Morris Creek

1 YEAR – BUILDERS WARRANTY FOR YOUR NEW HOME

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A. INTRODUCTION

THIS IS A WARRANTY AND NOT INSURANCE. THIS WARRANTY DOES NOT TAKE THE PLACE OF YOUR HOMEOWNERS INSURANCE.

This warranty is on the Home and is for the Warranty Period only.

B. WORKMANSHIP, MATERIALS and SYSTEMS WARRANTY COVERAGE

1. Workmanship and Materials – Commencing on the Warranty Start Date, Your Builder warrants Your Home will be free from defects in workmanship and materials as such defects are defined in the Construction Performance Standards set forth herein. The Workmanship and Materials Warranty ends on the Warranty Expiration Date.

2. Electrical, Plumbing and Mechanical Systems – Commencing on the Warranty Start Date, Your Builder warrants Your Home will be free from defects in the electrical, plumbing and mechanical systems of Your Home (referred herein collectively as "Systems") as such defect is defined in the Construction Performance Standards set forth herein, including the wiring, piping and ductwork portions of the Systems. The Systems Warranty ends on the Warranty Expiration Date.

Appliances, fixtures or pieces of equipment that are covered by a manufacturer's warranty ARE NOT covered by this warranty. Defects in any of the systems resulting from failures in an appliance, fixture or piece of equipment covered by a manufacturer's warranty ARE NOT covered by this warranty.

There are specific exclusions in this warranty for which coverage is not provided. Refer to the Exclusions Section in the General Warranty Provisions.

a. Builder Responsibilities Under the Workmanship, Materials and Systems Warranty

Your Builder has warranted Your Home to meet the Construction Performance Standards listed herein. The obligations under this Workmanship, Materials and Systems Warranty are the sole responsibility of Your Builder. If a defect occurs on an item during the applicable part of the Warranty Period and the item is covered by the Workmanship, Materials or Systems Warranty the Builder will repair or replace the defective item.

The Builder, if necessary, shall have the option to repair, replace or pay You the reasonable cost of repair and/or replacement of any covered defect. The choice to repair, replace or pay You for any defective item is solely that of the Builder. The design, method and manner of such repair are within the sole discretion of the Builder. By accepting Your 1-Year Builders Warranty You agree to the method and manner of repair and/or replacement selected by the Builder. The repair shall bring the defective item in compliance with the applicable Construction Performance Standards listed herein. In no event shall the Builder be liable for discontinued items, changes in dye lots, colors or patterns, or items not included in the original construction.

No repair or replacement shall extend the Warranty Period or any applicable part thereof.

b. Your Responsibilities Under the Workmanship, Materials and Systems Warranty

You are responsible for any damage to any improvement, fixture or property not constructed, installed or provided by the Builder that may need to be removed to repair the covered defect or which may be damaged by the implantation of repairs to the covered defect. You shall be responsible to pay for the cost of repair of such improvement, fixture or property necessitated by the removal of the addition or repair of a covered defect.

c. Emergency Condition For Workmanship, Materials and Systems Warranty

An Emergency Condition is one You cannot control that seriously affects Your ability to live in the Home or a condition that if not rectified will result in significant damage to the Home. In case of an Emergency Condition, You must notify the Builder immediately in order that further damages can be mitigated. If Your Builder has provided You with emergency numbers and/or procedures, You must comply with those procedures and/or exhaust those remedies. Failure to follow such procedures could result in Your claim being denied.

You should take immediate action if circumstances dictate the need, but You agree that only those repairs necessary to eliminate the Emergency Condition or mitigate further damage

shall be performed. You agree that any and all repairs performed beyond such measures will not be the responsibility of the Builder unless You first obtain the permission of Your Builder. Emergency Conditions occurring after normal business hours, over a weekend and/or on a holiday must be reported to the Builder on the next business day.

ANY UNAUTHORIZED REPAIRS MADE BY YOU OR SOMEONE UNDER YOUR DIRECTION, OTHER THAN THOSE PERMITTED ABOVE, WILL NOT BE REIMBURSED OR COMPENSATED. THE DECISION AND DETERMINATION AS TO THE EXTENT OF EXPENSES THAT ARE REIMBURSABLE UNDER THE WARRANTY FOR EMERGENCY CONDITIONS IS THE SOLE DISCRETION OF THE BUILDER.

C. EXPRESS LIMITED MAJOR STRUCTURAL DEFECT WARRANTY

1. Coverage

Commencing on the Warranty Start Date Your Home will be free from Major Structural Defects as such defects are defined herein. The Major Structural Defects warranty ends on the Warranty Expiration Date.

- 2. A Major Structural Defect is:
- 1. Actual physical damage;
- 2. to the designated load-bearing portions of a Home;
- 3. caused by failure of such load-bearing portions that affects their load-bearing functions; and
- 4. to the extent that the Home becomes unsafe, unsanitary, or otherwise unlivable.
- All four portions of the definition must be met to qualify the Home for Major Structural Defect Warranty coverage.

The load bearing portions of the Home are the framing members and other structural elements that transfer the load to the supporting ground. The covered load bearing portions of the Home are:

- 1. Load bearing foundation systems, piling, piers, stemwalls and footings:
- 2. Load bearing beams;
- 3. Load bearing girders;
- 4. Load bearing lintels;
- 5. Load bearing columns;
- 6. Load bearing walls and partitions;
- 7. Load bearing flooring sub systems; and
- 8. Load bearing roof framing systems, roof rafters and trusses.
- Specific examples of non-load bearing elements of the Home include, but are not limited to:
- 1. Non-load bearing partitions and walls;
- 2. Wall tile or coverings;
- 3. Plaster, laths, or dry wall;
- 4. Flooring and sub-flooring material;
- 5. Brick, stucco, stone or veneer;
- 6. Any type of exterior siding;
- 7. Roof shingles, sheathing, flashing and tarpaper;
- 8. Heating, cooling, ventilating, plumbing, electric and mechanical systems;
- 9. Appliances, fixtures or items of equipment;
- 10. Doors, trim, cabinets, windows, hardware, insulation, paint, stains;

11. Basement, garage slabs and other interior concrete floor slabs.

There are specific exclusions in this warranty for which coverage is not provided. Refer to the Exclusions Section in the General Warranty Provisions.

a. Alternative Dispute Resolution For Express Limited Major Structural Defect Warranty

You and Your Builder hereby agree that any dispute, controversy, claim or matters in question regarding anything covered under this Warranty between You and Your Builder without limitation, a claim of subrogation, negligent or intentional misrepresentation or nondisclosure in the inducement, and breach of any alleged duty of good faith and fair dealing, (herein referred to collectively as a "Dispute"), shall be submitted to Mediation where the parties will endeavor to resolve the Dispute in an amicable manner.

