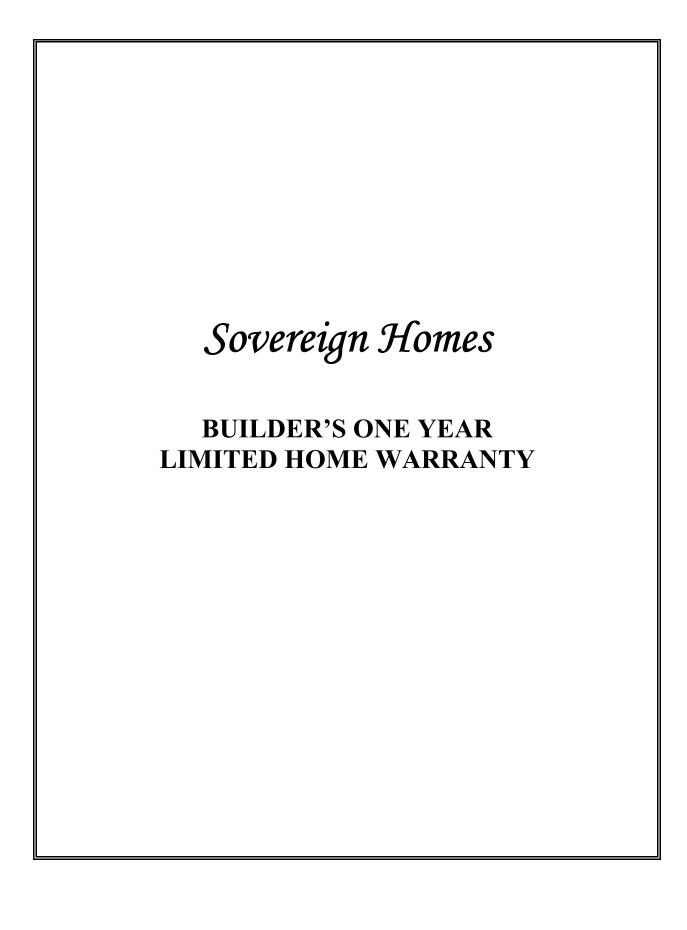
Sovereign Homes

WARRANTY OF COMPLETION OF CONSTRUCTION IN SUBSTANTIAL CONFORMITY WITH PERFORMANCE STANDARDS

Property Location:	Buyer(s):
located on the property identified abo Standards attached to Builders One Y Limited Warranty). The duration of	rantor has warranted to the Buyer(s) that the home (the Home) ove, has been constructed in conformity with the Performance fear Limited Home Warranty given to Buyer(s) at closing (the f the Limited Warranty is one (1) year from the date title is the of initial occupancy of the Home, whichever first occurs.
conveyance of title, delivery of pos Buyer(s), and shall be binding upon contrary contained in the purcha	only warranty given by the Builder/Warrantor and shall survive session of the property, or other final settlement made by the Builder/Warrantor notwithstanding any provision to the ase contract executed by the Buyer(s) heretofore or on of this instrument or prior to final settlement.
Signed this day of	
	Sovereign Homes
	By
PERFORMANCE MUST BE DELIVONE (1) YEAR FROM INITIAL O	TICE OF DEFECTS OR REQUEST FOR WARRANTY VERED TO BUILDER/WARRANTOR NO LATER THAN OCCUPANCY OR DATE OF CONVEYANCE OF TITLE EE LIMITED WARRANTY FOR MORE INFORMATION.
Receipt of this Limited Warranty sun	nmary is acknowledged this day of,20
	Buyer
	Buyer



BUILDER'S ONE YEAR LIMITED HOME WARRANTY

Sovereign Homes ("Builder), extends this One Year Limited Warranty to:

(Owner(s)), as the original purchaser, who have contracted with B	uilder for the construction and/or
purchase of a home (the Dwelling) located at:	
	(the Property), whose
legal description is:	

Throughout this Builder's Limited One Year Home Warranty, hereinafter referred to simply as **Limited Warranty**, the words **Owners**, **You** and **Your** refer to the original purchaser of the home, called the **Home** below. The other words and phrases that appear in boldface, uppercase type also have special meaning. Refer to the Definitions section, so that **You** will understand the special terminology applicable to this **Limited Warranty**.

The commencement date of the Limited Warranty is the closing date or date of first occupancy, whichever occurs first. This date is called the **Warranty Date** below. Coverage under the **Limited Warranty** ends one (1) year from the **Warranty Date**.

THIS LIMITED WARRANTY EXCLUDES COVERAGE FOR CONSEQUENTIAL DAMAGES, CONSUMER PRODUCTS, LIVING PLANTS AND IMPLIED WARRANTIES.

I. GENERAL TERMS

- **A.** <u>Binding Arbitration</u>. Any disputes which may arise from or relate to this Limited Warranty, including any claim that the **Builder** was negligent, will be resolved by binding arbitration, in the manner described in Requesting Warranty Performance Under This Limited Warranty below.
- B. <u>Builder's Choice of Remedy</u>. If You discover a Defect during the Limited Warranty, Builder will, at no cost to you, repair, replace, or pay You the actual cost of repairing or replacing the Defect within a reasonable time after Builder's inspection or testing confirms the Defect. The choice among repair, replacement, or payment is solely that of the Builder.

- C. <u>Complaints in Writing</u>. You must inform Builder of defects under this Limited Warranty in writing. Defects communicated only by telephone or in face-to-face discussions will not protect Your rights under this Limited Warranty.
- D. Scope of Repair. Builder's repair of any Defect under this Limited Warranty shall include repair and cosmetic correction of surfaces, finishes and coverings, original with the Home, which require removal and replacement in order to repair the Defect, or to repair other damage to the Home, as originally constructed, directly attributable to the Defect. Builder's repair under this Limited Warranty will restore damaged components of the Home, original with the Home, to a condition approximating the condition just prior to the Defect, but not necessarily to a like new condition. Such repair, when undertaken by Builder, will be performed utilizing materials of like kind and quality to those original with the Home.
- E. <u>Breach of Warranty</u>. This Limited Warranty shall not be considered breached by the existence of a **Defect**, but rather is only breached by **Builder's** failure to correct a **Defect** in accordance with the terms and conditions of this **Limited** Warranty.

II. WHAT IS COVERED BY THIS LIMITED WARRANTY AND IT'S DURATION

- A. Builder warrants that commencing with the Warranty Date, and continuing for one (1) year, the materials and workmanship in the Home will conform to the Performance Standards. This Limited Warranty terminates one (1) year after the Warranty Date. Written notice of an alleged Defect must be received by Builder by the expiration date of the Limited Warranty in order to be eligible thereunder.
- B. THIS IS THE ONLY WARRANTY GIVEN TO YOU BY BUILDER. IT IS IN LIEU OF ALL OTHER WARRANTIES, BOTH EXPRESS OR IMPLIED, AND IT SUPERCEDES ANY AGREEMENT TO THE CONTRARY, INCLUDING ANY WARRANTY OF COMPLETION OF CONSTRUCTION IN SUBSTANTIAL CONFORMITY WITH APPROVED PLANS AND SPECIFICATIONS REQUIRED BY SOME LENDERS TO BE SIGNED AT CLOSING.

III. WHAT IS NOT COVERED BY THIS LIMITED WARRANTY

- **A.** The **Limited Warranty** does not cover:
 - 1. Bodily injury or any damage to personal property;

- 2. Any **Consequential Damages**, including but not limited to, damage to the **Home** that is caused by a covered defect but is not itself a covered defect, cost of shelter, transportation, food, moving, storage or other incidental expenses related to relocation during repairs. Some states do not allow the exclusion or limitation of incidental or consequential damages, so this limitation may not apply to you;
- 3. Any **Defects** caused by, contributed to, aggravated by, or resulting, in whole or in part, from:
 - (a) Changes of the grading of the ground by anyone other than **Builder** or **Builder's** employees, agents, or subcontractors;
 - (b) Changes or alterations made to the **Home** by anyone after the **Warranty Date**, except those performed by **Builder** or **Builder's** employees, agents, or subcontractors;
 - (c) Any deficiency in materials or work supplied by anyone other than **Builder** or **Builder's** employees, agents, or subcontractors;
 - (d) Negligence, improper maintenance or improper use of a **Home** by anyone;
 - (e) Dampness, condensation, mold, mildew or fungus due to **your** failure to maintain adequate ventilation or keep the Home clean;
 - (f) Failure of, or damage to, any part of the **Home** not built by **Builder** or **Builder**'s employees, agents, or subcontractors.
- 4. Any bodily injury, loss, damage, costs, expenses and any **Defects** caused by, contributed to, aggravated by, or resulting, in whole or in part, from:
 - (a) Fire:
 - (b) Explosion;
 - (c) Smoke;
 - (d) Water escape:
 - (e) Falling objects;
 - (f) Aircraft;
 - (g) Vehicles;
 - (h) Acts of God;
 - (I) Lightning;
 - (i) Hail;
 - (k) Floods;
 - (1) Wind driven water;
 - (m) Insects, rodents or vermin;
 - (n) Moisture, rot, corrosion, rust, mold, mildew, or fungus;

