

Exhibit “\_\_\_\_\_”

**BUILDER ONE YEAR LIMITED WARRANTY COVERAGE**

BUYER(S): \_\_\_\_\_

PROPERTY: \_\_\_\_\_

**\*\*Please Note that all warranty inquiries have to be in writing. Any verbal requests for repairs will not be considered and are not guaranteed.\*\***

**1. ONE (1) YEAR COVERAGE**

This Limited Warranty commences on the date of settlement, or the date of Home Owner’s occupancy, whichever occurs first, and continues for a period of one (1) year.

**2. NON-TRANSFERABLE**

This Limited Warranty is not transferable and will automatically terminate if property is leased, vacated or sold by original Home Owner.

**3. REQUEST FOR WARRANTY SERVICE**

The Home Owner with a Limited Warranty complaint must submit a clear and specific WRITTEN request to the Builder at the address shown on this Limited Warranty. No Limited Warranty work will be performed until complaint has been received in writing, unless designated an emergency.

**4. REMEDY**

The Builder will, within a reasonable time, examine an alleged defect to determine if it is covered by this Limited Warranty. A defect covered by this Warranty will be repaired, replaced, or replaced with item of like kind, at Builder’s expense. Builder reserves the right to charge the owner a reasonable sum per service call for any request not covered under this Limited Warranty. Any repair or replacement shall not extend the Warranty term.

**5. RIGHT OF ACCESS**

Home Owner must provide the Builder access to property during normal weekday business hours to perform its obligations under this Warranty. Failure to provide such access may relieve Builder of its obligations.

**7. COVERAGE PROVIDED**

During the term of this Warranty, and subject to the terms and conditions listed herein, the Builder warrants the home against defects in materials and workmanship in the following items:

- A. The Central Heating, Cooling, and Ventilation Systems and its Components.
- B. The Plumbing System and its Components.
- C. The Electrical System and its Components.
- D. Structural and Finish Components.
- E. Windows, Doors, and Hardware.
- F. The Roof and its Components.

**8. EXCLUSIONS**

This Limited Warranty shall NOT extend to, include, or be applicable to:

- A. Damages or losses resulting from accidents; civil commotion; acts of God or Nature - including, but not limited to: wind storms, wind driven water, floods, sink holes, hail, lightning,

fallen trees, earthquakes, explosions, fire, smoke, water escape, or changes in underground water table.

B. Any condition which does not result in actual physical damage to the Home – including, but not limited to: un-inhabitability or health risk due to presence or consequence of unacceptable levels of radon gas, formaldehyde, mold, carcinogenic substances, or other pollutants and contaminants; or the presence of hazardous or toxic materials.

C. Coverage on appliances and items of equipment – including, but not limited to: water heaters, pumps, stoves, ranges, ovens, garbage disposals, dishwashers, furnaces, air conditioning units, heat pumps, and other similar items – **these items are for the manufacturer's warranties to Home Owner.**

D. Any soil erosion/sedimentation or storm water control management systems that are approved by a governing jurisdiction.

E. Shrinkage, cracks or movement in concrete foundation, and garage floors, which are within the design performance criteria.

F. Normal and usual cracks; nail pops; twisting or movement in walls, ceilings, exterior and interior trim and finished items caused by drying, aging, or shrinkage of building products.

G. Personal property damage or bodily injury or punitive damages.

H. Any defect, damage, or loss which is caused or aggravated by negligence of Home Owner or anyone other than the Builder or its employees, agents, or subcontractors.

I. Touch up painting: There will be no touch up painting after settlement unless the items are part of the walk through punch list. **There is NOT an eleven month or other post settlement touch up period prior to the end of this one year coverage.**

## WARRANTY STANDARDS

1. **Possible Deficiency** - Poor Drainage Lot Performance Standard - After normal rainfall, water should not stand in yard within 5 ft of home for more than 48 hours. Drainage time may be much longer during times of snow, frost, excessive precipitation or soil saturation. **Responsibility** - Builder is responsible to establish proper grades and swales; Home Owner is responsible for maintaining them.

2. **Possible Deficiency** - Foundation Wall Cracks Performance Standard - Small cracks not affecting structural stability are not unusual in foundation walls. Cracks greater than 1/4 inch in width shall be repaired. **Responsibility** - Builder will repair cracks in excess of 1/4 inch by caulking with a urethane concrete caulk.

3. **Possible Deficiency** - Separation or Movement of Stoops and Porches Performance Standard - Minor movement within one inch is normal. **Responsibility** - Builder will repair separation exceeding one inch.

4. **Possible Deficiency** - Cracking of Garage Floor Performance Standard - Minor cracks in concrete floors are normal. Cracks exceeding 3/16 inch in width or 1/8 inch in vertical displacement shall be repaired. **Responsibility** - Builder will repair cracks exceeding maximum tolerances by surface caulking, patching or other methods as required.

5. **Possible Deficiency** - Uneven Concrete Floors/Slabs Performance Standard – Except for basement floors or where a floor or a portion of floor has been designed for specific drainage purposes, concrete floors in rooms designed for habitability shall not have pits, depressions or areas of unevenness exceeding 1/4 inch in 32 inches. Concrete floor cracks shall not puncture finished floors. **Responsibility** - Builder will patch, correct or repair to meet Performance Standards.

6. **Possible Deficiency** - Pitting or Deterioration of Concrete Surfaces Performance Standard - Concrete shall not disintegrate to the extent of exposing aggregate under normal conditions of use, except where such surfaces have been exposed to salts, chemicals or other abuses beyond builder's control. **Responsibility** - Builder will patch, correct or repair to meet the performance Standard.