The mediator's compensation fee, administrative fee and all expenses charged by the mediator and/or the mediation service shall be borne equally by the mediating parties. Each party shall pay their own attorney fees and expenses. Additional fees may be assessed in accordance with the mediation company rules and fees.

D. HOW TO MAKE A CLAIM UNDER THE WARRANTY

If You believe Your Home has a defect that may be covered under the warranty during the applicable part of the Warranty Period, You must contact Your Builder as soon as possible, via email (preferred to ensure a paper trail), phone, or letter, upon your detecting a defect and before the expiration of the applicable Warranty Period. The Builder shall make a determination as to the extent such defect is warranted under the terms and conditions

herein. The option to repair, replace or pay You the reasonable cost of repair or replacement is solely that of the Builder.

It is the responsibility of You to ensure all defects that may be covered under the warranty during the applicable part of the Warranty Period are reported to the Builder PRIOR to the Warranty Expiration Date via one of the following means:

Certified Mail: If the Builder is Creekside Home Builders Group LLC: Creekside Home Builders Group LLC 4984 BU Bowman Dr. Suite 106 Buford GA 30518

Info@MorrisCreekCommunity.com

Or if the Builder is Woodford Group LLC warranty@atlancomarketinggroup.com or faxed to 770-965-1008

E. DEFINITIONS

Consequential Damage – Any property damage or bodily injury which follows as a result of structural damage or any other items covered under this warranty, including defects in plumbing, electrical, heating, cooling or ventilation systems. Consequential damage or resulting bodily injury or property damage are not covered under this warranty. Home – A single or multi-family home, structure, dwelling or unit (herein called "Home") individually owned and covered by the warranty.

Mediation – An Alternative Dispute Resolution process wherein a neutral third party attempts to negotiate an amicable settlement between the parties and facilitate an agreed resolution that is accepted by the parties as a resolution to any and all complaints raised. Warranty Expiration Date – The date the warranty ends, which will be the earlier of 1-Year from occupancy of the Home or the day that the title transfers on Your ownership of the Home.. Warranty Period – The length of time Your Home is covered by the warranty, beginning on the Warranty Start Date and ending on the Warranty Expiration Date.

Warranty Start Date – This is the date coverage under the warranty begins. It is the earlier of Your occupancy of the Home or the day that title transfers on Your ownership of the Home. You, Your, Yours – The Homeowner(s) who hold title to the Home covered by the warranty.

F. EXCLUSIONS - Items Not Covered By The Warranty

The following exclusions from warranty coverage apply to any and all warranties issued by the Builder, including Workmanship, Materials, Systems and Major Structural Defect warranties. The Home is warranted as constructed by the Builder. The Builder does not warrant deficiencies or defects regardless of (a) the cause of the excluded event; or (b) other causes of loss; or (c) whether other causes acted concurrently or in any sequence with the excluded events to produce the deficiency or defect. The following are excluded from coverage under this warranty:

1. Deficiency or defects to any property, or part of the property, that was not included in the Closing Contract Price shown on the Final settlement Statement from closing;

2. Off-site improvements or any improvements installed after the Warranty Start Date whether provided by the

Builder or others;

3. Drainage deficiencies that do not affect the structural integrity of the Home;

4. Any and all landscaping (including sodding, seeding, shrubs, trees, and plantings) and landscaping irrigation systems including but not limited to sprinkler systems, sprinkler heads and/or sprinkler control systems;

5. Fences, boundary walls, retaining walls and bulkheads, except those retaining walls and bulkheads that contain structural or foundation walls at the Home and/or provide structural support to the Home;

6. Outbuildings, sheds, storage buildings, porches, cabanas or any other detached structures including but not

limited to detached carports and detached garages (except those outbuildings which contain the plumbing, electrical, heating, cooling or ventilation systems built or installed with and serving the Home);

7. Patios, decks, balconies, sidewalks, walkways, driveways, swimming pools, hot tubs, spas, exterior steam rooms, covered screen enclosures, and/or other recreational facilities;

8. Any damage caused by soil movement, if compensation is provided by state legislation or covered by other insurance;

9. Any damage as a result of insufficient (or change in) load-bearing capacity of the soil, sub-soils or surfaces of the soil or sub-soils on a lot prepared by You;

10. Any damage caused or made worse by inadequate, excessive or uneven watering of soils within close proximity of foundations in areas with active soil; or damage by trees planted within 10 feet of foundations;

11. After the first year, concrete floors of basements and attached garages that are built separate from foundation floors or other structural elements of the Home;

12. Failure of the Builder to complete construction of the Home or any component part of the Home in conformity with construction plans or specifications or to complete agreed upon walk-through "punch-out" items;

13. Failure of the Builder, their employees, agents, or subcontractors to perform pre-closing cleanup of any kind or

failure to remove any spillage, or debris from construction site;

14. Any defects or deficiency caused by materials, design, construction, or work supplied by other than the original

Builder of the Home, or their employees, agents, or subcontractors;

15. Changes, alterations or additions made to the Home by anyone other than those performed under obligations of this warranty;

16. Changes of the grading of the site by anyone other than the Builder originally building the Home or their employees, agents, or subcontractors;

17. Deficiency or defects caused or made worse by owners, occupants, or guests;

18. Any deficiencies or defects in workmanship, materials or structural portions normally covered by another warranty or insurance policy whether or not paid by such warranty or

insurance policy;

19. Deficiency or defects resulting from accidents, riot, civil commotion, terror attacks, war, or Acts of God; including but not limited to fire, explosion, smoke, water escape, windstorm, mudslide, erosion, hail, lightning, hurricanes, tsunamis, falling trees, aircraft, vehicles, flood, earthquakes, sink holes, underground springs, volcanic eruptions, saturated soils or change in the level of the underground water table;