- 5. Any **Defects** caused by, contributed to, aggravated by, or resulting, in whole or in part, from any earth movement including, but not limited to:
 - (a) Earthquake, landslide or mudslide;
 - (b) Mine subsidence, sinkholes or changes in the level of the underground water table;
 - (c) Any volcanic eruption, explosion or effusion;
- 6. Any **Defects** caused by, contributed to, aggravated by, or resulting, in whole or in part, from wind, including, but not limited to:
 - (a) Hurricanes:
 - (b) Tornadoes;
 - (c) Tropical storms;
 - (d) Gale force winds;
- 7. Any bodily injury, loss, damage, costs or expenses arising from, or any **Defects** caused by, contributed to, aggravated by, or resulting, in whole or in part, from:
 - (a) The actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of **Pollutants**, including, without limitation, any liability arising from uninhabitability or health risk attributable to **Pollutants**, contaminants or irritants (including, without limitation, the presence or consequence of radon gas, formaldehyde, arsenic, fiberglass, methyelene chloride, acids, alkalis and chemicals or any other substance or compound that is or may be in the building materials used to construct the Home) or attributable to the presence of or proximity to hazardous or toxic materials;
 - (b) Any governmental direction or request to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize **Pollutants**;
- 8. Any **Defects** that become apparent after the **Home** is no longer used primarily as a residence;
- 9. Any **Defects** caused by, contributed to, aggravated by, or resulting, in whole or in part, from abnormal loading on floors which exceeds design loads;
- 10. Any damage to **Consumer Products**;

- 11. Any **Defects** which **You** have not taken timely action to minimize;
- 12. Any **Defects** covered by any other express warranty; and
- 13. Any nonconformity with local building codes, regulations, or requirements which has not resulted in a **Defect**. This **Limited Warranty** does not cover building code violations in the absence of a **Defect**. In such instance, **Your** recourse is under the building code and other applicable laws and not under this **Limited Warranty**. This exclusion in no way mitigates or relieves **Builder** of its obligation to build in accordance with applicable building codes.
- **B.** The **Limited Warranty** does not cover any loss or damage as a result of any **Defects** which would not have occurred in the absence of one (1) or more of the events or conditions listed in 4, 5, or 6 in Section A above. The **Limited Warranty** does not cover any such loss or damage regardless of:
 - 1. The cause of the excluded event or condition; or
 - 2. Other causes of the loss or damage; or
 - 3. Whether other causes acted concurrently or in any sequence with the excluded event or condition to produce the loss or damage.

IV. REQUESTING WARRANTY PERFORMANCE UNDER THIS LIMITED WARRANTY

- **A.** Your duties under this Limited Warranty are as follows.
 - If You believe that the Home contains a Defect, You must advise Builder by written notice. You must send Your written notice no later than the Limited Warranty expiration date. If such notice is not postmarked or received by Builder by that deadline, Builder shall have no obligation to remedy a Defect.
 - You must cooperate with Builder and Builder's employees, agents, and subcontractors in every effort to investigate Defects, including, without limitation, granting the right of reasonable access to the Home to monitor, investigate, or correct Defects, upon reasonable notification to You. In the event You withhold access to the Home from Builder, Builder shall have no obligation to remedy Defects.
 - 3. Except at **Your** own cost, **You** will not voluntarily make any payment or assume any obligation or incur any expense for the correction of items which **You** believe to be covered by this **Limited Warranty** without

Builder's prior written approval. In the event of an **Emergency Situation**, approval is granted to **You** to make reasonable repairs, temporary or permanent, provided such repairs are confined solely to the protection of the **Home** from further damage and that **You** shall notify **Builder** as soon as possible, but no later than two (2) days after the repairs are undertaken, and provided further that **You** shall keep an accurate record of such repair expenditures.

V. <u>BINDING ARBITRATION</u>

- A. Scope of Arbitration. If Builder fails to resound to Your written notice or Builder does not correct the Defects in the way You think this Limited Warranty requires, or Builder does not agree that the condition is covered by this Limited Warranty, or if any other disputes arise which relate in any way to this Limited Warranty, then such matters shall be submitted to binding arbitration. Any and all disputes arising out of, or in any way related to, this Limited Warranty or the building of the Home (including, without limitation, disputes as to what issues shall be submitted to arbitration; alleged breach of the Limited Warranty; and alleged violations of consumer protection, unfair trade practice, or other statutes; or that the Builder practiced fraud or acted negligently in building or selling the Home) shall be submitted to binding arbitration.
- B. **Arbitration Procedure.** The parties must give written notice of their intent to proceed to arbitration to the other party no later than the date the Limited Warranty expires. Binding arbitration shall be conducted by Construction Arbitration Services, Inc., 2777 Stemmons Freeway, Suite 650, Dallas, TX 75207, (214) 638-2700, according to its rules and procedures. Upon request, the applicable rules and procedures will be provided to **You** by that organization. The award of the arbitrator shall be final, binding, and enforceable as to both You and Builder, except as modified, corrected, or vacated in accordance with the applicable arbitration rules and procedures, or, where those rules are silent, the United States Arbitration Act (9 U.S.C. '1 et seq.). You and Builder agree that this **Limited Warranty** involves commerce and disputes arising under it shall be governed by the United States Arbitration Act. The arbitrator will determine Your and the Builder's rights and obligations under this Limited Warranty, including, without limitation, any rights and remedies conferred upon either You or Builder by federal, state, or local statutes and ordinances in connection with this Limited Warranty.
- C. <u>Cost of Arbitration</u>. This arbitration shall be the exclusive forum for resolving disputes for both **You** and **Builder**. The costs of such arbitration shall be borne by **You**.
- **D.** <u>Attorney's Fees</u>: This <u>Limited Warranty</u> provides for mandatory arbitration of disputes. If any party commences litigation in violation of the arbitration provisions in this <u>Limited Warranty</u>, such party shall reimburse the other parties

to the litigation for an amount equal to their costs and expenses including **attorney's fees** incurred in seeking dismissal or a stay of such litigation.

VI. GENERAL CONDITIONS

- A. <u>Limit of Liability</u>. **Builder's** limit of liability under this **Limited Warranty** is the amount of the purchase price of the **Home** less the fair market value of the land on which it is located. That amount is the most **Builder** will expend or pay for all **Defects** regardless of the number of warranty claims made. **You** must sign a full release of all legal obligations with respect to the **Defects** when **Builder** has finished correcting or replacing the **Defects**, or when **Builder** has paid **You** the actual cost of correcting or replacing the **Defects**.
- B. <u>Independence From The Contract Of Sale</u>. This Limited Warranty is independent of the contract between You and Builder for the construction of the Home and/or its sale to You. Nothing contained in the construction and/or sales contract between You and Builder can restrict or override the provisions of this Limited Warranty.
- C. <u>No Assignment To Subsequent Homeowners</u>. This Limited Warranty shall not transfer to, nor may **You** assign it to, a subsequent **Homeowner** to whom the **Home** is sold.
- D. <u>Assignment of Manufacturers' Warranties</u>. Builder hereby assigns to You the manufacturers' warranties on all appliances, equipment, or other item which is a Consumer Product, installed in the Home. You should follow the procedure set forth in the applicable manufacturer's warranty should any appliance or item of equipment malfunction. Builder's obligation under this Limited Warranty as to any appliances and equipment installed by Builder in the Home is limited to the workmanlike installation of such appliances and equipment, and further only applies where such appliances and equipment are not Consumer Products.

E. General Provisions.

- 1. Should any provision of this **Limited Warranty** be deemed unenforceable by a court of competent jurisdiction, that determination will not affect the enforceability of the remaining provisions.
- 2. Use of one (1) gender in this **Limited Warranty** includes all other genders, and the use of the plural includes the singular, as may be appropriate.

- 3. This **Limited Warranty** is to be construed in accordance with the laws of the State of Oklahoma except insofar as its construction is governed by the United States Arbitration Act.
- F. Other Warranties. In the event that Builder repairs, replaces, or pays You the reasonable cost to repair or replace a Defect, or other related damage to the Home covered by this Limited Warranty, which repair or replacement is covered by other warranties, You must, upon Builder's request, assign the proceeds of such warranties, or Your rights under such warranties, to Builder to the extent of Builder's cost of such repair or replacement. This paragraph in no way modifies or amends sub-paragraph III.A.12 captioned What Is Not Covered By This Warranty.

