPERATIONS

When fall weather first appears, open your window and turn the system switch to heat. This will allow you to verify that the heater is working and to "burn off" the dust on the heat exchanger. Do not store any items within three feet of a furnace. If heat does not come on, check to see that the valve on the gas line is open and the internal gas valve in the furnace is turned to "on."

Remember when using the heating system, the fan does not come on immediately when the thermostat is turned up. It takes time (as immediately as five (5) minutes) for the heater to reach the temperature necessary to turn the fan on. Also, when you turn the furnace off it must cool before the fan will shut off. The fan will run continually if the fan switch is in the "on" position.

The indoor fan will come on automatically even if no flame is present in the heat exchanger.

The new high efficiency gas furnace has an electronic ignition which lights the burners each time heat is called for by the thermostat. If there is air in the natural gas line the furnace will attempt to purge the line by three (3) attempts to ignite. It then locks out for one (1) hour. You may override the lock out by switching the thermostat to "off" then back to heat. It will make three (3) attempts to ignite each time you override the lockout.

Once your home is two (2) years old, have your furnace checked by a qualified technician and serviced each fall. A faulty furnace can kill members of your family. A faulty furnace can cause fires. Do not risk lives!!

Visually check your entire system twice each year to see that the equipment and duct work are intact and no defects are present.

STERLING AIR CONDITIONING

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TACL-A203C

AIR CONDITIONING DESIGNS

Following is a brief discussion of how a single air conditioning system performs in a two-story home.

First, we calculate the total heat gain and loss in the home to determine the appropriate amount of air conditioning and heating required to properly condition the home. If more than 57,000 btu's on Carrier and 60,000 btu's on Amana of cooling is the calculated requirement, then we must use two systems, regardless if the house is a single or two-story structure. If the home calculates to less than the listed btu's of cooling, then a single air conditioning system may be used.

When a two-story home is calculated to require a single system, then certain supply and return air duct design criteria are implemented to assure reasonable balances of heating and cooling on both floors. This is accomplished by taking into consideration the length of the ductwork going downstairs and "up-sizing" the supply duct to compensate for the static pressure present in the longer duct runs. The second, and major, consideration is in the design of the return air system to make certain that return air is taken from both floors and, particularly that the return air opening on the second floor, is either high in the wall or in the ceiling in a common area. It is also important to have a return air opening in the master bedroom for maximum comfort (homeowner option). The purpose and function of the high return air is to remove the strata of warm air that is formed in every home near the ceiling of the second floor that is caused by the natural convection of air currents in the home. Convection causes the majority of the warm air present in the home to accumulate in the warm air strata. With the return air opening placed high on the second floor, the warm air strata is removed every time the air conditioning or heating system operates and would be continually removed if the system fan were left in the "on" position. This accomplishes a balancing of the temperature. We have fewer air balance requests on single system, two-story homes with proper return air than we do on two-system, two-story homes that are designed with standard return air.

The proper sizing in BTU capacity along with good supply and return design and installation is the key to comfort, not the number of units.

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PROPER RETURN AIR PLACEMENT

When it is understood that an air conditioning system is a heat removing machine (rather than cooling), it becomes more apparent that the placement of the return air openings is the key to performance and efficiency.

Since air conditioning homes is relatively new (since 1950's) and grew out of the heating business, some old heating concepts have been carried forward without much thought or study of the effects on air conditioning. Some air conditioning contractors and associations concluded that air stratification in two story homes has been the cause of excess heat upstairs in two story homes. This is generally true in summer and winter. Heat in the home is constantly rising, as cold is constantly falling.

When consideration is given to removing heat, then it is apparent that the best location for the upstairs return air opening is high in the wall or in the ceiling. In experiments we have conducted, we lower the upstairs temperature from 3° to 8° in homes that had "old technology" return air locations simply by moving the upstairs return air from low in the wall to high in the wall or by adding a ceiling return air upstairs.

As other members of the industry become aware of this technique they are also changing their approach to designing their air conditioning systems. A recent article in Contracting Business Magazine (November 1997) entitled, 'TAKE THE HEAT OUT OF THE SECOND FLOOR', recommended high return air on the second floor as a solution. The article states "Add to top floor high wall, ceiling level, returns (if there are none) to improve circulation and reduce stagnation. Although this may require major surgery, the results are worth it."