20. Deficiency or defects resulting from burn holes, buried debris, or organic materials;

21. Any contamination caused or created by natural or man-made chemicals, compounds, or substances, or breakdown or adverse effects of chemicals, compounds, or substances used in the construction of the Home or site. Such contamination is not covered even if the Home is rendered unlivable;

22. Insect damage including termites;

23. Any damage caused by water intrusion, including but not limited to roof leaks, window sealants, plumbing or failure of vapor barriers, except as provided in the Workmanship, Materials and Systems warranty;

24. Dampness or condensation due to Your failure to maintain adequate ventilation;

25. Any loss, damages or other condition which is not a deficiency or defect of construction;

26. Consequential Damage: Any property damage or bodily injury which follows as a result of structural damage, or other defects covered under this warranty including defects in plumbing, electrical, heating and cooling;

27. Normal wear and tear or normal deterioration;

28. Cost of transportation, food, storage, moving contents, shelter, or other incidental expenses related to Your relocating during repair;

29. Any loss or damage which may arise while the Home is not being used primarily for residential purposes;

30. Any loss or physically inflicted damage which is not a construction deficiency or defect, including but not limited to chips, scratches, and dents in materials, fixtures, appliances, or other types of equipment;

31. Failure by You to give notice to the Builder of any deficiencies or defects within a reasonable time or as specified in this warranty;

32. Negligence and/or improper maintenance or improper operation of items warranted under this warranty;

33. Failure of You or anyone to comply with the warranty requirements of manufacturers of appliances, equipment or fixtures;

34. Any loss or damage which You have not taken reasonable timely actions to minimize;

35. Any alleged deficiency or defect for which there is no evidence of deficiency or defects at the time of the claims investigation; or which has been previously repaired, unless such deficiency or defect is considered by the Builder

to be an emergency repair which was repaired by You after the Builder failed to respond within a reasonable time. Emergency items will be determined by the Builder considering imminent danger of resulting damage to the Home. Emergency items will not include items of comfort to You such as but not limited to problems with air conditioners;

36. Any condition which does not result in actual physical damage to the covered Home;

37. Diminished market value of Your Home.

G. GENERAL CONDITIONS

1. Access to Your Home – In order for the Builder to fulfill their respective obligations under the terms and conditions of the warranty, access will be required to the Home. By having Your Home enrolled in the 1-Year Builder warranty program, You hereby grant access to Your Home during normal business hours for the purpose of allowing the Builder, their agents, contractors and/or inspectors to conduct inspections, assess claims, make repairs and to conduct tests as may be determined as necessary. <u>Refusal To Allow Access To Your Home Will Void The Warranty</u>.

2. Resale – Transfer of Warranty – The warranty is for The Warranty Period for the owners who were on the initial Settlement Statement at the time of closing between the Builder and You. There will be no transfer of 1-Year Builder Warranty with the sale of the home.

3. Delay – If the Builder's performance of any of its obligations is delayed by any event not resulting from their own conduct, they will be excused from performing until the effects of that event are remedied. Examples of such events are: Acts of God or common enemy, war, riot, civil commotion, sovereign conduct, or acts of persons who are not parties to this warranty.

4. Assignment of Insurance Proceeds – In the event Your Builder repairs or replaces, or pays the cost of any defect covered by the Warranty for which You are covered by other insurance or warranties, You must, upon request by Your Builder, assign the proceeds of such repair, replacement, payment and/or the right to pursue recovery for such payment to Your Builder. This assignment includes but is not limited to Your homeowners insurance carrier, product manufacturer or any other entity or individual.

5. Exclusive Remedy Agreement – Except as provided herein, You have waived the right to seek damages or other legal or equitable remedies from the Builder, its principles, his subcontractors, agents, vendors suppliers, workers, material men, and/or design professionals under any and all causes of action whether statutory or at common law, including but not limited to negligence and/or strict liability. The agreement contained herein

shall be enforceable to the fullest extent permissible by the law of the state in which the property is located and shall apply to any claim thereafter made against the Builder or any other person. Your sole remedy, in the event of a defect in Your Home or in the real property upon which it is situated, is as prescribed in the terms and

conditions of the 1-Year Builders Warranty issued on the Home. Nothing in this paragraph shall effect or be applicable to any other express written warranty You may have received from any single vendor or manufacturer who has supplied any appliance or component for the Home.

6. Attorney's Fees and Costs Forbidden – Each party shall bear its own costs of litigation and under no circumstances shall any party, prevailing or otherwise be entitled to an award and/or judgment which includes or provides for attorney's fees and/or court costs.

7. Severability – Should any provisions of this contract be deemed by a court of competent jurisdiction to be unenforceable, the remaining portions of this warranty shall be given full force and effect and the determination will not affect the enforceability of the remaining provisions.

8. Binding Nature - The Warranty is to be binding upon the Builder, You, Your heirs, executors, administrators, successors and assigns.

9. Gender – The use of one gender in the Warranty includes all other genders; and use of the plural includes the singular as may be appropriate.

10. Choice of Law – The warranty is to be construed in accordance with the laws of the state in which the Home is located.

H. CONSTRUCTION PERFORMANCE STANDARDS (Attached Table - 12 Pages)

These Construction Performance Standards apply to the Workmanship, Materials and Systems warranty to which they are attached and identified in this Warranty.

The following Construction Performance Standards are the official standards used by the Builder in determining coverage under the Workmanship, Materials and/or Systems Warranty. This warranty does not warrant that the Home has been built in compliance with federal, state or local building standards or codes even though the Builder is required to comply with such standards or codes. Items covered by a manufacturing warranty ARE NOT warranted under this express limited warranty.

In no event shall Builder be liable for discontinued items, changes in dye lots, colors or patterns, or items not included in the original construction.

The Performance Standards set forth in the following pages are meant to be demonstrative of the most frequent deficiencies of concern. The validity of all claims not covered by these Performance Standards shall be determined on the basis of the National Home Builders Association Residential Performance Guidelines.

Important Notice: When determining responsibility under the Construction Performance Standards, only reports received by the Builder will be considered. Some firms and individuals feel it is their responsibility to locate possible problems rather than to resolve issues under consideration and they regularly address items not covered under the terms of the warranty.

DEFINITIONS:

POSSIBLE DEFICIENCY – a brief statement in simple terms of the problems to be considered.