VII. **DEFINITIONS**

- **A. Builder** means the entity named above that built the **Home**.
- **B.** Consequential Damages means any loss or injury other than the actual cost to correct **Defects**, including, without limitation, costs of shelter, transportation, food, moving and storage; other incidental expenses related to inconvenience or relocation during repairs to the **Home**; or diminished market value of the **Home**.
- C. Consumer Product means any appliance, item of equipment, or other item in the Home, which is a Consumer Product as defined in the Magnuson-Moss Warranty Act (15 U.S.C. '2301, et seq.). The following are examples of Consumer Products, although other items in the Home may be Consumer Products: refrigerator, trash compactor, range, dishwasher, garbage disposal, hot water heater, clothes washer and dryer, and thermostat.
- **D. Defect(s)** mean deficiencies in workmanship or materials used in constructing the **Home**, which deficiencies fail to conform to the standards and warranted tolerances set out in the **Performance Standards**.
- **E. Deflection** means the difference in elevation of high and low points along a diagonal, horizontal, or vertical plane caused by stress-induced deformation of a load-bearing member. **Deflection** is measured from any two (2) end points and a third reference point. The reference point may be located at any distance between the two (2) end points.
- F. Emergency Situation means an event or condition which creates imminent potential for damage to the **Home** or creates a substantially unsafe living condition due to **Defects** that become evident to **You** at a time other than **Builder's** normal business hours.

- **G. Home** means a single-family house (attached or detached) covered by this **Limited Warranty**. The term does not include the following, without limitation: outbuildings, including detached garages and detached carports (except outbuildings which contain the plumbing, electrical, heating, cooling or ventilation **Systems** serving the **Home**); swimming pools and other recreational facilities; driveways; walkways; patios; decks; porch stoops; boundary walls; retaining walls; bulkheads; fences; landscaping (including, without limitation, sodding, seeding, shrubs, trees and plantings); off-site improvement(s); or any other improvements that are not part of the **Home**.
- **H. Homeowner** means the first person to whom the **Home** is sold, or for whom such **Home** is constructed.
- I. Limited Warranty means only this express warranty provided to You by Builder.
- J. Performance Standards means those standards and tolerances for materials and workmanship attached to and incorporated into this Limited Warranty.
- K. Pollutants shall mean any solid, liquid, gaseous, or thermal irritant or contaminant, including, formaldehyde; arsenic; fiberglass; methyelene chloride or other chemical, compound or substance found in the building materials used to construct the Home; petroleum products; radon gas; smoke; vapor; soot; fumes; acids; alkalis; and chemicals; mold, mildew, fungus and the spores produced by them, and any toxic substance, compound or bioaerosol produced by or associated with them; and waste. Waste shall include, without limitation, materials to be recycled, reconditioned, or reclaimed.

L. Systems mean the following:

- (1) Plumbing system all gas supply lines and fittings; water supply, waste, and vent pipes and their fittings; septic tanks and their drain fields; and water, gas, and sewer services piping and their extensions to the tie-in of a public utility connection or on-site well and sewage disposal system.
- (2) Electrical system all wiring, electrical boxes, switches, outlets, and connections up to the public utility connections.
- (3) Heating, cooling, and ventilation system all ductwork; steam, water, and refrigerant lines; and registers, connectors, radiation elements, and dampers.
- M. Warranty Date means, the date on which title to the Home is transferred by Builder to You or the date that the Home is first used by You for residential purposes, whichever occurs first.

VIII. THE ONLY WARRANTY GIVEN BY THE BUILDER AND DISCLAIMER

BY SIGNING BELOW, YOU ACKNOWLEDGE THAT (A) YOU HAVE THOROUGHLY EXAMINED THE HOME, (B) YOU HAVE READ AND UNDERSTAND THE LIMITED WARRANTY, AND (C) THAT THE BUILDER HAS MADE NO GUARANTEES, WARRANTIES, UNDERSTANDINGS, NOR REPRESENTATIONS (NOR HAVE ANY BEEN MADE BY ANY REPRESENTATIVE OF THE BUILDER) THAT ARE NOT SET FORTH IN THIS LIMITED WARRANTY.

YOU FURTHER UNDERSTAND AND ACKNOWLEDGE THAT (A) NO IMPLIED WARRANTIES WHATSOEVER APPLY TO THE HOME OR THE PROPERTY; (B) THE BUILDER DISCLAIMS ANY IMPLIED WARRANTIES INCLUDING, BUT NOT LIMITED TO, WARRANTIES OF HABITABILITY, FITNESS FOR A PARTICULAR PURPOSE, MERCHANTABILITY AND WORKMANSHIP AND MATERIALS TO THE EXTENT ALLOWED BY LAW; AND (C) ANY IMPLIED WARRANTIES THAT EXIST DESPITE THIS DISCLAIMER ARE LIMITED TO A PERIOD OF ONE (1) YEAR FROM THE DATE OF CLOSING OR INITIAL OCCUPANCY, WHICHEVER OCCURS FIRST. SOME STATES DO NOT ALLOW LIMITATIONS ON HOW LONG AN IMPLIED WARRANTY LASTS, SO THIS LIMITATION MAY NOT APPLY TO YOU.

THIS LIMITED WARRANTY GIVES YOU SPECIFIC LEGAL RIGHTS, AND YOU MAY ALSO HAVE OTHER RIGHTS, WHICH MAY VARY FROM STATE TO STATE.

The undersigned acknowledges having read, understood, and received a copy of this Limited Warranty.

OWNEDS.

OWNERS.		
Print Name of Owner	Owner's Signature Date	
Print Name of Owner	Owner's Signature Date	
BUILDER:	Sovereign Homes	
	By:Signature	

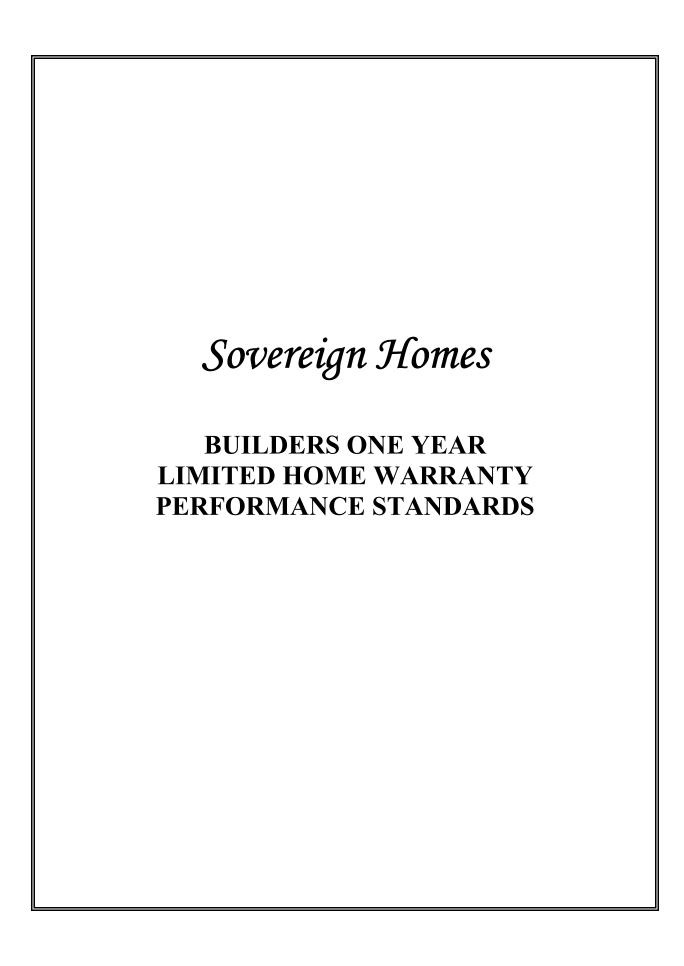


TABLE OF CONTENTS

	<u>Page</u>
Site Work	2
Site grading	
Site drainage	
Concrete	2
• Cast-in-place concrete (concrete walls, floors, slabs, etc.)	
Masonry	3
• Unit masonry (stone, block, or brick walls, floors, etc.)	
Wood and Plastic	4
 Rough carpentry (wooden floors, plaster walls, etc.) 	
Kitchen cabinets	
 Countertops 	
 Interior finish carpentry (inside trim) 	
 Exterior finish carpentry (outside wood, siding, or masonry trim) 	
• Exterior siding	
Thermal and Moisture Protecting Materials	5
 Waterproofing 	
• Insulation	
• Louvers and vents	
Roofing and siding	
• Sheet metal	
• Sealants (caulking)	
Doors and Windows	7
 Doors (wood or plastic) 	
 Garage doors 	
 Windows (wood, plastic, or metal) 	
Weatherstripping and seals	
Sliding doors	
• Glass	
• Hardware	
Finishes	9
 Lath and plaster 	
Gypsum wallboard	