PROPER SUPPLY REGISTER PLACEMENT

As noted above, the air conditioning industry started from the heating business. As such, the placement of supply registers near or at the outside wall of rooms was adopted by some air conditioning contractors. This may be the best location for heating, but in warm climates with heavy air condition requirements, it is the worst location. Outside wall location of supply registers allows for "dead air" locations in each room and wasted energy because the glass and wall are cooled excessively, which increases the rate of heat flow from outside to inside.

With proper style registers and proper supply locations, the air pattern is designed to blanket the entire room and for air flow to be at only 50 feet per minute when it reaches the outside walls. This assures even and complete air movement throughout the room and not only at the outside wall. Everyone refers to the A.C.C.A. "Manual J" when discussing air conditioning. "Manual J" is only one of a dozen manuals published by A.C.C.A. to aid in the design of air conditioning systems. A.C.C.A. "Manual D" is actually the book on supply and return design, ("Manual J" is only for sizing equipment). Chapter I, Page 4, of "Manual D" describes the various placement and best location of supply registers and states the same principle I described above. Other support is contained throughout this chapter.

In conclusion, the proper and best placement of supply registers is within an 8' to 12' distance from the window wall of a room and evenly spaced from the sidewalls. Sometimes the construction of a home (2 story and vaulted ceilings) does not allow for the best location. The home will cool adequately with "second choice" locations, but performance and efficiency will be adversely affected.

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HOMEOWNER OPERATING RESPONSIBILITIES and LIMITED WARRANTY INFORMATION

HELPFUL HINTS ABOUT YOUR CENTRAL HEATING AND AIR CONDITIONING SYSTEM

Please study carefully

Welcome to your new home in which your builder has selected a quality brand of high efficiency air conditioning. We, at Sterling Air Conditioning Inc., have installed your system with care and want you to enjoy the comfort of your home.

Comfort is defined differently by many people. Some like a home very cool and some like it more temperate. We have sized your air conditioning system to comply with the latest requirements of the Air Conditioning Contractors Association of America using their Manual "J" (which assumes drapes on all windows, not mini blinds, etc.) as the standard, along with the requirements of the Department of Energy and the specifications of your builder and the manufacturer of your equipment.

Your air conditioning system first removes humidity, then removes the heat from within the home. The more heat and humidity in the home from showers, cooking, windows not covered with drapes, (especially on the sunny sides), and activity in the home, the more running time for the air conditioner. As outside temperatures get above 90 degrees, the running time becomes long and off time becomes very short. On 94 degree to 96 degree days, the unit will probably run continuously from late morning until late evening with no stops or almost no stops. This is not bad. This is the design criteria and is the most efficient method of cooling. Think of it like cruising at 55 M.P.H. on the freeway as compared to stop and go city traffic.

Short run time for an air conditioner creates stress to the parts and does very little to remove humidity. Long run times remove the most humidity. Please keep in mind that high humidity, even in cool air, is uncomfortable.

Once the temperature outside reaches 95 degrees, the temperature inside will start to exceed 75 degrees and will increase at approximately 1.5 degrees for each 1 degree rise in outside temperature. At 100 degrees outside, you can expect 80 to 84 degrees inside. (By the formula above, it would be 82.5°.)

revised 5/99

SERVICE NUMBER (281) 996-5857

Air conditioning systems are sized with factors that include drapes on all windows. Uncovered windows or windows with mini blinds, add tremendously to the heat in the home. Mini blinds take the light rays from the sun and convert them to radiated heat waves within the living space. They are solar radiators. They are not acceptable window coverings for air conditioned spaces. We recommend lined drapes or multi-cell pleated shades. Fabric or wood blinds are also acceptable.

Two system homes must have both systems operating to achieve optimum performance. Having one unit off will not save energy, but will cause stress to the other unit and discomfort within the home. The heat that enters the home cannot be removed by a single system, when the systems are sized with the combined capacity equal to the required capacity. Running only one system also causes a humidity build-up in the unconditioned area that will deteriorate the structure of the home. A 2° to 3° difference between unit temperature settings is the maximum difference allowed.

An air conditioning system in the coastal Texas area runs enough hours each year, approximately 2400 hours, which is equal the equivalent of your car being driven 132,000 miles (2400 hrs. x 55 M.P.H.). Would you drive your car that many miles without changing fluids, filters and replacing tires, shocks, etc.? Fortunately, your air conditioning system is designed and installed better than "that car". You must take an active role in maintaining your system. Change filters at least monthly. Clean the outdoor unit two or three times each year and have a licensed air conditioning contractor properly service your unit every year. Keep the drain line clear of algae. Maintenance is the secret to good performance and longer life.

