

Statement of Non-Warrantable Conditions

This statement of conditions that are not subject to the builder's warranties explains some of the changes and need for maintenance that may occur in a new house over the first year or so of occupancy. A house requires more maintenance and care than most products because it is made of many different components, each with its own special characteristics.

Please understand that like other products made by humans, a house is not perfect and will show some minor flaws and unforeseeable defects and may require some adjustments and touching up.

As described in the limited warranty provided to the buyer of which this state of Non-Warrantable Conditions is made part, the builder will correct certain defects that arise during defined time periods after construction is completed. Other items not covered by the builder's warranty may be covered by manufacturer's warranties.

Some conditions, include (but are not limited to) those listed in this statement of Non-Warrantable Conditions, are not covered under the builder's warranties. The buyer should read these carefully and understand that the buyer has not contracted for the builder to correct certain types of problems that may occur in the buyer's house. These guidelines will alert the buyer to certain types of maintenance (a) that are the responsibility of the buyer and (b) that could lead to problems if they are neglected.

The following list outlines some of the conditions that are not warranted by the builder and the buyer should be sure to understand this list.

1. Concrete

Concrete foundations, steps, walks, drives, patios, and garages can develop cracks that do not affect the structural integrity of the building. These cracks are caused by characteristics of the concrete itself. No reasonable method of eliminating these cracks exists. This condition does not affect the strength of the building.

2. Masonry and Mortar

Masonry and mortar can develop cracks from shrinkage of either the mortar or the brick. This condition is normal and should not be considered a defect.

3. Wood

Interior wood molding will have a tendency to shrink or contract particularly during the cold weather months. This condition is most often caused by extremely low levels of humidity inside the house compounded by the caulking pulling away from the molding and wall. The molding will generally expand or return back to original form during the humid hot months. This condition is considered normal.

Wood exposed to the sun will sometimes check or crack or the fibers will spread apart because of the drying-out process. For this reason, wood decks are not covered by the builder's limited warranty. This condition is considered normal, and the homeowner is responsible for any maintenance or repairs resulting from it.

4. Drywall

Sheetrock or drywall will sometimes develop nail pops or settlement cracks, which are a normal part of the drying-out process. The builder will send a worker on the 11th month point to make repairs if necessary. The builder's repairs will not include repainting.

5. Floor Squeaks

After extensive research and writing on the subject, technical experts have concluded that much has been tried but that little can be done about floor squeaks. A great deal of effort has been exerted regarding your home to prevent these squeaks to include using high performance sub-floor adhesive between sub-floor and floor joist. If a squeak develops, it will appear and disappear over time with changes in the weather and other phenomena

6. Floors

Floors are not warranted for damage caused by neglect or the incidents of use. Wood, tile, linoleum, or carpet require maintenance. Felt pads are recommended to prevent scratching or chipping of wood or tile, and stains should be cleaned from the carpets, wood, linoleum, or tile immediately to prevent discoloration. Carpet has a tendency to loosen in damp weather and will stretch tight again in dryer weather. According to the Hardwood Flooring Association, shrinkage cracks in wood flooring are common occurrence during dry winter months and should be of no concern. It will expand again during the humid months. This expansion and contraction is normal and is not covered by the builder warranty.

7. Caulking

Exterior and interior caulking on moldings, bathtubs, shower stalls, and ceramic tile surfaces will crack, bleed, or shrink somewhat in the months after installation. These conditions are normal and should not be considered a problem. Any maintenance or repairs resulting from then are the homeowner's responsibility.

8. Brick Discoloration

Brick may discolor because of the elements, rain run-off, weathering, or bleaching. Efflorescence (the formation of salts on the surface of brick walls) may occur because of the passage of moisture through the wall. Efflorescence is a common occurrence, and the homeowner can clean these areas as the phenomenon occurs.

9. Broken Glass

Any broken glass or mirrors that are not noted by the buyer on the final inspection form are the responsibility of the buyer.