	<u>Page</u>
Ceramic tile	
 Finished wood floors 	
 Resilient flooring or floor covering 	
 Paint, stain, or varnish 	
 Wall coverings 	
 Carpeting 	
• Stucco	
 Marble, formica, porcelain, fiberglass 	
Louvers, Vents, and Fireplaces	12
 Louvers and vents 	
 Fireplaces and chimneys 	
Mechanical Systems	12
 Plumbing, water supply, and septic systems 	
Heating system	
Refrigeration	
Condensation drain lines	
 Evaporative cooling system 	
Air distribution system	
Electrical System	16
Electrical conductors, fuses and circuit breakers	
 Outlets, switches, and fixtures 	
 Service and distribution 	
Foundation	17
Beams, concrete	
Beams, wood (built up)	
Beams, wood (laminated)	
 Beams, wood (solid) 	
• Beams, steel	
 Footings 	
• Walls, concrete	
• Walls, masonry	
• Columns, wood	
• Columns, concrete	
• Columns, masonry	
• Columns, steel	

	<u>Page</u>
Structural Beams and Girders	18
 Beams and Girders, wood (solid) 	
 Beams and Girders, wood (built up) 	
 Beams and Girders, wood (laminated) 	
• Steel	
Lintels and Headers	
• Steel	
 Wood 	
 Concrete 	
 Masonry 	
Arches	18
• Masonry	10
Structural Columns	19
 Wood 	
 Concrete 	
 Masonry 	
• Steel	
Walls and Partitions (Load Bearing Only)	19
• Studs	
Floor Systems	19
Structural Concrete	
 Joists 	
• Trusses	
Roof Framing	19
Ridge Beam	
• Rafters (common)	
• Rafters (jack)	
• Rafters (valley/HIP)	
Ceiling Joists	
 Trusses 	

PERFORMANCE STANDARDS

I. <u>Introduction</u>. The following is intended to acquaint **You** with **Builder's** responsibilities under this **Limited Warranty**. If a defect results in actual physical damage to the **Home**, the **Performance Standards** will be used to determine **Builder's** obligation under this **Limited Warranty**.

NOTE:

Your new Home, no matter how carefully it was constructed, will go through a period of setting and drying. Generally this happens during one cycle of the seasons or one (1) year. It is normal to expect some wood shrinkage, hairline cracks or warping. Builder will remedy these conditions where they exceed these Performance Standards.

II. <u>Your Responsibilities</u>. Your Home requires an active maintenance effort on Your part.

NOTE:

Damage caused or made worse by **Your** negligence, improper maintenance, or improper operation is expressly excluded under this **Limited Warranty**.

III. Performance Standards.

The following **Performance Standards** list common defects and conditions in new homes and tells which are covered under this **Limited Warranty**. The **Performance Standards** also explain both the **Builder's** responsibilities and **Your** responsibilities.

The **Performance Standards** are grouped according to the type of material or portion of the **Home** affected by a defect or condition. It is then divided into the specific item or work affected, and then by the actual problem or condition.

You will find some conditions listed in the **Performance Standards** that are not covered by this **Limited Warranty**. These conditions tend to occur naturally, are too small to detract from the overall appearance or stability of the **Home**, or are **Your** responsibility.

Under the **Limited Warranty**, the choice as to scope of repair, repair technique, or replacement versus payment for the cost of repair or replacement is solely that of **Builder**. Further, **Builder** will make a reasonable effort to match colors, patterns and dyes of all appropriate materials, finishes, etc. **You** should be aware that changes in color lots or discontinued patterns may preclude exact matching.

Type of Material or area of Your Home	Specific Item or Work	Problem or Condition Covered	Year	Building Standard or Builder's Responsibility	Your Responsibility
A. Site Work	1. Site Grading	Settling of ground around foundation, utility trenches or other filled areas interferes with water draining away from the home	1	Builder will fill settled areas which affect the proper drainage.	Remove and replace shrubs, sod or other landscaping affected by the placement of the fill.
	2. Site Drainage	a. Improper drainage of the site	1	Builder will establish the proper grades and swales (sloped low areas) for water to properly drain away from the Home. Water will not stand or pond within 10 feet of the Home for extended periods after a rain (usually not more than 24 hours). For swales which drain other areas or where sump pumps discharge; a longer time is not unusual. It is normal for water to stand after a heavy rainfall. Grading or ponding determinations will not be made while there is frost or snow on the ground, or while the ground is saturated or frozen.	Maintain the grades and swales after they have been properly established by Builder . Insure established drainage patterns are not impeded by landscaping, decking, patios, pools, driveways, walls, etc which You install. Do not change the grade of the soil away from the foundation by building planters, raised beds, or other blocking construction. Damages caused by changes in drainage and grading are not covered. Where a sump pit has been installed by Builder but the sump pump was not contracted for or installed by Builder , You must install a properly sized pump in attempt to correct the condition.
B. Concrete	Cast-in-place concrete	Cracks in basement walls, or foundation walls, stem walls or floor slabs	1	Shrinkage cracks are not unusual in concrete . Builder will repair all cracks more than 1/8" wide.	
		b. Cracks in basement floor	1	Minor cracks in basement floors are normal. Builder will repair cracks more than 3/16" wide or 1/8" in vertical displacement.	
		c. Cracks in slab in attached garage	1	Builder will repair cracks in garage slabs more than 1/4" wide or 1/4" in vertical displacement.	

Type of Material or area of Your Home	Specific Item or Work	Problem or Condition Covered	Year	Building Standard or Builder's Responsibility	Your Responsibility
		d. Uneven concrete floors or slabs	1	Concrete floors in rooms designed for habitability (as living space) will not have pits, depressions, or raised surfaces greater than 1/2" in 30". Builder will repair these defects by surface patching.	
		e. Cracks in concrete slab-on-grade floors under finished flooring	1	Builder will repair cracks which rupture the finished flooring material so the cracks are not readily apparent when the finished flooring material is in place. (See also Performance Standard G., "Finishes.")	
		f. Pitting, scaling or spalling (flakes, chipping) of concrete surfaces covered by the warranty	1	It is normal for some minor chipping of the surface to occur. Concrete surfaces should not disintegrate so that the aggregate is loose under normal use and weather conditions. Builder will repair concrete surfaces. Builder is not responsible for deterioration caused by salt, chemicals, mechanical implements or other factors beyond Builder's control.	Avoid damaging concrete with salt, chemicals, mechanical equipment, etc.
		g. Settling, heaving or separating of stoops, steps or garage floors	1	Stoops, steps or garage floors will not settle, heave or separate more than 1" from the Home . Builder will repair these defects.	
		h. Standing water on stoops	1	Water should drain from outdoor stoops and steps. However, it is normal for small amounts of water to stand on stoops for short periods after it rains. Builder will correct any improper drainage.	
		Cracks in driveways, walkways, sidewalks, porches, patios, retaining walls, decks and boundary walls.	0	These items are not covered by the Limited Warranty.	

Type of Material or area of Your Home	Specific Item or Work	Problem or Condition Covered	Year	Building Standard or Builder's Responsibility	Your Responsibility
C. Masonry	1. Unit Masonry	Cracks in masonry basement or foundation walls	1	Cracks up to 1/8" wide are not unusual in mortar joints of masonry foundation walls. Builder will repair cracks more than 1/8" wide.	
		b. Cracks in masonry or veneer walls	1	Cracks up to 3/8" wide due to shrinkage are common in mortar joints in masonry construction. Builder will repair cracks more than 3/8" wide by Arepointing. Builder will not be responsible for any difference in the color of the old and new mortar.	
		c. Mortar used in brick veneer, fireplaces or chimneys is excessively sandy or of low tensile or bond strength	1	Builder will correct these conditions by repointing affected areas. Under no circumstances will Builder be required to tear down and replace brick veneer, fireplaces or chimneys.	
D. Wood & Plastic	Rough carpentry	Squeaking floors or subfloors that appear loose	1	These conditions are often temporary in new homes. Builder will correct these conditions only if they are caused by underlying defects in construction. A squeak proof floor cannot be guaranteed.	
		b. Uneven wood floors	1	Builder will repair any floors that have more than 1/4" ridge or depression within any 30" measurement when measured in any direction to the joists.	
		c. Bowed walls or other interior exposed surfaces.	1	All interior and exterior walls have slight variances on their finished surfaces. Bowing of walls will not detract from or blemish the wall's finished surface. Builder will repair any walls which bow more than 3/8" out of line within any 30" horizontal or vertical measurement taken a minimum of 16" from any sheetrock corner or opening.	