You are fortunate enough to have purchased a home with a quality high efficiency air conditioning system. Proper care should be taken to keep it at peak performance. We can provide you with proper maintenance and repairs by factory authorized servicemen. We are happy to service your system while under warranty.

You are covered by a limited warranty. Copies of the warranty and factory information were left for you in your home at the time of move in. A copy may be obtained by a written request sent to our office if yours is misplaced. In general, you are covered against defects in material or workmanship for one (1) year. The compressor (part only, no labor or incidentals) is warranted by the manufacturer for an additional four (4) years. Amana air conditioning systems have manufacturers warranty of 5 years on all parts, 7 years on compressor and coils on 10 & 11 SEER systems. On 12 & 14 SEER systems the warranty is 5 years on all parts and 10 years on compressor and coils. These are part only warranties. Abuse, damage, acts of God, etc., are not covered. Your new air conditioning system requires an active maintenance effort on your part to reduce the likelihood of damage due to neglect, improper maintenance or abnormal use. We also maintain the system as stated in the "Homeowner Warranty" booklet your builder provided for you. Certain systems we provide have enhanced warranties. Ask your builder sales person to explain your warranty.

As an added benefit to you, Sterling Air Conditioning Inc., provides a two year labor warranty. We provide exceptional value and products you can trust.

SERVICE NUMBER (281) 996-5857

Test your air conditioning system early each spring on a warm day. Set the thermostat to "cool" and the temperature to 3° to 5° lower than the actual room temperature. This will allow you to feel if it is cooling and have any repairs, if necessary, completed prior to hot weather.

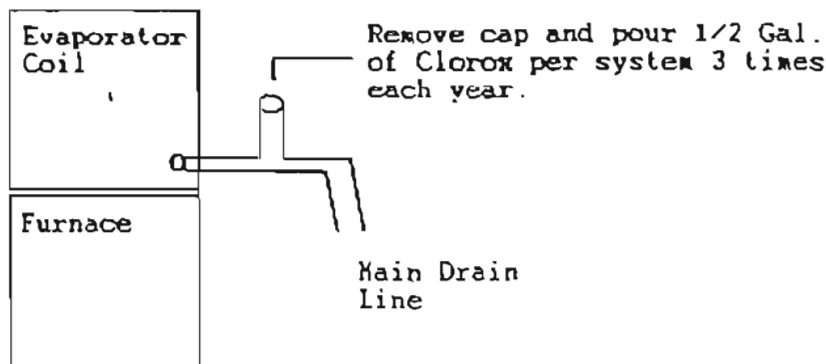
Set the thermostat to a reasonable comfort level rather than to an exact degree number. You cannot have maximum energy savings and maximum comfort at the same time. Thermostats are designed with a 3 to 5 degree variation.

In addition, if the outside temperature is 20 degrees higher than the thermostat setting inside your home, do not expect the unit to cycle off. Also, there is lag time in the evening when heat in the attic and walls affects the inside temperature even though the air outside has cooled.

Programmable thermostats - They are helpful in saving energy, but they have a number of limitations. In the summer season, the temperature should not be set to rise more than 6 degrees above normal cooling temperature, and in no situation should the high setting be above 83 degrees. Allow at least two hours for recovery to normal setting. If the "Set Up" temperature is not for at least eight (8) hours, the energy to cool the home will offset any savings you may have.

SPECIAL NOTES:

Drain lines must be cleaned each spring. Check them often. The drain is properly installed if it works the first thirty (30) days of the first cooling season after installation. Any failure is then caused by mishandling or neglect. We recommend that Clorox be poured into the drain each spring (April), midsummer (July) and fall (October) to kill natural algae which forms in drain lines.



Drain Noises are usually not the fault of the air conditioning but originate in the plumber's pipe at the "P" trap below the bath tub or under a sink. You should insulate the plumber's "P" trap and overflow pipe if you have drain noise.

SERVICE NUMBER (281) 996-5857

Electrostatic Air Filters - We do not recommend them. If you install them in your home you must increase the number of filter grills in your home to at least double the original filter area. You can seriously damage your system with electrostatic filters. An air balance can not be properly completed unless the specified filter area is installed.