PERFORMANCE STANDARD- a performance standard relating to a specific deficiency.

BUILDER RESPONSIBILITY – possible corrective action(s) suggested to the Builder to repair the defect.

YOUR RESPONSIBILITY - items expressly excluded from the warranty and which are considered part of the general maintenance of Homeownership.

Material or area of YOUR HOME	POSSIBLE DEFICIENCY	PERFORMANCE STANDARD	BUILDER RESPONSIBILITY	YOUR RESPONSIBILITY
A. Site Work	1. Site Grading	Settling of ground around foundation, utility trenches, or other filled areas does not allow water to drain away from home.	Fill those areas where proper drainage has been affected. This shall be done one time only, during the first year of the Warranty Period.	The Homeowner(s) shall be responsible for replacement of all grass, shrubs and landscaping in the affected area.
	2. Site Drainage	Improper drainage of the site.	Necessary grades and swales will be completed to insure proper drainage away from the Home. Standing or ponding water shall not remain for extended periods next to the Home after a rain (generally no more than 24 hours). The possibility of standing water after a heavy rainfall should be anticipated. Grading determination shall not be made while there is frost on the ground, or while the ground is saturated.	Maintaining proper grades and swales once they have been properly completed. Damage caused by decks, pools, patios, planters, etc. You installed, which interfere with proper site drainage, are not covered. Erosion control is Your responsibility.
B. Concrete	1. Exterior Concrete	Cracking, pitting, scaling, or spalling of walkways, driveways, patios, or other exterior concrete surfaces.	None. These conditions are normal for exterior concrete surfaces.	Maintenance of the exterior concrete is solely the responsibility of the homeowner. Avoid damaging concrete with salt, chemicals, mechanical equipment, etc.
	2. Random cracks in concrete.	Normal shrinkage due to the dehydration of the concrete can cause random cracking in concrete slabs.	None. These conditions are normal for exterior concrete surfaces.	
	3. Basement or foundation wall cracks.	Shrinkage cracks greater than 1/8 inch in width will be repaired.	Repair cracks in excess of 1/8 inch in width.	
4. Crac floor.	4. Cracking of basement floor.	Minor cracks in concrete basement floors are normal. Cracks exceeding 1/4 inch in width or 1/4 inch in vertical displacement shall be repaired.	Repair cracks exceeding maximum tolerances by surface patching or other methods as required. Builder is not responsible for color variation.	
	5. Cracking of slab in attached garage.	Cracks in garage slabs in excess of 1/4 inch in width or 1/4 inch in vertical displacement will be repaired.	Repair cracks exceeding maximum tolerances by surface patching, or other methods as required. Builder is not responsible for color variation.	
	6. Uneven concrete floors/slabs.	Except for basement floors or where a floor, or portion of a 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 36 inches.	Correct or repair deficiencies exceeding maximum tolerances. Builder is not responsible for color variation.	
	7. Cracks in concrete slab- on-grade floors with finish flooring.	Cracks which rupture the finish flooring material shall be repaired.	Repair cracks, so they are not readily apparent.	

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Material or area of	POSSIBLE	PERFORMANCE STANDARD	BUILDER RESPONSIBILITY	YOUR RESPONSIBILITY
YOUR HOME	DEFICIENCY 8. Pitting, scaling or spalling of concrete work covered under this Limited Warranty.	Concrete surfaces shall not disintegrate to the extent that the aggregate is exposed and loosened under normal conditions of weathering and use.	Take corrective action to repair or replace defective concrete surfaces. Builder is not responsible for deterioration caused by salt, chemicals, mechanical implements and factors not under Builder's control. Unless otherwise specified, Builder is not responsible for roof water run-off onto patios, walkways or driveways.	Avoid damaging the surface by the use of salts and chemicals not specifically designed for use on these surfaces.
		Stoops, steps or garage floors should not settle, heave or separate in excess of 1 inch from the house structures.	Take whatever corrective action is required to meet the Performance Standard.	
	10. Standing water on stoops.	Water should drain from all outdoor stoops and steps. Minor water standing on stoops for a short period after rain is a possibility.	Provide proper drainage of steps and stoops. Builder is not responsible for color variation of repair.	
	11. Poured concrete basement wall is out of plumb or out of square.	Finished concrete walls shall not be out of plumb greater than 1 inch in 8 feet when measured vertically.	Repair any such deficiency in excess of the performance standard. However, if the wall is to remain unfinished per contract, and the wall meets building codes as installed, then no corrective action is required. No action is required by the Builder if the wall is out of square.	
C. Masonry	1. Cracks in masonry basement or foundation walls	Cracks up to 1/8 inch are not unusual in mortar joints of masonry foundation walls.	We will repair carcks more than 1/8 inch wide.	
	2. Cracks in masonry or veneer walls	Cracks up to 3/8 inch due to shrinkage are common in mortar joints in masonry construction.	We will repair carcks more than 3/8 inch wide. We will not be responsible for any difference in color of the old and new mortar.	
D. Rough Carpentry	1. Floors or stairs squeak or sub-floor seems loose.	A squeak-proof floor/stair cannot be guaranteed.	Correct the problem only if caused by an underlying construction defect.	
	2. Uneven wood floors.	Floors shall not be more than 1/4 inch out of level within any 32-inch horizontal measurement.	Correct or repair to meet Standard.	
	-	All interior and exterior walls have slight variances on their finished surfaces. Walls and ceilings shall not be more than 1/2 inch out of level within any 32- inch horizontal or vertical measurement taken a minimum of 16 inches from any sheetrock corner or opening.	Repair to meet the Standard.	