Type of Material or area of Your Home	Specific Item or Work	Problem or Condition Covered	Year	Building Standard or Builder's Responsibility	Your Responsibility
		d. Out-of-plumb walls	1	Builder will repair any walls that are more than 1/4" out-of-plumb for any 30" vertical measurement.	
	2. Kitchen cabinets	a. Warped kitchen cabinets	1	Builder will repair any doors or drawer fronts that are warped more than 1/4". This condition is measured by closing the drawer or door and measuring from the face frame to the point of furthermost warpage. Builder is not responsible for matching cabinet finishes.	
		b. Gaps between the cabinets, or between the cabinets, ceiling, or walls	1	Builder will correct any gap that is more than 1/4" wide.	Do not overload cabinets.
		c. Split in panels of a cabinet door	1	If light is visible through the split in a panel, Builder will repair the panel.	
	3. Countertops	a. Separation from wall	1	Builder will repair the crack. Caulking is acceptable. Builder will repair only once after closing or first occupancy, whichever occurs first.	
	4. Interior finish carpentry (trim inside the Home)	Trim/molding has open joints between molding and the surface areas to which the moldings are attached.	1	Builder will repair open joints in moldings or between moldings and surfaces if the gaps are more than 1/8" wide. Caulking is acceptable.	
	5. Exterior finish carpentry (wood siding, or masonry trim on the outside of the Home)	Trim has open joints between pieces of trim, including siding and masonry	1	Builder will repair any open joints that are more than 3/8" wide or which do not keep out the elements.	Maintain exterior finish by caulking and painting.
E. Thermal and moisture	1. Waterproofing	a. Leaks in basement	1	Dampness on the walls or floors in the basement is not a defect. However, if	Maintain proper grades and drainage around the home and landscape properly to avoid

Type of Material or area of Your Home	Specific Item or Work	Problem or Condition Covered	Year	Building Standard or Builder's Responsibility	Your Responsibility
protecting materials				water is actually trickling into the basement, Builder will repair the leaks.	water problems in the Home .
	2. Insulation	a. Insufficient insulation	1	Builder will insulate the Home as required to meet local energy and building requirements. Insulation does not render a wall or room soundproof.	
	3. Louvers and vents	Rain or snow leaks into the attic through louvers and vents	0	Homes must have louvers and vents for proper ventilation. Rain or snow will sometimes come through these openings.	
		a. Ice build-up on roof	0	During prolonged cold spells, ice is likely to build up at the eaves of the roof. This build-up will occur when snow and ice accumulate and gutters and downspouts freeze up.	
		b. Leaks in roof or flashing	1	Builder will repair roof or flashing leaks. Leaks caused by ice build-up are not Builder's responsibility.	Clean leaves from valleys, gutters and downspouts.
	4. Roofing and siding	c. Standing water on a flat roof	1	It is not unusual for minor ponding to occur on a flat roof for up to 24 hours after a rainfall. However, if water is not draining properly, Builder will correct the drainage. Builder is not responsible if the roof was specifically designed to retain water.	
		d. Delamination of veneer siding or joint separation	1	All siding will be installed so that it meets the manufacturer's standards and industry standards and is sufficiently painted or protected. Builder will repair or replace any siding that delaminates or separates. Builder will only paint new materials as part of the repair. The paint may not be an exact match to the original colors.	Protect the siding from damage, such as leaning heavy objects against siding, ball dents, and water from sprinklers striking the siding. Annually, seal or recaulk siding.

Type of Material or area of Your Home	Specific Item or Work	Problem or Condition Covered	Year	Building Standard or Builder's Responsibility	Your Responsibility
		e. Gaps in wood siding	0	Gaps on end and side edge may occur due to normal expansion and contraction. Builder cannot control wood expansion and contraction.	
	5. Sheet metal	a. Leaks in gutters and/or down-spouts	1	Gutters and downspouts may overflow during heavy rains. They should not leak at connections. Builder will repair leaks.	Keep leaves and debris out of gutters so that water can flow properly. Do not lean ladders against gutters and downspouts.
		b. Standing water in gutters	1	Small amounts of water may stand in a gutter after a rain. If the water is more than 1" deep in a gutter and the gutter is not clogged with debris, Builder will repair the gutter so that water can drain properly.	Keep leaves and debris out of gutters so that water can flow properly.
	6. Sealants	Leaks in exterior (outside) walls because calking is inadequate	1	If water is coming into the Home , Builder will repair leaking joints or cracks in the exterior wall surface, around openings and flashings.	Properly installed caulking may shrink. You must maintain caulking during the life of the Home .
F. Doors and windows	Wood and plastic doors	a. Outside doors are warped	1	Builder will repair any doors that warp to the extent that they satisfy one of the following: - they no longer work; - they are no longer weather resistant; - they warp more than 1/4", measured diagonally from corner to corner. Builder will refinish any new doors to match other doors as closely as possible.	If You paint outside doors, doors must be properly prepared.
		b. Inside doors or closet doors are warped	1	Builder will repair any doors that warp more than 1/4", measured diagonally from corner to corner. In the event Builder installs a new door, Builder will finish new door to match other	

Type of Material or area of Your Home	Specific Item or Work	Problem or Condition Covered	Year	Building Standard or Builder's Responsibility	Your Responsibility
				doors as closely as possible.	
		c. Panels in doors shrink so that raw wood edges show	0	It is normal for panels to shrink.	
		d. Split in panels of a door	1	If light is visible through the split in a panel, Builder will repair the panel. Builder will make this repair only once after closing or first occupancy, whichever occurs first.	
	2. Garage doors on garages that are attached to the home	Garage doors do not operate properly	1	If garage doors do not operate properly under normal use, Builder will adjust or correct them. If You install a garage door opener, Builder is no longer responsible for the operation of the garage door.	Keep all movable parts lubricated.
		b. Rain or snow leaks in through garage doors	1	Garage doors will be installed in accordance with manufacturer's specifications. Builder will repair leaks resulting from a failure to properly install the garage doors. During severe weather conditions, some leakage may be normal.	
	3. Wood, plastic, and metal windows	a. Windows do not function properly	1	Builder will correct the windows so that they are reasonably easy to operate.	Keep tracks and roller cleaned, lubricated and adjusted.
		b. Condensation and/or frost on inside surfaces of windows	0	Condensation may occur on the interior window surfaces with extremes in temperature and humidity. Individual living habits can impact humidity levels. These conditions are beyond Builder's control and Builder has no responsibility.	If a humidifier is installed, You must follow the manufacturer's recommendations for proper settling of the humidistat.
	4. Weather	a. Air leaks in around doors and	1	Doors and windows will be insulated	If You live in an area with high winds, storm

Type of Material or area of Your Home	Specific Item or Work	Problem or Condition Covered	Year	Building Standard or Builder's Responsibility	Your Responsibility
	stripping and seals	windows		according to the manufacturer's standards. If air comes in because doors, windows, or weatherstripping were fitted poorly, Builder will repair the improperly fitted doors, windows, or weatherstripping.	doors and windows may be installed.
	5. Sliding doors	Sliding doors do not operate properly	1	Sliding doors will be installed according to the manufacturer's specifications. Builder will repair inoperative sliding doors.	Keep tracks and rollers cleaned, lubricated, and adjusted.
	6. Glass	a. Broken glass	0	Builder will repair broken glass reported to Builder prior to closing or at first occupancy, whichever occurs first.	Report to Builder all broken glass prior to closing or at first occupancy, whichever occurs first.
	7. Hardware	Locks on doors or windows do not operate properly.	1	Builder will repair any hardware which does not meet manufacturer's standards.	
G. Finishes	Lath and plaster	a. Cracks in inside walls and ceilings	1	Cracks in inside walls and ceilings are not unusual. Builder will repair all cracks that are more than 1/8" wide. Builder will repair these cracks only once.	
	2. Gypsum wallboard	Nail pops, blisters in tape, and other blemishes on inside walls and ceilings	1	Builder will correct these imperfections only once.	
		b. Cracks	1	Builder will repair cracks in wallboard that are more than 1/8" wide.	
	3. Ceramic tile	Chips or cracks in floor, counter, or wall tile	0	Builder will replace cracked or chipped tiles reported to Builder prior to closing or at first occupancy. Builder will not be responsible to match tile patterns and color between the old and the new tile and grout.	Report to Builder all cracked or chipped tiles prior to closing or at first occupancy, whichever occurs first.
		b. Loose floor, counter or wall tile	1	Builder will replace cracked tiles and	

Type of Material or area of Your Home	Specific Item or Work	Problem or Condition Covered	Year	Building Standard or Builder's Responsibility resecure loose tiles.	Your Responsibility
		c. Cracks in grouting of ceramic tile joints or at junctions between tiles and other materials (e.g., between tiles and bathtub)	1	Cracks in grouting of ceramic tile joints are commonly caused by normal shrinking of the grouting. Builder will repair cracked grouting only once. Builder will not be responsible for discontinued grout or for differences in color between the old and the new grout.	Regrout cracks during the lifetime of the Home .
	4. Finished wood floors	a. Cracks between the floor boards	1	Builder will repair all cracks that are more than 1/8" wide.	
	5. Resilient flooring or floor covering	Nail pops on surface of resilient floor covering	1	Builder will repair any nail pops that break the surface of the flooring.	
		b. Depressions or ridges in resilient flooring because the subfloor is irregular	1	Builder will repair any ridges or depressions which are readily apparent and which are more than 1/8" high or deep. The ridge or depression measurement is the gap created at one end of a 6" straight-edge placed over the depression or ridge with 3" of the straightedge on one side of the defect, held tightly to the floor. Builder will not be responsible to match the old and the new flooring.	
		c. Resilient flooring lifts, bubbles, or becomes unglued	1	Builder will repair these defects.	
		d. Visible seams or shrinkage gaps at joints of resilient flooring	1	If the gaps are more than 1/16" wide between pieces of resilient flooring, Builder will repair them. If the gaps between flooring and other materials are more than 1/8" wide, Builder will repair the affected area only.	
		e. Cuts and gouges	0	Builder will repair cuts and gouges	Report to Builder prior to closing.