Candle burning and fireplaces in tightly constructed homes sometime cause an accumulation of "black soot" in homes. This is caused by the incomplete combustion of a yellow flame. If soot is noticed in you home, discontinue candle burning and be sure the damper on the fireplace is open. Always open a window 1 to 2 inches when using the fireplace so the natural draft up the chimney will carry the soot and gases out of your home. Please read our letter to you which is attached and made a part of this booklet.

The soot is not being caused by the heating/air conditioning system. The air circulating components of the system will partially filter the very fine soot particles, but most are just recirculated throughout the home.

Tightly constructed homes are mandated by codes to conserve energy, but in the process, less fresh air is allowed into the home. Remember to introduce fresh air by opening windows.

Air Balance is the responsibility of the homeowner. We are happy to assist you with instructions on air balance and will have a technician assist you if necessary. All windows must be covered with drapes or insulated shades before air can be balanced. Mini blinds are of no benefit to the temperature in a home. In fact, they convert light energy to radiated heat inside the living area. We discourage their use. A 3° variation between rooms is allowed by specifications. It is often necessary to readjust the grills in the duct work as the seasons change, especially in the two-story homes. Adjust the grill to change air volume. "Air Balance" is just another word for "air flow control" to any room. Two system homes must have both systems set to the same temperature to achieve balance.

The doors to bedrooms must be kept open or partially open to allow air to leave the rooms. Closed doors prevent air from entering through the duct. Without good air flow the temperature cannot be maintained. Drapes on windows are necessary prior to balancing the air. Turning the thermostat "fan" switch to "on" will keep air moving in the home. This creates comfort and evens the temperature throughout the conditioned space. It also filters the air better. The fan operates at a lower (economical) speed in the "on" position. It is normal for room temperature to vary by 3° from room to room. Two-story homes today are open in design and function as one zone. Operating the indoor fans continuously helps to even the temperature on both floors.

Condensation indoors and attics - When air conditioning systems are operated at temperatures below 75° in certain conditions condensation will form on the outside of windows, exhaust vents and on the furnace, coil and duct work in the attic. The solution is to raise the inside temperature and increase attic ventilation to keep surfaces above dewpoint temperature.

Before you call the service number, (281) 996-5857, be sure you have completed the following:

1. Check all operating conditions described above.

2. Be sure your filter is clean. This should be checked and cleaned, or replaced, every three weeks. **ANY SERVICE CALLS MADE THAT ARE FOUND TO BE CAUSED BY A DIRTY FILTER WILL BE BILLED AT OUR REGULAR SERVICE CHARGE.**
3. You must double the area of your filters if you install Electrostatic Air Filters.
4. Be sure your thermostat is set properly for the desired results. For example, selector switch should be in "cool" position and temperature indicator set to desired inside temperature.
5. You can expect 3 to 5 degree variance in your thermostat. Some circuit boards keep the indoor fan running 1 to 3 minutes after the air conditioning or heating system has cycled off. This increases efficiency and comfort.
6. Do not turn the unit off and on in rapid succession. It could seriously damage your compressor. Wait 3 minutes before restarting.
7. Check to see if the unit is running. If not, turn the thermostat to the "off" position, then turn your condenser circuit breaker to the "off" position. Wait twenty (20) minutes, then firmly return the breaker to "on" position and the thermostat to "cool" position. This should return your air conditioning unit to normal operation. **ANY SERVICE CALL THAT IS ONLY A TRIPPED BREAKER WILL BE BILLED A REGULAR SERVICE CHARGE.** If compressor is off due to rapid "off/on" of the thermostat, turn the breaker off for two (2) hours before restarting. Breakers are often tripped during thunder storms. If your unit does not cool after an electrical storm, the breakers are probably off.

You should turn your system off at the thermostat during electrical storms and times of power failure. Wait a minimum of ten (10) minutes after power returns to normal before turning your thermostat back on.

8. Be sure the electrical switch to the furnace, which is near the access in attic or closet, is "on". **IF THE SERVICE MAN FINDS THIS SWITCH OFF, YOU WILL BE BILLED A REGULAR SERVICE CALL CHARGE.** This switch is often turned off when attempting to turn off attic lights.

Check and clean the condenser coil (outside unit) each Spring and periodically during the summer to insure it is clean. Trim back grass, weeds and bushes, pick-up paper, plastic etc., to keep items from interfering with air flow.

Do not expect your system to give you adequate performance without running 15 to 20 hours each day in hot weather. This much running time is necessary to keep humidity and temperature under control.