Material or area of YOUR HOME	POSSIBLE DEFICIENCY	PERFORMANCE STANDARD	BUILDER RESPONSIBILITY	YOUR RESPONSIBILITY
	4. Out of plumb walls.	Walls should not be more than 1/4 inch out of plumb for any 32-inch vertical measurement. No action is required by the Builder if the wall is out of square.	Repair to meet the Standard.	
E. Finish Carpentry (Interior)	1. Poor quality of interior trim workmanship.	Joints in moldings or joints between moldings and adjacent surface shall not result in open joints exceeding 3/16 inch in width.	Repair defective joints as defined. Caulking is acceptable. Builder is not responsible for color variation.	Periodic caulking of seams between baseboard and finished floor.
F. Finish Carpentry (Exterior)	1. Exterior finish siding has open joints between pieces of trim.	Joints between exterior trim elements, including siding and masonry, shall not result in open joints in excess of 3/8 inch.	Repair only once during the first year of Warranty Period. Caulking is acceptable.	Maintain the exterior finish by periodic caulking and painting.
	2. Inadequate clearance of wood siding from finished grade.	There should be a 6-inch clearance between the wood siding and the finished grade at the time of closing or first occupancy, whichever comes first.	Builder will insure that there is a minimum 6-inch clearance between the wood siding and the finished grade at the time of closing or first occupancy, whichever comes first.	Maintain a 6 inch clearance between the siding and finished grade.
	3. Delamination of veneer siding or joint separation.	All siding shall be installed according to the manufacturer's and industry's accepted standards Separations and delaminations shall be repaired c replaced.		
G. Waterproofing	1. Leaks in foundation and basement.	Leaks resulting in actual trickling of water shall be repaired. Leaks caused by improper landscaping or failure to maintain proper grades are not covered by this Limited Warranty. Dampness of the walls or floors may occur in new construction and is not considered a deficiency.	Take such action as necessary to correct covered leaks except where the cause is determined to result from Homeowner(s) action or negligence.	Maintain proper grades and drainage around the Home.
	2. Covered leaks in exterior wall not adequately sealed or caulked.	Joints and/or cracks in exterior walls and openings shall be sealed and/or caulked to prevent water penetration in accordance with industry standards.	Repair any deficiency once during the first year of the Warranty Period only. Builder is not responsible for color variation.	Maintain caulking and sealing in exterior walls.
	3. Mold, mildew or fungus.	Mold, mildew or fungus can form as a result of leaks or condensation. This is considered consequential damage.	None	Mold, mildew or fungus control is Your responsibility
H. Insulation	1. Insufficient insulation.	Insulation will be installed in accordance with local applicable energy and building code requirements or, as applicable, FHA and VA requirements.	Insulate the Home as required to meet local energy and building code requirements. This will not make a room sound proof.	

Material or area of YOUR HOME	POSSIBLE DEFICIENCY	PERFORMANCE STANDARD	BUILDER RESPONSIBILITY	YOUR RESPONSIBILITY
I. Louvers and Vents	1. Leaks due to snow or rain driven into the attic through louvers or vents.	Attic vents/louvers must be provided for proper ventilation of the attic space of the structure.	None	
	2. Inadequate ventilation of attics and crawl spaces.	Attic/crawl spaces shall have a ventilation area as required by the approved building code.	Provide for adequate ventilation under code. Builder is not responsible for any alterations to the system.	
J. Roofing	1. Ice build-up on roof.	During prolonged cold spells, ice build-up is likely to occur at the eaves of a roof. This condition occurs when snow and ice accumulate and gutters and downspouts freeze up.	None	Prevention of ice build-up on a roof is a Homeowner(s) maintenance item.
	2. Roof or flashing leaks.	Roofs or flashing shall not leak under normally anticipated conditions, except where cause is determined to result from ice build-up or your action or negligence.	Repair any verified roof or flashing leaks not caused by ice build-up or by your action or negligence.	Maintain the roof and periodically remove leaves, pine needles and other debris from the roof surface, valley gutters and down spouts.
	3. Standing water on flat roof	Water shall drain from a flat roof except for minor ponding immediately following a rainfall unless the roof is specifically designed for water retention.	Take corrective action to assure proper drainage of roof.	
K. Sheet Metal	1. Gutters and/or downspouts leak.	Gutters and downspouts shall not leak but gutters may overflow during heavy rain.	Repair leaks one time during the first year of the Warranty Period. Caulking is acceptable.	Keep leaves and debris out of gutters and downspouts to assure proper water flow.
	2. Water standing in gutters.	When gutters are unobstructed by debris, the water level shall not exceed one (1) inch.	Correct to meet Performance Standard. Small amounts of water may stand in certain sections of gutter immediately after a rain.	Keep leaves and debris out of gutters and downspouts to assure proper water flow.
L. Wood and Plastic Doors	1. Warpage of exterior doors.	Exterior doors may warp to some degree due to temperature differential on inside and outside surfaces. However, they shall not warp to the extent that they become inoperable or cease to be weather resistant.	Correct or replace and refinish defective doors during the first year of the Warranty Period. Repairs or replacements may not match the original door, but will match as closely as possible.	If You paint or stain the outside doors, the surfaces must be properly prepared before applying paint or stain.
	2. Warpage of interior passage and closet doors.	Interior doors (full openings) shall not warp to the extent that the door becomes inoperable.	Correct or replace and refinish defective doors to match existing doors as nearly as possible during the first year of the Warranty Period.	
	3. Shrinkage of insert panels reveal raw or unpainted wood edges.	Panels will naturally shrink and expand and may expose unpainted surface(s).	None.	
	4. Split in door panel.	Split panels shall not allow visible light or weather intrusion through the door.	If light is visible, fill split and match paint or stain as closely as possible, one time in first year of the Warranty Period.	
	5. Malfunction of door locks and hardware.	Door locks and hardware shall operate as designed.	Correction of any defect shall be agreed upon prior to acceptance of the Home.	