Type of Material or area of Your Home	Specific Item or Work	Problem or Condition Covered	Year	Building Standard or Builder's Responsibility reported to Builder prior to closing.	Your Responsibility
	6. Paint, stain, or varnish	Deteriorating, fading, or peeling of outside paint	1	Fading of a paint or stain is normal and not considered a defect. The amount of fading will depend on the climate where the Home is located. Builder will repair paint, stain or varnish which peels or deteriorates. Builder will properly prepare and refinish any areas that are affected.	
		b. Painting made necessary by other repair work	1	If painting is required because of other repair work, Builder will paint to match surrounding areas as closely as possible.	
		c. Deteriorating varnish or lacquer finish on outside woodwork	0	Varnish or lacquer on outside woodwork deteriorates quickly and is not covered.	
		d. Deteriorating varnish or lacquer finish on inside woodwork	1	Builder will retouch areas of the woodwork where the finish has deteriorated. Builder will make this repair only once.	
		e. Mold, mildew or fungus on painted surfaces	0	Builder will remove mildew or fungus reported to Builder prior to closing or first occupancy. Mold, mildew or fungus may form on painted surfaces over time because of warmth and moisture.	Report to Builder prior to closing. Clean mildew or fungus regularly from exterior or interior surfaces.
		f. Deteriorating, fading, or peeling of interior paint	1	Interior painted surface should not deteriorate, fade, or peel. Builder will touch-up only the affected areas one time after closing.	Maintain interior paint per manufacturer's specifications.
	7. Wall coverings	a. Peeling wall covering	1	Builder will repair wall covering which peels within the first year.	

Type of Material or area of Your Home	Specific Item or Work	Problem or Condition Covered	Year	Building Standard or Builder's Responsibility	Your Responsibility
		b. Mismatched edges of wall covering, pattern mismatch, and open seams.	0	Builder will repair these conditions when reported to Builder prior to closing.	
	8. Carpeting	a. Open seams in carpeting	1	Visible carpet seams are not a defect. Builder will repair any openings or gaps in the seams.	
		b. Wall-to-wall carpeting comes up, is loose, or stretched.	1	If Builder originally installed wall-to-wall carpeting as a primary floor covering, Builder will resecure or restretch any of the carpeting that has loosened from the material to which it was attached.	
		c. Spots or minor fading on carpet	0	Spots and/or minor fading can occur naturally when a carpet is exposed to light. Builder has no responsibility for this condition.	
	9. Stucco	a. Cracks in outside stucco walls	1	Cracks are not unusual in the surfaces of outside stucco walls. Builder will repair within the first year, any cracks that are more than 1/8" wide.	
	10. Marble, real or synthetic, plastic laminate, porcelain, and fiberglass	a. Scratches, nicks, chips, or blemishes	0	Builder will repair scratches, nicks, chips, or blemishes reported to Builder prior to closing. Builder is not responsible for discontinued patterns or for differences in color between old and new.	Report to Builder prior to closing.
H. Louvers, vents, and fireplaces	Louvers and vents	Inadequate ventilation of attics and crawl spaces	1	Builder will repair the louvers and vents so that they provide proper ventilation. Builder will not be responsible for problems caused by the alteration of the original ventilation system.	
	2. Fireplaces and	a. Improper drawing of fireplace or	1	Several things can cause temporary	Insure there is sufficient fresh air make-up

Type of Material or area of Your Home	Specific Item or Work	Problem or Condition Covered	Year	Building Standard or Builder's Responsibility	Your Responsibility
	chimneys	chimney		negative draft situations in a fireplace or chimney. These include high winds, obstructions such as large branches or trees too close to the chimney, or tight insulation and weatherproofing throughout the house. Builder will not be responsible for these problems. If the draft problem is caused by improper installation, Builder will repair the problem.	for the flue to draw properly. Before the beginning of the season that You will use the fireplace, look for any obstructions and clear prior to use.
		b. Separation of chimney from the structure to which it is attached	1	It is not unusual for a new chimney to separate slightly from the structure to which it is attached. Builder will repair any chimney that has separated from the Home more than 2" in any 10 feet vertical measurement.	
		c. Firebox (area where the fire burns) paint has changed	0	The heat from a fire can naturally change any finish on the firebox. This condition is not covered.	
		d. Cracks in firebrick (brick that lines the fireplace) and mortar joints	0	Roaring fires can naturally cause this cracking. This condition is not a defect.	
I. Mechanical systems	Plumbing, water supply, and septic systems	a. Plumbing pipes have frozen and burst	1	Drain, waste, vent, and water pipes will be adequately protected to prevent freezing as required by the applicable plumbing requirements for normally anticipated cold weather and in accordance with the design temperatures established by the American Society of Heating, Refrigerating, and Air-Conditioning Engineers (ASHRAE). Builder will repair any pipes not meeting the ASHRAE standards.	Drain water pipes and outside faucets when they are exposed to freezing temperatures.
		b. Leaks in faucets or valves	1	Builder will repair or replace any faucets or valves that leak because of defects in workmanship or materials.	

Type of Material or area of Your Home	Specific Item or Work	Problem or Condition Covered	Year	Building Standard or Builder's Responsibility	Your Responsibility
		c. Defects in plumbing fixtures or trim fittings	1	Builder will repair any fixture or fitting which does not meet the manufacturer's standards.	
		d. Noisy water pipes	1	Some noise in the water pipes is natural and comes from the flow of water and from the pipes expanding. If there is a pounding noise from improperly anchored pipes, Builder will repair.	
		e. Leaks in pipes	1	Builder will repair any leaks in the drain, waste, vent or water pipes. Condensation on pipes is not the same as a leak, and is not a defect.	
	Plumbing, water supply, and septic systems	f. Stopped up sewers, fixtures, and drains	1	Builder will repair all sewers, fixtures, and drains that are clogged because of defects in construction. Builder is not responsible for any defect which is not construction related, including any failure of municipal systems.	If sewers, fixtures, and drains are clogged because of Your actions, then You will pay the cost of repairing them.
		g. Water supply system does not deliver water	1	Builder is responsible for connecting all on-site service to municipal water mains and to private water supplies. Builder is also responsible for making sure that an individual well on-site is installed to comply with all building and plumbing requirements. Builder will repair problems caused by defects in workmanship and materials. Builder is not responsible for problems caused by conditions beyond Builder's control. Builder is not responsible for water quality.	
		h. Septic tank, distribution box and pump do not meet state, county or local requirements.	1	Septic tank must meet state, county, or local requirements. Builder will repair any septic system that cannot properly	Properly maintain the septic tank system to include proper grades, landscaping, and protection from vehicular traffic or excessive

Type of Material or area of Your Home	Specific Item or Work	Problem or Condition Covered	Year	Building Standard or Builder's Responsibility	Your Responsibility
				handle the normal flow of household waste because of defects in workmanship or materials. Builder is not responsible for conditions beyond Builder's control, such as freezing, saturated soil, an increase in the elevation of the water table, excessive use of the system, or limitations established by the local governing agency.	weight which would result in soil compaction. Tanks may need to be pumped during periods of excessive use or extended rainfall.
		i. Septic drain fields	1	Septic drain fields will meet state, county, or local requirements. Builder will repair any septic drain fields that cannot properly handle the normal flow of household waste because of defects in workmanship or materials. Builder is not responsible for conditions beyond Builder's control, such as freezing, saturated soils, increase in the elevation of the water table, excessive use of the system, or limitations establishes by the local governing agency.	
	2. Heating system	a. Inadequate heating	1	Heating system is designed to maintain an indoor temperature of 70E F. The temperature is measured in the center of each room at a height of 5 feet above the floor (under local outdoor winter design conditions as specified in the ASHRAE handbook). Federal, state, or local energy requirements take precedence. Builder will repair the heating system so that it provides the required temperature.	Balance dampers and registers and make other minor adjustments for change of seasons. Maintain unit per manufacturer's specifications.
		b. Leaks in refrigerant lines	1	Builder will repair all leaking refrigerant lines and will recharge the unit, unless You caused the damage.	
	3. Refrigeration	a. Inadequate air conditioning	1	Cooling system is designed to maintain	Balance dampers and registers and make