For additional efficiency, ventilate your attic with numerous ridge and soffit vents, or electric attic exhaust fans. They are not normally supplied by builders, but they are an effective means of reducing attic temperatures. Attic temperatures should not exceed 100-105 degrees on a hot day (Improper or poor venting = 120 to 140 degree attics). Hot attics increase your operating cost 20% or more. It pays to reduce attic temperature.

HEATING OPERATIONS:

When fall weather first appears, open your windows and turn the system switch to heat and raise the temperature setting. This will allow you to verify that the heater is working and to "burn off" the dust on the heat exchanger. If heater does not cycle on, check to see that the valve on the gas line is open and the internal gas valve in the furnace is turned to "on". Do not store any items within three feet of a furnace. This avoids fires and allows proper air flow around the furnace.

Condensation - In the fall and throughout winter, there are times when weather conditions cause moisture to form on the inside of window glass and frames. This is referred to as the "ice tea glass" effect. The sudden drop in temperature outside, after a mild and humid period, (during which moisture has built up within the home) will cause moisture to condense on the window glass. This is similar to the moisture that condenses on the "ice tea glass". Condensation is not a system problem. Wipe moisture from the windows, and it will not condense again until the next mild spell followed by a cold spell.

When using the heating system, the fan does not come on immediately after the thermostat is turned up. It takes time (as much as five (5) minutes) for the fan to come on. Also, when you turn the furnace off, the furnace must cool before the fan will shut off. The fan will run continually if the fan switch is in the "on" position.

The new high efficiency furnace has an electronic ignition which lights the burners each time heat is called for by the thermostat. If there is air in the natural gas line, the furnace will attempt to purge the line by three attempts to ignite. It then locks out for one hour. You may override the lock out by switching the thermostat to "off", then back to heat. It will make three attempts to ignite each time you override the lockout or after each 1 hour lock out.

Once your home is two (2) years old, have your furnace checked by a qualified technician and serviced EACH FALL. A faulty furnace can kill members of your family. A faulty furnace can cause fires. Do not risk lives. Today's furnaces are a higher quality and safer than ever, but caution is still required. An air conditioning "tune up" can be performed at the same time.

Visually check your entire system twice each year to see that the equipment and the duct work are intact and no defects are present.

TO RECAP:

CHECK THE BREAKERS

CLEAN THE COILS

CLOSE FIRE PLACE DAMPER

SAFETY CHECK FURNACE

VENTILATE THE ATTIC

CHANGE THE FILTERS

CLEAN THE DRAINS

SHADE & SEAL WINDOWS & DOORS

DO NOT CHANGE THERMOSTAT RAPIDLY

SAVE MONEY

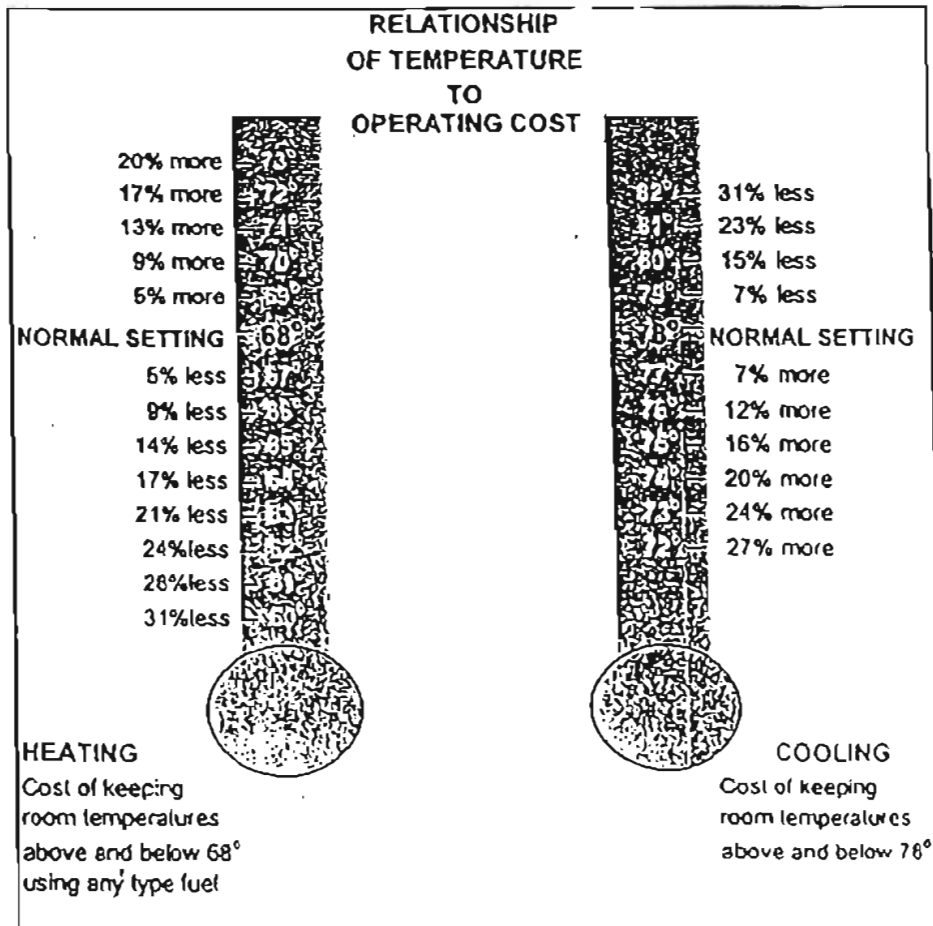
SERVICE NUMBER (281) 996-5857

Utility Cost: Your home has a basic cost of electricity for appliances, lighting, TV's swimming pool pumps, etc. Usually this is \$60 to \$90 per month in the winter and \$80 to \$110 of your electrical bill in the summer. You can determine your winter basic cost by averaging December, January and February utility bills. When summer comes, so do the high utility bills. To give you some criteria so you can anticipate your cooling cost, it is usually about \$50 per month, per ton of air conditioning.

The tonnage of air conditioning in your home is sized not on square footage, but on total heat gain from all areas, with windows and doors having the greatest heat gain. On average, a home with 4 tons of air conditioning would then have a basic cost of approximately \$90 base plus 4 tons time \$50 per ton (90+4x50), or \$290 per month. A home with 7 tons, (110+7x50), would then have a total cost of \$460 per month. These estimates will vary with individual use and are calculated assuming maintaining 78 degrees inside the home.

Utility bills are now very high and getting higher. In an average home, the utility use could increase 20% if you attempt to cool your home to 75 degrees as compared to 80 degrees.

Limitations: We are not responsible for any utility bills or consequential damages. We are not responsible for inconveniences or damage caused if the system should fail. We will not pay for or accept work done by others not authorized by Sterling Air Conditioning, Inc.



OTHER HELPFUL HINTS:

1. When cooking, always turn on the vent hood fan to remove heat and steam.
2. When washing and drying clothes, keep door closed to utility room.
3. Keep all outside doors and windows shaded and closed except when using fireplace.
4. Keep drapes and shades closed as much as possible.
5. Be sure the fireplace damper remains in the closed position through the summer and in the winter when there is no fire going. Conditioned air moves out the chimney at all times when the damper is open. Always open the damper and windows when using the fireplace.
6. Fans help cool you by air movement. If you have ceiling fans or other types of fans, you will find you can be comfortable at a higher temperature.
7. Bath exhaust fans should be on while using the bathtub or shower and at least 10 minutes after to help remove heat and humidity.
8. Generally, whenever the weather turns from mild and humid to colder, natural condensation will form on the inside of windows. This is not a defect in your home or the heating system, but natural condensation of moisture in the indoor air by the cold surface of the glass. It is like moisture forming on the outside of a glass with a cold beverage in it.
9. We recommend running the system fan (controlled by the thermostat) at all times to evenly distribute, mix and filter the air. This evens out temperatures and the compressor runs less.
10. Avoid candle burning! It may cause soot build up due to candles being made of soot producing chemicals and because tighter home construction has less air leakage to allow the soot to escape the home.

STERLING AIR CONDITIONING, INC.

COMMITTED TO EXCELLENCE

EXCEPTIONAL VALUE

STERLING AIR CONDITIONING

Incorporated

a GroupMAC company

TACL-A203

IMPORTANT

Dear Homeowner,

Your new home was built to strict codes and energy standards and is more energy efficient than previous homes you may have lived in. Your home is sealed to control air leakage. While this is energy efficient, there are items which affect air quality and comfort for you to consider.