7. **Possible Deficiency** - Efflorescence on Masonry Stone, Brick, Block Or Concrete Performance Standard - Masonry products are known to discolor due to lime content. **Responsibility** - None

8. **Possible Deficiency** - Dampness or Water Absorption into Exposed Masonry Performance Standard - Masonry materials are porous to varying degrees and cannot be controlled by Builder. **Responsibility** - None

9. **Possible Deficiency** - Roof Leaks Performance Standard - Roof shall not leak, except where snow and ice are permitted to build up excessively or repeatedly. Prevention of ice buildup is a maintenance item and is not the responsibility of the builder. Because roof systems must breathe, your home is constructed with vents at the soffits and ridges of the roof system. Snow and rain driven by high winds under severe conditions can be driven into air vent passages. This is not considered a defect and builder does not warrant against such water penetration. **Responsibility** - All roof leaks, not caused by owner neglect or excessive winds will be repaired. Builder is not responsible for color variations.

10. **Possible Deficiency** - Air Filtration Performance Standard - Some air filtration is normal around doors, windows and other wall openings especially in conditions of high wind. In order to increase the air tightness of the home beyond such standards, owner may need to purchase and install storm windows and doors to provide solutions satisfactory to owner's own expectations. **Responsibility** - Builder will adjust windows and doors to maintain manufacturers designed air filtration.

11. **Possible Deficiency** - Sound can be heard through Party Walls Performance Standard - Acoustical qualities of rooms, walls and other enclosures are greatly affected by everything within their physical area. Actual sound transmission qualities of walls are difficult to measure outside of a laboratory because of the disproportionate effect everything in the area has on acoustical reaction. Because surfaces, which are soft, uneven and dense, tend to absorb sound more, whereas surfaces that are smooth and hard tend to reflect and increase ambient sound, a furnished home is likely to be "quieter" than an empty home. Ambient sound levels within the home have a significant impact on the perception of sound transmitted from surrounding dwellings. Builder warrants that party walls are built to conform to or exceed pertinent building codes in effect at the time the home was constructed. **Responsibility** - None

12. **Possible Deficiency** - Heating and Cooling Variations Performance Standard - The HVAC system is designed to be able to maintain a temperature of 78 degrees Fahrenheit for heating and 70 degrees Fahrenheit for cooling. Temperatures are measured five (5) feet above the center of the floor in the room where the thermostat is located. In severe weather conditions; a variation of up to 15 degrees from room to room is acceptable. All rooms may vary in temperature by 5 or 6 degrees. Home owner is responsible for adjusting ducts and registers to obtain acceptable temperature consistency. **Responsibility** - Builder will repair system to meet the acceptable standards as described above.

13. **Possible Deficiency** - HVAC Condensate Clogs Performance Standard – HVAC system condensate lines will eventually clog as household dust accumulates on the cooling fins and condensation carries dust through the condensation lines where it normally builds up a clog in the condensate trap. This is a maintenance item. Builder recommends that condensation lines be checked and cleaned at least annually, at the beginning of each air conditioning season. **Responsibility** - None

14. **Possible Deficiency** - Ground Fault Circuit Trips Frequently Performance Standard - Ground Fault Interrupters (GFI) are sensitive safety devices designed to trip very rapidly in the event of ground fault condition, such as in the event of electrical shock. This sensitivity causes them to trip easily and especially. **Responsibility** - Builder has installed GFI protectors in accordance with the National Electric code. Frequent tripping is not warranted against. GFI devices otherwise determined to be defective will be replaced.

15. **Possible Deficiency** - Paint or Stain Peels or Fades Performance Standard - The weathering of finishes is normal and should be expected within certain tolerances. Exterior finishes may deteriorate rapidly due climatic conditions and is considered a maintenance item and is not covered by this warranty. **Responsibility** - none

16. **Possible Deficiency** - Drywall Cracks, Nail Pops, Seam Taps or other imperfections Performance Standard - Modern homes are constructed, partially from organic wood materials. Such materials will move, shrink and Expand with minor variations in temperature and moisture within the home. Drywall, being inorganic, tends not to move well with the movement of the lumber supporting it. Such movement, therefore often results in minor cracks, nail pops, the appearance of seam tape and other minor imperfections. Such imperfections not exceeding 1/8 in width are common in drywall and are not considered a defect. **Responsibility** - None

17. **Possible Deficiency** - Trim and Molding Pieces Performance Standard - Because trim and molding is largely made from organic materials, these pieces move, shrink and expand with minor variations in temperature and moisture within the home. Such movement, which may result in minor separation between adjacent surfaces is normal and should be expected within certain tolerances. Particularly, wood stairways and shoe moldings normally shrink away from the walls of stairway within the first year. This is not considered a defect, but is within the expected behavior of organic wood products. Interior doors may need to be adjusted and are not a warranty item. **Responsibility** - None

18. **Possible Deficiency** - Floor Creaks or Squeaks Performance Standard - Modern homes are constructed, partially from organic wood framing materials. Such materials will move, shrink and expand with minor variations in temperature and moisture within the home. Squeaks are normally a passing condition caused by lumber shrinkage or movement and are not covered by this warranty unless caused by a defect in the floor joist system. **Responsibility** - Builder will correct floor system structural defects.

Buyer Initials: \_\_\_\_\_/\_\_\_\_\_

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

Seller Initials: \_\_\_\_\_

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