Type of Material or area of Your Home	Specific Item or Work	Problem or Condition Covered	Year	Building Standard or Builder's Responsibility	Your Responsibility
				an indoor temperature of 78E F. The temperature is measured in the center of each room at a height of 5 feet above the floor (under local out-door summer design conditions as specified in ASHRAE handbook). If the temperature outside is above 95E F, cooling system must be able to maintain an inside temperature that is 15E below the outside temperature. Federal, state, or local energy requirements take precedence. Builder will repair the cooling system so that it provides the required temperature.	other minor adjustments for change of seasons and maintain proper window treatment to optimize cooling capabilities. Maintain unit per manufacturer's specifications.
	Condensation drain lines	a. Clogged condensation drain lines	0	Builder will provide clear condensation drain lines at closing. After this, You are responsible for keeping the condensation drain lines clear.	Condensation drain lines may clog, under normal use. You should keep these clear. Prior to using the cooling system each season, check condensation lines to ensure the drain lines are clear.
	5. Evaporative cooling system	Mechanical part of the evaporative cooling system does not operate properly	1	Builder will correct or adjust the blower and the water system so that it functions properly.	
	6. Air distribution system	Ductwork makes ticking and crackling noises	0	The ductwork may make ticking and crackling noises when the metal in it expands from the heat and contracts from the cold. This condition is natural and is not covered.	
		b. Ductwork makes a booming noise	1	This booming is called "oilcanning." Builder will repair the ductwork.	
		c. Separated or unattached ductwork	1	Builder will re-attach or re-secure all ductwork that has become separated or unattached.	You should not walk on, place heavy objects against or otherwise subject ductwork to unusual loads.
		d. Water seeps into heating and/or air conditioning ducts located under the	1	If the Home is built with underslab heat and air conditioning ducts and water	

Type of Material or area of Your Home	Specific Item or Work	Problem or Condition Covered	Year	Building Standard or Builder's Responsibility	Your Responsibility
		floor slab.		seeps into the ducts causing problems with the heat and air conditioning system, Builder will make necessary repairs during the term of this Limited Warranty. Builder shall have one or more of the following options in making such repairs, at Builder's sole discretion: 1. Regrade the problem area; 2. Put a sump pump in the plenum; or 3. Install new duct work in areas other than beneath the slab.	
J. Electrical system	Electrical conductors, fuses, and circuit breakers	Fuses blow or circuit breakers (excluding ground fault interrupters) "kick out"	1	Builder will check the wiring circuits and make sure that they conform with approved local electrical requirements.	Do not overload circuits. Check circuit breakers.
	2. Outlets, switches, and fixtures	a. Air leaks around electrical outlets	1	Cold air can be drawn through an outlet on an exterior wall into a room. Builder will repair one time after closing or first occupancy, whichever occurs first.	
		b. Malfunctions in electrical outlets, switches, and fixtures	1	Builder will repair or replace all defective outlets, switches, or fixtures.	
	Service and distribution	a. Ground fault interrupters frequently trip (These are sensitive safety devices that are installed into the electric system to protect from electric stock.)	1	Ground fault interrupters are sensitive and can be easily tripped. Normally, this is not indicative of a construction defect. Builder will install ground fault interrupters to meet the electrical requirement. Builder will correct the interrupters if the tripping is due to a defect in installation.	A tripped ground fault interrupter usually indicates an overloaded circuit or the connected appliance contains a faulty ground.
		b. Electrical wiring does not carry its designed load for normal residential use	1	Builder will repair any wiring that does not conform with approved local electrical requirements. Builder is responsible for original installation only.	

Type of Material or area of Your Home	Specific Item or Work	Problem or Condition Covered	Year	Building Standard or Builder's Responsibility	Your Responsibility
				Builder is not responsible for problems caused by conditions beyond Builder's control.	
K. Foundation	Beams, concrete	a. Cracks or deflection	1	Builder will repair cracks greater than 1/8 inch in width, or deflection greater than 1/4 inch in 30 inches.	See the Active Soils Addendum on page 24 for Your responsibilities relating to the foundation and property grade.
	2. Beams, wood (built up)	a. Cracks or deflection	1	Builder will repair deflection greater than 1 inch in 10 feet.	
	3. Beams, wood (laminated)	a. Cracks or deflection	1	Builder will repair deflection greater than 1 inch in 10 feet.	
	4. Beams, wood (solid)	a. Cracks or deflection	1	Builder will repair deflection greater than 1 inch in 10 feet.	
	5. Beams, steel	a. Cracks or deflection	1	Builder will repair deflection greater than 2 inch in 8 feet.	
	6. Footings	a. Cracks or deflection	1	Builder will repair cracks greater than 2 inch in width.	
	7. Walls, concrete	a. Cracks, displacement, out-of-plumb	1	Builder will repair cracks greater than 1/4 inch in width or greater than 1/4 inch vertical displacement, or out-of-plumb greater than 1/4 inch in 12 inches measured from base of wall.	
	8. Walls, masonry	a. Cracks, out-of-plumb	1	Builder will repair cracks greater than 3/8 inch in width, or out-of-plumb greater than 1/4 inch in 12 inches measured from base of wall. Brick mortar cracks, see para. C1.c. above.	
	9. Columns, wood	a. Bowed or out-of-plumb	1	Builder will repair if bowed to greater than 1 inch in 8 feet, or out-of-plumb greater then 1/4 inch in 12 inches measured from base of column.	
	10. Columns,	a. Bowed or out-of-plumb	1		

Type of Material or area of Your Home	Specific Item or Work	Problem or Condition Covered	Year	Building Standard or Builder's Responsibility	Your Responsibility
	concrete			Builder will repair if bowed greater than 2 inch in 8 feet, or out-of-plumb greater than 1/4 inch in 12 inches measured from base of column.	
	11. Columns, masonry	a. Bowed	1	Builder will repair if bowed greater than 1/8 inch in 12 inches measured from base to column.	
	12. Columns, steel	a. Bowed or out-of-plumb	1	Builder will repair if bowed greater than 1 inch in 8 feet, or out-of-plumb greater than 1/4 inch in 12 inches measured from base of column.	
L. Structural Beams and Girders	Beams and Girders, wood (solid)	a. Deflection	1	Builder will repair deflection greater than 1 inch in 10 feet.	
	2. Beams and Girders, wood (built up)	a. Deflection	1	Builder will repair deflection greater than 1 inch in 10 feet.	
	3. Beams and Girders, wood (laminated)	a. Deflection	1	Builder will repair deflection greater than 1 inch in 10 feet.	
	4. Steel	a. Deflection	1	Builder will repair deflection greater than 1 inch in 10 feet.	
M. Lintels and Headers	1. Steel	a. Deflection	1	Builder will repair deflection greater than 1 inch in 48 inches.	
	2. Wood	a. Deflection	1	Builder will repair deflection greater than 1 inch in 48 inches.	
	3. Concrete	a. Deflection	1	Builder will repair deflection greater than 1 inch in 48 inches.	
	4. Masonry	a. Deflection	1	Builder will repair deflection greater than 1 inch in 48 inches.	

Type of Material or area of Your Home	Specific Item or Work	Problem or Condition Covered	Year	Building Standard or Builder's Responsibility	Your Responsibility
N. Arches	1. Masonry	a. Cracks or settlement	1	Builder will repair cracks greater than 1/4 inch in width in arch, or settlement in span of arch greater than 2 inch.	
O. Structural Columns	1. Wood	a. Bowed or out-of-plumb	1	Builder will repair if bowed greater than 1 inch in 8 feet, or out-of-plumb greater than 1/4 inch in 12 inches measured from base of column.	
	2. Concrete	a. Bowed or out-of-plumb	1	Builder will repair if bowed greater than 2 inch in 8 feet or out-of-plumb greater than 1/4 inch in 12 inches measured from base of column.	
	3. Masonry	a. Out-of-plumb	1	Builder will repair if out-of-plumb greater than 1/8 inch in 12 inches measured from base of column.	
	4. Steel	a. Bowed or out-of-plumb	1	Builder will repair if bowed greater than 1 inch in 8 feet, or out-of-plumb greater than 1/4 inch in 12 inches measured from base of column.	
P. Walls and Partitions (Load Bearing Only)	1. Studs	a. Bowed	1	Builder will repair if bowed or cupped greater than 1 inch in 8 feet.	
Q. Floor Systems	Structural Concrete	a. Cracks or displacement	1	Builder will repair cracks greater than 1/4 inch in width or greater than 1/4 inch vertical displacement.	
	2. Joists	a. Deflection	1	Builder will repair deflection greater than 1 inch in 15 feet.	
	3. Trusses	a. Deflection	1	Builder will repair deflection greater than 1 inch in 10 feet.	
R. Roof Framing	1. Ridge Beam	a. Deflection	1	Builder will repair deflection greater	

Type of Material or area of Your Home	Specific Item or Work	Problem or Condition Covered	Year	Building Standard or Builder's Responsibility	Your Responsibility
				than 1 inch in 10 feet.	
	2. Rafters (common)	a. Deflection	1	Builder will repair deflection or bow greater than 1 inch in 10 feet.	
	3. Rafters (jack)	a. Deflection	1	Builder will repair deflection or bow greater than 1 inch in 10 feet.	
	4. Rafters (valley/HIP)	a. Deflection	1	Builder will repair deflection or bow greater than 1 inch in 10 feet.	
	5. Ceiling Joists	a. Deflection	1	Builder will repair deflection greater than 3/4 inch in 10 feet.	
	6. Trusses	a. Deflection	1	Builder will repair deflection greater than 1 inch in 10 feet.	