Material or area of YOUR HOME	POSSIBLE DEFICIENCY	PERFORMANCE STANDARD	BUILDER RESPONSIBILITY	YOUR RESPONSIBILITY
M. Glass	1. Glass broken or scratched.	If reported prior to first occupancy, glass or mirror surfaces shall not have scratches visible from 10 feet under normal lighting conditions.	Defective glass reported to the Builder prior to closing.	
N. Sliding Doors	1. Sliding doors do not operate properly.	The Builder will assure that sliding doors are installed according to manufacturer's specifications. It is acceptable for small amounts of water to stand in the bottom of the track for a period of time after a rain.	Adjust or repair inoperative sliding doors, one time only, during the first year of the Warranty Period.	Maintain the sliding doors per manufacturer's specifications. The slide tracks must be kept clean and free of debris, the rollers lubricated and adjusted.
attached garages operate	1. Garage doors fail to operate properly under normal use.	Garage doors shall operate properly.	Correct or adjust garage doors as required, except where the cause is determined to result from Your negligence. If You install a garage door opener, the Builder will no longer be responsible for the operation of the garage door.	Lubricate all moveable parts as mentioned in the operating manual.
	2. Garage doors allow intrusion of water or snow.	Garage doors will be installed as recommended by the manufacturer. Some intrusion of the elements can be expected under abnormal conditions.	Adjust or correct garage doors one time only, unless caused by Your negligence.	
P. Wood, Plastic, and Metal Windows	1. Malfunction of windows.	Windows will operate with reasonable ease, as designed.	Correct as required.	Keep tracks and rollers cleaned, lubricated and adjusted.
	2. Condensation and/or frost on windows.	Windows will collect condensation on interior surfaces when extreme temperature difference and high humidity levels are present. Condensation is usually the result of climactic/humidity conditions, sometimes created by the Homeowner(s) comfort preference.	Unless attributed to faulty installation, window condensation is a result of conditions beyond the Builder's control. No corrective action required.	If a humidifier is installed, You will follow the manufacturer's recommendations for proper setting of the humidistat.
Q. Weather-Stripping and Seals	1. Interior water seepage.	Caulking in areas where water is supplied, such as sinks, tubs, showers and hose bibs, is required to prevent water intrusion.	Once during the first year repair any area deemed to be deficient to meet the performance standard. Builder is not responsible for color variation.	Caulking is an on-going responsibility of Yours.
	2. Air and/or water infiltration around doors and windows.	Infiltration is normally noticeable around doors and windows, especially during high winds. Poorly fitted weather-stripping shall be adjusted or replaced.	Adjust or correct improperly fitted doors, windows and weather stripping one time in the first year of the Warranty Period.	To have storm doors and windows installed to provide satisfactory solutions in high wind areas.
R. Lath and Plaster	1. Cracks in interior wall and ceiling surfaces.	Hairline cracks are not unusual in interior wall and ceiling surfaces. Cracks greater than 1/8 inch in width are considered excessive.	Repair cracks exceeding 1/8 inch in width as required, one time only, during the first year of the Warranty Period. Builder is not responsible for color variation.	

Material or area of	POSSIBLE	PERFORMANCE STANDARD	BUILDER RESPONSIBILITY	YOUR RESPONSIBILITY
YOUR HOME	DEFICIENCY			
S. Gypsum Wallboard (Drywall)	1. Defects, which appear during the first year of the Limited Warranty such as, nail pops, blisters in tape, or other blemishes.	Slight blemishes such as nail pops, seam lines and cracks not exceeding 1/8 inch in width are common in gypsum wallboard installations and are considered acceptable.	Repair only cracks exceeding 1/8 inch in width, one time only, during the first year of the Warranty Period. Builder is not responsible for color variations in the paint or differences in finished texture.	
T. Ceramic or Marble Tile	1. Ceramic or marble tile cracks or becomes loose or hollow sounding.	Ceramic or marble tile cracks or becomes loose as a result of expansion or contraction of the surface upon which it is placed. The Builder responsibility in this event should be discussed prior to closing (contract Homes) to avoid misunderstandings. Unless otherwise agreed, the following Builder responsibility applies.	Replace cracked tiles and resecure loose tiles only once during the first year of Warranty Period, unless the defects were caused by Your action or negligence. Builder will not be responsible for discontinued patterns or color variations in ceramic tile or grout. Hollow sounding tile is not considered a defect.	Regrout cracks after initial repairs have been made.
	2. Cracks appearing in grouting of ceramic or tile joints.	Cracks in grouting of ceramic tile joints are commonly due to normal shrinkage conditions. Homeowner(s) is responsible for maintenance of grouted areas.	Repair grouting if necessary, one time only, during the first year of the Warranty Period. Builder will not be responsible for discontinued tile patterns, color variations, or discontinued colored grout. Regrouting of cracks is a maintenance responsibility of the Homeowner(s) within the life of the Home.	Regrout cracks after initial repairs have been made.
	3. Lippage of adjoining ceramic or marble tile.	Lippage (vertical displacement) in excess of 1/4 inch will be repaired, except where the materials are designed with an irregular height (such as hand- made tile).	Repair to meet the accepted tolerance. Builder will not be responsible for discontinued tile patterns, color variations, or discontinued colored grout.	
U. Finished Wood Flooring	1. Wood flooring does not adhere	Wood flooring shall not lift or become unglued.	Repair or replace, at Builder's sole option, the affected wood flooring as required. Builder shall no be responsible for color variation of wood flooring o for problems caused by Your neglect or abuse.	
	2. Cracks developing between floor boards.	Cracks in excess of 3/16 inch in width shall be corrected.	Repair cracks in excess of 3/16 inch within the first year of the Warranty Period by filling or replacing, at Builder's option.	
V. Resilient Flooring	1. Nail-pops appearing on the surface of resilient flooring	Readily apparent nail pops will be repaired, only if they break the surface of the flooring.	Correct nail pops, which are above the surface. Repair or replace, at Builder's sole option, resilient floor covering in the affected area with similar material. Builder will not be responsible for discontinued patterns or color variations in the floor covering.	