10. Frozen Pipes

The buyer must take precautions to prevent freezing pipes and hose bibs during cold weather, such as removing outside hoses from hose bibs, leaving faucets with a slight drip and turning off the water system if the house is to be left for extended periods during cold weather.

11. Stained Wood

All items that are stained will normally have a variation of colors because of the different textures of the wood. Because of changes in weather, doors that have panels sometimes dry out and leave a small space of bare wood, which the homeowner can easily touch up. These normal conditions should not be considered defects.

12. Paint

Good quality paint has been used internally and externally (if required externally) on this home. Nevertheless, exterior paint can sometimes crack or check. The source of this defect is most often something other than the paint. To avoid problems with the paint, the buyer should avoid allowing lawn sprinklers to hit the painted areas, washing down painted areas, and so on. Buyers should also not scrub latex painted inside walls and should be careful of newly painted walls as they move furniture. The best paint will be stained or chipped if it is not cared for properly.

13. Cosmetic Items

The buyer has not contracted with the builder to cover ordinary wear and tear or other occurrences subsequent to construction that affect the condition of features in the home. Chips, scratches, or mars in tile, woodwork, walls, porcelain, brick, mirrors, plumbing fixtures, marble and Formica tops, lighting fixtures, Kitchen and other appliances, doors, paneling, siding, screens, windows, carpet, vinyl floors, cabinets, and item such as that are not recognized and noted by the buyer at the final inspection are non-warrantable conditions, and the upkeep of any cosmetic aspect of the house is the buyer's responsibility.

14. Plumbing

Dripping faucets, toilet adjustments, and toilet seats are covered by the builder's warranty for a one (1) year period only. After that, they are the buyer's responsibility. If the plumbing is stopped up during the warranty period and the person servicing the plumbing finds foreign materials in the line, the buyer will be billed for the call.

15. Alteration to Grading

The buyer's lot has been graded to ensure proper drainage away from the house. Should the buyer want to change the drainage pattern because of landscaping, installation of patio or service walks, or other reason, the buyer should be sure to retain proper drainage slope. The builder assumes no responsibility for the grading or subsequent flooding or stagnant pool formation if the established pattern is altered.

16. Lawn and Shrubs

The builder accepts no responsibility for the growth of grass or shrubs. Once the builder grades, seeds and/or sods, and fertilizes the yard, the buyer must water the plants and grass sufficiently, and plant ground cover where necessary to prevent erosion. The builder will not re-grade a yard, nor remove or replace any shrubs or trees, except for those that are noted as diseased at final inspection.

17. Roof

During the first year the warranty on the buyer's roof is for workmanship and materials.

After that the warranty on the roof is for materials only and is prorated over the period of the lifetime use of the roof. Warranty claims for any defects in materials will be handled with the manufacturer, with the builder's assistance. The builder will not be responsible for any damage caused by walking on the roof or by installing a television antenna or other items on the roof.

18. Heating and Air Conditioning

The buyer's source of heating and air conditioning is covered by a manufacturer's warranty. The buyer is responsible for making sure the filters are kept clean and changed every thirty (30) days. Failure to do so may void the warranty. Having the equipment serviced or checked at least yearly is a good idea.

19. Siding

Siding, including soffits and fascia, should not delaminate or deteriorate within manufacturer's specifications. However, shrinkage and expansion will occur with changes in temperature and climate and are normal conditions. Builder will repair or replace as needed unless caused by owner's neglect to maintain siding properly. Repaired area of prefinished material may not match in color and/or texture. For surfaces requiring paint, Builder will paint only new materials. The owner can expect that the newly painted surface may not match original surface in color.

20. Condensation

Condensation takes place in a home wherever warm, moist air comes into contact with colder surfaces such as windows, basement walls or exposed pipes. There is more condensation in homes today because they are built tighter, insulated better and have improved doors and windows that have virtually eliminated drafts and numerous air exchanges in the home. The Builder shall assume no responsibility for condensation, or for any damages due to condensation.

21. Tile Showers

Tile showers are caulked to ensure water tightness. There is no life expectancy on caulking. Caulking will fail at some point during the life of the home and any re-caulking is the responsibility of the homeowner. The builder is not responsible for any caulking maintenance or any resulting damage from lack of caulking maintenance.

