

Environmental Management System (EMS)

Casaloma Development Corp. does not currently have an EMS in place. It is currently in the process of development and anticipates that it will have an ISO 14001 functionally equivalent EMS ready for review and implementation by our consultant and the department by the first quarter of 2007.

Draft Environmental Policy

Casaloma Development Corporation is committed to the protection of the environment throughout all significant aspects and practices of its organization that impact the environment. This commitment is from undisturbed to undisturbed, and begins with planning and purchase activities and extends forward to all stages of land development, including transition of the developed land to its future builders and subsequent owners. Recognizing interconnections between our business process and the positive and negative environmental impacts they cause within land development process to the environment, Casaloma Development Corporation is committed to the following environmental policy objectives:

- * We will continuously review and improve the environmental management system.
- * We will define and document annual environmental objectives and targets that are consistent with the environmental policy.
- * We are committed to pollution prevention through continuous improvement of education about practices, products and procedures that are associated with land development and home building.
- * We will promote communication and education of the environmental management system throughout Casaloma Development and extend this policy into suppliers and trade partners whenever applicable.
- * We will continuously strive to meet or exceed all applicable federal, state, local rules and regulations, and other requirements.

Issued by Leon A. Church, President, Casaloma Development Corporation, December 26, 2006.