Material or area of YOUR HOME	POSSIBLE DEFICIENCY	PERFORMANCE STANDARD	BUILDER RESPONSIBILITY	YOUR RESPONSIBILITY
	2. Depressions or ridges appear in the resilient flooring due to sub-floor irregularities.	Readily apparent depressions or ridges exceeding 1/4 inch in 36 inches shall be repaired. Visible cracks in the underlying slab are unavoidable and are considered acceptable unless the cracks rupture the resilient flooring.	Take necessary corrective action to bring the defect within acceptable tolerance so that the affected area is not readily visible. Builder shall not be responsible for discontinued patterns or color variations in floor covering.	
	3. Cuts and gouges appear in the surface of the resilient flooring.	The Builder will assure that the surface of the flooring does not have any observable cuts and gouges.	Repair cuts and gouges reported in writing prior to closing or first occupancy, whichever occurs first.	Protect the resilient floor surface by having chair and furniture protective devices installed and/or maintained.
	4. Resilient flooring does not adhere.	Resilient flooring shall not lift, bubble or become unglued.	Repair or replace, at Builder's sole option, the affected resilient flooring as required. Builder shall not be responsible for discontinued patterns or color variation of floor covering, or for problems caused by Your neglect or abuse.	
	5. Seams or shrinkage gaps show at resilient flooring joints.	Gaps shall not exceed 1/8 inch in width in resilient floor covering joints. Where dissimilar materials abut, a gap not to exceed 1/8 inch is permissible.	Repair or replace, at Builder's option, the affected resilient flooring as required. Builder shall not be responsible for discontinued patterns or color variation of floor covering, or for problems caused by Your neglect or abuse.	
W. Painting	 Exterior paint or stain peels, deteriorates or fades. 	Exterior paints or stains should not fail during the first year of the Warranty Period. Fading is normal and the degree is dependent on climactic conditions.	Prepare and refinish affected areas, if paint or stain is defective, matching color as close as practicable. Where finish deterioration affects the majority of a wall area, the whole area will be refinished.	Maintain the exterior surfaces per the manufacturer's specifications.
	2. Additional painting required due to other repair work that is the Builder's responsibility.	Painting repair required under this Warranty shall be finished to match surrounding areas as closely as practicable.	Refinish repair area as indicated.	
	3. Deterioration of varnish or lacquer finishes.	Natural finishes on interior woodwork shall not deteriorate during the first year of the Warranty Period. Varnish type finishes used on the exterior will deteriorate rapidly and are not covered by this Warranty.	Retouch affected areas of natural finish interior woodwork, attempting to match the color as closely as practicable.	Maintain these surfaces per the manufacturer's specifications.
	4. Mildew or fungus on painted surfaces.	Mildew or fungus may form on a painted surface if the structure is subject to abnormal exposures or weather conditions.	None. Mildew or fungus is a condition the Builder cannot control.	Mildew control is Your responsibility. You are responsible for cleaning and maintaining surfaces in order to minimize the presence of mildew and fungus.
X. Wall Covering	1. Peeling of any wall covering.	Peeling of wall covering shall not occur.	Repair or replace defective wall covering applications	
	2. Edge mismatching in pattern of wall covering.	Not a construction defect, and should be called to Builders attention prior to closing.	None	

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Y. Carpeting	1. Open carpet seams or stretching occurs.	Wall to wall carpeting, when stretched, shall not come loose from the point of attachment. Carpet seams may show but no separation at seam should occur.	Correct if original installation was at direction of the Builder.	
	2. Spots on carpet, minor fading.	Exposure to light can cause spots on carpet and/or minor fading.	None	
	3. Edge mismatching in pattern of wall covering and/or other floor coverings.	Not a construction defect, and should be discussed with the Builder prior to closing.	None	
Z. Stucco	1. Cracking occurs in exterior stucco wall surfaces.	Cracks are not unusual in exterior stucco wall surfaces. Cracks greater then 1/8 inch in width shall be repaired.	Surface repair cracks exceeding 1/8 inch in width, one time only, during the first year of the Warranty Period. Builder is not responsible for color variation.	Maintain normal expansion/contraction cracking in stucco to preclude water intrusion.
AA. Roof Tile	1. Broken roof tile.	Not a construction defect, and should be called to Builder's attention prior to closing.	Improper treatment can cause roof tile to crack. Broken roof tile not reported to the Builder prior to closing is Your responsibility.	
AB. Roof Shingles	1. Sheathing nails have loosened from framing and raised asphalt shingles.	Nails shall not loosen from roof sheathing to raise asphalt shingles from surface.	Repair all areas as necessary to meet the Performance Standard.	
AC. Fireplaces	1. Fireplace or chimney does not draw properly.	Properly designed and constructed fireplaces and chimneys will function properly. It is normal to expect that high winds can cause temporary negative draft situations. Similar negative draft situations can also be caused by obstructions such as large branches of trees too close to the chimney. Some Homes may need to have a window opened slightly to create an effective draft when the Home has been insulated and weatherproofed to meet energy conservation criteria. Any existing manufacturing warranty will exclude coverage from this warranty.	Where there is a fireplace or chimney malfunction, the Builder will determine the cause and correct it, if the problem is one of construction.	
	2. Chimney separation from structure to which it is attached.	Newly built fireplaces will often incur slight amounts of separation. Separation shall not exceed 1/2 inch from the main structure in an 10-foot vertical measurement.	Determine the cause of separation and correct if standard is not met (one time only). Caulking is acceptable.	
	3. Firebox paint discolored by fire or heat.	None	None. Heat from fires will alter finish.	
	4. Cracked firebrick and mortar joints.	None	None. Heat and flames from "roaring" fires will cause cracking.	

Material or area of	POSSIBLE	PERFORMANCE STANDARD	BUILDER RESPONSIBILITY	YOUR RESPONSIBILITY
YOUR HOME	DEFICIENCY	PERFORMANCESTANDARD	BUILDER RESPONSIBILITI	TOOR RESPONSIBILIT
	delamination and chips in high pressure laminate on vanity/kitchen cabinet	Countertops fabricated with high-pressure laminate coverings shall not delaminate.	Replace delaminated coverings to meet specific criteria. Builder will not be responsible for chips and cracks unless noted prior to closing.	Maintain these surfaces according to manufacturer's specifications. Joints in a laminate surface should be caulked to maintain a proper moisture barrier to assure proper performance of the covering.
	2. Kitchen cabinet door and/or drawer malfunctions.	Warpage not to exceed 1/4 inch as measured from face frame to furthermost point of warpage with door or drawer front in closed position.	Correct or replace doors or drawer fronts. Builder is not responsible for color variation.	
	3. Gaps between cabinets, ceiling or walls.	Acceptable tolerance shall not exceed 1/4 inch in width.	Correct to meet Performance Standard. Caulking is acceptable. Builder is not responsible for color variation.	
AE. Plumbing-Water Supply System	1. Plumbing pipes freeze and burst.	Drain, waste/vent and water pipes shall be adequately protected, as required by code, during normally anticipated cold weather, and as defined in accordance with ASHRAE design temperatures to prevent freezing.		Drain or otherwise protect lines and exterior faucets exposed to freezing temperatures.
2. Water supply syste fails to deliver water.	2. Water supply system fails to deliver water.	All connections to municipal water main and private water supply (except equipment, pumps, motors, valves, switches and related items) shall be the Builders responsibility. Private systems shall meet applicable codes at time of construction.	Private systems shall be designed and installed in accordance with approved building, plumbing and health codes. Builder will repair if failure is the result of defective workmanship or materials. Builder has no responsibility for elimination of the sources of supply when the problem is beyond Builder's control. The Builder is not responsible for water quality.	
	3. Leakage from piping.	No leaks of any kind shall exist in any soil, waste, vent, or water pipe. Condensation does not constitute leakage.	Make repairs to eliminate leakage.	
	4. Stopped up sewers, fixtures and drains.	Sewers, fixtures and drains will operate properly.	cause, Builder will assume the cost of the repair.	If a problem occurs, consult Your Builder for a proper course of action. Where Your negligence is shown to be the cause, You shall assume all repair costs.
	5. Leak in faucet or valve.	Valves or faucets shall not leak due to defects.	Repair or replace leaking faucets or valves when due to defects in workmanship or material. You are responsible for maintenance. Fixtures covered by a manufacturing warranty are not covered by this warranty.	