22. Humidity

Owner(s) acknowledge they are solely responsible for monitoring the humidity level in the home. Adverse levels of humidity can cause undesirable conditions in the home. Owner(s) acknowledge the builder is not responsible for any resulting adverse conditions due to owner(s) failure to monitor the humidity level in the home, such as but not limited to; drywall cracks, floor squeaks, cracked tiles, doors not operating properly, etc.

23. Crawlspace

Crawlspace maintenance and monitoring is the sole responsibility of the homeowner. The crawlspace of the home is an unconditioned area that is susceptible to humid, dry, and otherwise, less than ideal conditions. Growth of mildew, fungus, mold, or other types of organic material are non-warrantable conditions. Water in the crawlspace can be caused by various circumstances. Water seeping up through the ground, regardless of proper grading, can be the result of hydrostatic pressure. In this case, this is considered the responsibility of the homeowner. Water in the crawlspace due to altered grading or other circumstances not present at the time of construction or closing is considered a non-warrantable condition.

24. Termite Warranty

The property was treated by a licensed pest company to prevent subterranean termites. The warranty is provided by the pest company for a period of one year. The owner may extend the warranty for a fee paid to the pest company. Builder shall assume no responsibility for damages resulting from wood destroying insects.

25. Septic System

Your home has an onsite septic system. This system is an effective means of disposing of household wastewater. The attached "Septic Systems and Their Maintenance" document should be reviewed and followed to ensure the success of your system. Builder assumes no responsibility for the improper use or lack of maintenance of the septic system.

26. Indoor Air Quality

What can the homeowner do to prevent mold?

Mold is a type of fungus that occurs naturally in the environment and is necessary for the normal decomposition of plant and other organic material. It spreads by means of microscopic spores borne on the wind and is found everywhere that life can be supported. To grow into a visible colony, mold needs three things: First, an organic food source that might be supplied by items found within the home such as fabric, carpet or wallpaper, or by the building materials, such as drywall, wood, and insulation, to name a few. Second, mold growth requires a temperate climate between 40 and 100 degrees. And finally, mold growth requires moisture. The homeowner can take positive steps to reduce or eliminate the

occurrence of mold growth in the home and thereby minimize any possible adverse effects that may be caused by mold. These steps include the following:

1. Before bringing items into the home, check for signs of mold. Potted plants (roots and soil), furnishings, or stored clothing and bedding material, as well as many other household goods, could already contain mold growth. Regular vacuuming and cleaning will help reduce mold levels. Mild bleach solutions and most tile cleaners are effective in eliminating or preventing mold growth.
2. Keep the humidity in the home low. Vent clothes dryers to the outdoors. Ventilate kitchens and bathrooms by opening the windows, by using exhaust fans for a minimum of 30 minutes after showering or bathing or by running the air conditioning to remove excess moisture in the air and to facilitate evaporation of water from wet surfaces.
3. Promptly clean up spills, condensation and other sources of moisture. Thoroughly dry any wet surfaces or material. Do not let water pool or stand in your home. Promptly replace any materials that cannot be thoroughly dried, such as drywall or insulation.
4. Inspect for leaks on a regular basis. Look for discolorations or wet spots. Repair any leaks promptly. Inspect condensation pans (refrigerators and air conditioners) for mold growth. Take notice of musty odors and any visible signs of mold.
5. Should mold develop, thoroughly clean the affected area with a mild solution of bleach. First, test to see if the affected material or surface is color safe. Porous material such as fabric, upholstery, or carpet should be discarded. Should mold growth be severe, call on the services of a qualified professional cleaner.

I acknowledge having read, understood and received a copy of the outline above Non Warrantable items. I understand and agree that these are conditions for which I/We have not contracted and for which I will not hold the builder liable.

_____ (Buyer) _____ (Date)

_____ (Buyer) _____ (Date)

 _____ (Builder) 8/19/2024 (Date)

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PBC of NC