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ADDENDUM NO. 1 TO BUILDER ONE YEAR LIMITED HOME WARRANTY PERFORMANCE STANDARDS

ACTIVE SOILS

Homeowner Maintenance Responsibilities for Homes Constructed on Active Soils

Soils in Oklahoma have a high clay content and expand and contract when variations occur in the moisture content of the soils. Heavy rains, drought and other Acts of God can adversely affect the foundation of the Home. Damage caused by Acts of God is not covered by the **Limited Warranty**. It is **Your** responsibility to provide proper ongoing maintenance.

Improper homeowner maintenance can also adversely affect the performance and structural integrity of any foundation constructed on active soils and void the **Limited Warranty** coverage. These post-construction practices are beyond the control of the design engineer and the **Builder**.

To minimize the probability of movement and displacement in the foundation caused by moisture content variations, the following post-construction maintenance and requirements must be executed. Failure to do so by **You** will void the **Limited Warranty** coverage.

- 1. The lot on which Your Home sits has been graded in accordance with local building codes and local industry standards. You are responsible for maintaining such grades. The grade around the foundation shall be maintained by You in such a manner that surface drainage is away from the foundation, and shall not permit water to pond or become trapped in localized areas against the foundation as this can cause variations in moisture content that can damage the foundation.
- 2. Watering shall be done in a uniform systematic manner as equally as possible on all sides of the foundation to keep the soil moist, NOT SATURATED. Areas of soil that do not have ground cover may require more moisture as they are more susceptible to evaporation, causing a moisture content imbalance.
- 3. During extreme hot and dry periods, close observations should be made around the foundation to insure adequate watering is being provided, preventing soil from separating or pulling back from the foundation.
- 4. Gutters and downspouts shall be installed by **You** if not included with the **Home** and they shall be maintained to prevent injection of moisture into the soil from roof run-off in localized areas.
- 5. Studies show that trees planted in close proximity to the foundation can damage the structural integrity of the foundation. Trees planted in close proximity to the foundation can develop a root system which can penetrate beneath the foundation and draw moisture from the soil. Areas around trees will require more water in periods of extreme drought. If **You** plant trees close to the foundation, coverage under the **Limited Warranty** may be adversely affected. Precautionary measures such as the installation of a root shield or root injection system should be taken to maintain moisture equilibrium.
- 6. Placing flower gardens and beds or shrubs next to the foundation and watering these areas heavily will generally result in a net increase of the soil moisture content in that localized area. This may result in a soil expansion in that localized area of the foundation. **You** must maintain a balanced soil moisture content around the perimeter of the foundation.

ADDENDUM NO. 2 TO BUILDER ONE YEAR LIMITED HOME WARRANTY PERFORMANCE STANDARDS

MOLD AND MILDEW

BUILDER AND HOMEOWNER RESPONSIBILITIES

The Builder will remove mold, mildew or fungus reported to Builder prior to closing or first occupancy. Mold, mildew or fungi growth after that is a homeowner maintenance item.

MOLD AND MILDEW

Mold and Mildew are subsets of the fungi family and are common, abundant and an essential part of the world's ecological system. Fungi are found nearly everywhere and are necessary for recycling organic material, which is required to sustain life on the planet.

Mold spores are airborne and travel into and out of buildings as air is exchanged and with the movement of people and their belongings. Mold grows on wet surfaces and, if left untreated, may eventually release spores into the air. Airborne mold spore concentrations can become unhealthful when large areas are wet for prolonged periods. Resolving excessive moisture conditions can prevent and minimize mold growth in the indoor environment

MOLD GROWTH

In order to reproduce, molds release tiny spores just as plants produce seeds. The spores settle on surfaces and, when conditions are favorable, they begin to consume organic material in their immediate vicinity. Molds can grow on cloth, carpet, leather, wood, wallboard, household dust, and on anything that is made of organic material. Sustained mold growth requires moisture, organic material (a food source), and a suitable temperature generally in the range of 40E to 100EF. When one or more of these three conditions are unsatisfactory, the mold colony will become dormant. When favorable conditions are restored, the dormant colony will resume its metabolic activity.

Molds can produce compounds that become airborne along with the mold spores. A toxic substance call mycotoxin can cling to the surfaces of spores; other substances may be found within spores. Molds also produce volatile bioaerosols that are released directly into the air. These compounds often have strong, unpleasant odors (a musty smell) that are commonly associated with molds.

HOW TO LIMIT MOLD GROWTH

The most practical approach to limit mold growth is early detection and prompt resolution of excessive moisture. If **You** can see mold or detect an earthy or musty odor, **You** can assume **You** have a moisture problem that must be resolved to achieve a permanent solution to arresting mold growth. Mold growth is found behind walls or under materials where water has damaged surfaces. Look for discoloration and mold on surfaces.

Controlling indoor air moisture will limit the probability of supporting mold growth from condensing water on interior surfaces; such as on walls, windows, and areas near air conditioning supply registers. Relative humidity is a measure of the amount of water vapor in air. Relative humidity meters are useful for detecting excessive moisture

and they are available from most hardware stores. Moisture sources that increase indoor air relative humidity are: habitation (people release moisture), bathing, cooking, plants, washing an d air-drying of dishes and clothes, unvented combustion appliances, humidifiers, and outdoor ventilation air in humid climates.

Another moisture source is water from leaks; such as from pipes, rain water leakage through windows, roof flashing, ice dams, etc.

Listed below are strategies that can help minimize mold growth.

- Take notice of musty odors in the home because they indicate the presence of mold. Look for visible signs of mold and abate the moisture source.
- Watch for condensation and wet spots and eliminate sources of moisture.
- Prevent moisture resulting from condensation by increasing surface temperatures or reducing moisture levels in the air. To increase the surface temperature, insulate or increase the circulation of heated air. To reduce moisture levels in the air, repair leaks, increase ventilation (if outside air is cold and dry), or dehumidify.
- Perform building and HVAC inspections and maintenance. Repair the condensate drain if the air conditioning system drip pan overflows with water.
- Run the air conditioner and/or a dehumidifier during the humid months of the year. Controlling indoor air moisture to below 65 percent relative humidity will limit the probability of supporting mold growth.
- Keep the relative humidity as low as is comfortable during the winter season for houses in cold climates. Mold growth on interior surfaces of exterior walls can occur during the heating season. The combination of cool surfaces and excessive humidity can cause a high near-surface relative humidity and condensation. Experience has shown that an air moisture level below 40 percent relative humidity during the heating season will prevent condensation on surfaces. This level of humidity may not be appropriate for houses in severe cold climates. A sign of excessive humidity is condensation on the inside of windows. If condensation is present for prolonged periods take steps to reduce the moisture source or increase ventilation.
- Clean and dry any wet or damp areas within 48 hours.
- Provide drainage for roof rainwater and maintain the ground with a slope that drains water away from the foundation.
- Repair water leaks in the building envelope as soon as possible.
- Do not store organic materials such as paper, books, clothes, etc., in humid locations (such as in the unconditioned basements).
- Exercise extra care when cleaning up after water damage from flood and sewer water.

• Consider the use of dehumidfiers in areas such as unconditioned basements.

MOLD ABATEMENT AND REMEDIATION

The common suggestions among the various documents include:

- Correct the source of excessive moisture.
- When handling or cleaning moldy materials, consider using a mask or respirator for protection against inhaling airborne spores. Respirators can be purchased from hardware stores; select one for particle removal (sometimes referred to as a N95 or TC-21C particulate respirator).
- Wear protective gloves, eye protection glasses, and clothing should be immediately washed.
- Take care to remove or clean contaminated materials in a way that prevents the emission of fungi and dust contaminated with fungi from leaving a work area and entering an occupied area.
- Non-porous (e.g., metals, glass and hard plastics) and semi-porous (e.g., wood, and concrete) materials that are structural sound and are visibly moldy can be cleaned and reused.
- Cleaning should be done using a detergent solution.
- Porous materials (e.g., ceiling tiles and insulation, and wallboard) with more than a small area of contamination should be removed and discarded. Porous materials that can be cleaned, can be reused, but should be discarded if possible.
- A professional restoration consultant should be contacted when restoring porous materials with more than a small area of fungal contamination.
- All materials to be reused should be dry and visibly free from mold.
- Periodic inspections should be conducted to confirm the effectiveness of remediation work.