Control Contaminants

Activities such as smoking, grilling foods, candle burning (other than very occasional), burning incense and prolonged cooking of fried foods will result in carbon and paraffin based carbon being formed within the home. When you combine this with household dust, it will cause noticeable residue, staining or discoloration of carpet, walls, appliances and furniture. Industry standards suggest that the elimination of the source is the best strategy when dealing with air contaminants. In addition, improved filtration of the air may help. This can be accomplished by installing media filters, hepa filters or electronic filters (not electrostatic) of sufficient capacity. These filters must then be changed or serviced on a monthly basis in this situation. In particular, the burning of colored and scented candles has proven to be the major source of the "soot" in homes. Modern candles have a substantial amount of chemical pollutants. Gas logs, by burning orange flames, produce volumes of carbon soot. Always have the damper in the fireplace fully open any time the fire is burning.

Control Air Flow and Comfort

Please be aware that altering airflow in the home can change air pressures, which in turn, can cause contaminants to back draft from fire places and appliances. This is most often caused by closing doors to bedrooms which prevents proper air return and causes negative pressures in the living area. It is recommended that all doors to bedrooms be open. If you desire closing these doors, a window in the living area should be open 1" or 2" to allow air to come in to replace the air moving out the chimney, exhaust vents and supply air to closed rooms. If this is not done, back drafting may result.

This information is given to you as an aid in getting the maximum benefits from your new home and to prevent some problems that occasionally occur.

Very truly yours,

Sterling Air Conditioning, Inc.
Quality Control Department

BayWay Homes

Ashford Village

Warranty Information

The following major sub-contractors should be called directly in case of a need for their services are evenings and weekends. Please refer to page 10 of your *Customer Service and Maintenance booklet* given to you at closing to see if your situation falls under the category of an emergency. Should the sub-contractor not respond in a timely manner then please contact Bayway Homes.

Warranty service requests other than those listed below should be sent to any of its sales offices or mailed to Bayway Homes, Inc., P.O. Box 923, Houston, TX 77001.

ELECTRICAL
281-332-7528

Houston-Stafford Electrical

Please check breaker box in case of electrical failure as you will be billed for the service call if the electrician finds only a tripped breaker. See page 10 of your *Customer Service and Maintenance booklet*.

PLUMBING
281-648-9866

Sunny's Plumbing

You will be billed for stoppages if stoppages is due to toys, washcloths, etc.... See page 11 of your *Customer Service and Maintenance Booklet*.

A/C AND HEATING
281-996-5857

Sterling Air Conditioning

Please check breaker box, thermostat and switches in the attic as you will be billed for the call if the A/C technician finds only a tripped breaker, thermostat turned off or blower switches in the attic turned off. See page 12 of your *Customer Service and maintenance Booklet*.

APPLIANCES
1-800-469-4663

Sears

BayWay Homes

Chase Park

Warranty Information

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PLUMBING
281-550-1763

D and E Plumbing

You will be billed for stoppages if stoppages is due to toys, washcloths, etc.... See page 11 of your *Customer Service and Maintenance Booklet*.

A/C AND HEATING
281-996-5857

Sterling Air Conditioning

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APPLIANCES
1-800-469-4663

Sears

BayWay Homes

Pearland Farms

Warranty Information

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Please check breaker box, thermostat and switches in the attic as you will be billed for the call if the A/C technician finds only a tripped breaker, thermostat turned off or blower switches in the attic turned off. See page 12 of your *Customer Service and maintenance Booklet*.

APPLIANCES
1-800-469-4663

Sears

BayWay Homes

Pine Hollow

Warranty Information

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APPLIANCES
1-800-469-4663

Sears

WARRANTY SERVICE REQUEST

DATE _____ SUBDIVISION _____ HOME PHONE _____
 NAME _____ CLOSING DATE _____ WORK PHONE _____
 ADDRESS _____ WORK PHONE _____

I have reviewed these items in my *Homeowners Guide to Customer Service and Home Maintenance and the HOME of Texas Limited Warranty Blue Book* to ensure the items I am listing are covered under my warranty agreement. Major system warranty items should be called directly to the major system contractor listed on the back of this form.

Signature _____

	Item of Concern	Date Inspected	Contractor / Action	Date Scheduled	Date Complete	Comments
1						
2						
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
15						

Warranty Service will be performed Monday thru Friday between the hours of 8:00AM and 4:00PM. Dye lot and color variations may occur in items replaced and can not be controlled.

Items Complete Date _____ Homeowners Signature _____ Bayway Homes Rep. _____