Material or area of YOUR HOME	POSSIBLE DEFICIENCY	PERFORMANCE STANDARD	BUILDER RESPONSIBILITY	YOUR RESPONSIBILITY
	6. Noisy water pipes.	There will be some noise emitting from the water pipe system due to the flow of water.	Eliminate "water hammer" or excessive noise only if due to improper installation. Builder cannot remove all water flow noises and pipe expansion.	
	7. Septic system fails to operate properly.	Septic system shall be designed and installed to comply with applicable, approved code requirements. Septic system shall function adequately and handle properly designed flow of household effluent specified by the governing health and building department regulations in effect at the time of construction and during all seasons, under normal local climactic conditions. Approval of the governing regulatory authority at the time of construction shall evidence Builder's compliance with this standard.	Repair or correct malfunctioning or non-operating systems, if failure is caused by inadequate design, faulty installation, or other cause relating to actions of the Builder or Builder's contractors, or subcontractors. Builder will not be responsible for system malfunction or damage, which is caused by Your negligence, lack of system maintenance, or other causes attributable to actions of You or Your contractors, not under the control of the Builder. These include, but are not necessarily limited to the addition of fixtures, items of equipment, appliances, pumps, motors, valves or switches, or other sources of waste or water to the plumbing system served by the septic system installation or surrounding soil conditions that may be critical to the system's functioning.	Properly maintain the system by maintaining proper grades, landscaping, gutters and protecting the area from heavy vehicular traffic, which could cause soil compaction. Septic tanks may need to be pumped during periods of excessive use or extended rainfall. Seek a reliable septic tank contractor for this service. In case of dispute, if Builder has obtained approved permits from the governing health authority, You must provide proof system was installed improperly.
	8. Cracking or chipping of porcelain or fiberglass.	Chips and cracks on surfaces of bathtubs/sinks can occur when hit by sharp or heavy objects.	Builder will not be responsible for repairs unless damage has been reported to Builder prior to closing and/or listed on the original "walk- through/punch list".	
AF. Heating	1. Inadequate heating.	Heating system shall be capable of producing an inside temperature of 70 degrees F, as measured in the center of each room at a height of 5 feet above the floor. Federal, state or local energy codes shall supersede this standard where such codes have been locally adopted.	Correct heating system to provide the required temperatures.	Maintain the heating system and assure that air filters are cleaned/changed per manufacturer's recommendations. Balance the dampers and registers to assure proper air distribution.

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AG. Cooling	1. Inadequate cooling.	Where air-conditioning is provided, the cooling system shall be capable of maintaining summer design conditions as specified in ASHRAE handbook. In the case of outside temperatures exceeding 95 degrees F, a differential of 15 degrees F is acceptable. Federal, state, or local energy codes shall supersede this standard where such codes have been locally adopted.	Builder shall correct cooling system to meet temperature conditions in accordance with specifications.	The Homeowner(s) will maintain the cooling system and assure that air filters are cleaned/changed per manufacturer's recommendations. Balance the dampers and registers to assure proper air distribution.
	2. Cooling lines leak.	Cooling lines shall not develop leaks during normal operation.	Repair lines leaking refrigerant and re-charge unit, unless damage has been caused by the events or occurrences caused by You.	
AH. Condensation Lines	1. Clogging of condensation lines.	None. Condensation lines will clog eventually under normal use.	Provide unobstructed condensation lines at time of first occupancy.	Maintenance is required.
AI. Air Distribution	1. Noisy ductwork.	When metal is heated it expands and when it cools it contracts. The result is a cracking sound, which is generally to be expected.	None.	
	2. Ductwork separates or becomes unattached.	Ductwork should remain intact and securely fastened.	Re-attach and re-secure all separated or unattached ductwork.	
AJ. Electrical Conductors, Fuses and Circuit Breakers	1. Failure of wiring to carry its designed load to the electrical box.	Wiring should be capable of carrying the designed load to the electrical box under normal residential use.	Check wiring for conformity with local, state, or approved national electrical code requirements. Builder shall repair wiring not conforming to code specifications.	
	2. Fuses blow or circuit breakers "kick out" (excluding ground fault interrupters).	Fuses and circuit breakers shall not activate under normal usage.	Check wiring circuits for conformity with local, state, or approved national electrical code requirements. Builder shall correct wiring not conforming to code specifications.	
AK. Outlets, Switches, and Fixtures	1. Drafts from electrical outlets.	Electrical junction boxes on exterior walls may produce airflow whereby the cold air can be drawn through the outlet into a room. The problem is normal in new Home construction.	None	
	2. Defective wiring to electrical outlets, switches or fixtures.	Wiring to electrical outlets, switches and fixtures should operate as intended.	Check wiring and connections and repair. Builder is not responsible for defective or malfunctioning pieces of equipment.	

Material or area of	POSSIBLE	PERFORMANCE STANDARD	BUILDER RESPONSIBILITY	YOUR RESPONSIBILITY
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AL. Service and	1. Ground fault interrupter	Ground fault interrupters are sensitive safety	Install ground fault interrupter in accordance with	
Distribution	trips frequently.	devices installed into the electrical system to	approved electrical code. Tripping is to be expected	
		provide protection against electrical shock. These	and is not covered unless due to faulty installation.	
		sensitive devices can be tripped very easily.		