

NOTE

The following Warranty Handbook has been developed by BBSG and, while generic in nature, follows the NAHB guidelines. This Warranty Handbook DOES NOT supersede any warranty documents provided by your Builder. Should there be a conflict between the BBSG Warranty Handbook and warranty documents provided by your Builder, the Builder provided document shall always take priority.

Welcome Home...

Your New Home Limited Warranty Handbook



We Care!

**managed by
builder/buyer
services group**



Dear Home Buyer(s),

Welcome to your new home! One of the many advantages of a new house is the Limited Warranty provided by your Builder and by the subcontractors who joined in the construction. Although the Limited Warranty is not an insurance policy that will protect against every problem, it will help protect your home against possible defects that may develop during the warranty period.

BUILDER/BUYER SERVICES GROUP manages the Limited Warranty included in the sale of homes by our client builders. We've been working successfully with builders and buyers just like you since 1998. While your Builder is responsible for the Limited Warranty, BUILDER/BUYER SERVICES GROUP is your point of contact for warranty related issues or questions.

This book outlines the Limited Warranty provisions and provides information on accessing our web-based warranty management system www.BBSGUSA.com. Please take time to become familiar with the valuable information provided in this book and on our website. Both are designed to maximize our efficiency in serving you.

We look forward to working with you.

WELCOME HOME!

The provisions of the Limited Warranty are extended by the Builder (who is the warrantor). Accordingly, Builder/Buyer Services Group assumes no obligations or liabilities for these provisions, or with the implementation thereof. The role of Builder/ Buyer Services Group is to validate warranty service requests against the provisions of the Limited Warranty and to contact the Builder and/or subcontractors in order to arrange for the resolution of covered warranty issues.

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1. Introduction

1.1 What is a Limited Warranty?—By definition, a *Limited Warranty* is a warranty with certain conditions and limitations on the parts covered, type of damage covered, and/or time period for which the agreement is good. While some Builders choose to provide their Buyers with a customized Limited Warranty, many prefer to adopt or incorporate generic industry guidelines, such as those promoted by the National Association of Home Builders (NAHB). The following references are published by the NAHB and serve as the primary bases for this document:

- Warranties for Builders and Remodelers, Second Edition.
- Residential Construction Performance Guidelines for Professional Builders & Remodelers, Sixth Edition.

The written Limited Warranty provided by your Builder does not include implied or expressed warranty provisions. This means that only defined conditions meeting specified and written criteria are covered. Conditions not addressed or not meeting the established warranty criteria are not covered. For example, a homeowner may discover that the kitchen wall cabinets, while level, do not have a certain clearance above the countertops. The Limited Warranty is silent on the clearance requirements between wall cabinets and countertops (even though industry-accepted recommendations may exist). Accordingly, no warrantable condition exists, regardless of the variance to the industry-accepted recommendations or the desires of the homeowner.

On occasion, a Builder may adopt a generic Limited Warranty (e.g., as found in this document) but include some specific warranty criteria or coverages directly or by reference in the sale contract. Should there be a conflict between the provisions of the sale contract and this document, the provisions of the sale contract shall govern.

1.2 The Role of Builder/Buyer Services Group—The professionals at Builder/Buyer Services Group (BBSG) work hand-in-hand with your Builder to resolve warrantable conditions you may experience with your new home as quickly and efficiently as possible. Although your Builder is ultimately responsible for the warranty provisions of your new home, we serve as your primary point of contact during the warranty period. In this roll, our objective is to assess:

- *First, if the condition is covered under the warranty provisions offered by the Builder.* The criteria established by this booklet are generic in nature and based on nationally accepted guidelines. The specific provisions offered by your Builder may be slightly different and you should refer to the purchase agreement you signed with your Builder should questions arise in this regard.
- *The critical nature of the condition* (i.e., conditions needing immediate attention as opposed to those affecting appearance or convenience only). While it is human nature to want every problem corrected immediately, if not sooner, this is often not possible. The Builder and subcontractors have limited resources and must schedule those resources for the most efficient use. However, your Builder is also concerned for your safety and for the integrity of the home. While safety and integrity issues will be given top priority, your Builder will most likely assign a lower priority to those items that are of a less critical nature.
- *The extent of the condition.* When planning for repairs, it is important to the Builder and/or subcontractors that they know the amount of time and resources that may be involved. Knowing this information helps in the scheduling process discussed above.
- *The nature of the problem and the type of repairs needed.* It does little good to call the roofer when a plumber is needed! This may sound like an extreme example, but it happens. When this occurs, repairs are delayed and the frustration levels of all parties involved usually go up.

Once a warrantable condition is assessed, BBSG will administer the process of notifying the Builder or responsible subcontractor of the need for repairs and for tracking the job through completion. As warrantor, your Builder remains responsible for making the repairs.

Note that the term “closing” is used generically in this handbook to denote the point in time when the ownership of the house shifts from the builder to the buyer. Since there are situations where a formal closing does not transpire, this would include the point at which an occupancy permit (temporary or final) is issued, the time of possession (which would also apply to “lease-to-purchase” arrangements), and the time of substantial completion (as defined in many states’ statutes).

2. Limited Warranty Considerations

2.1 Intent and Scope—This Limited Warranty is intended to address conditions that go beyond those that develop as a result of the normal aging of the home. It is also based on the premise that the Buyer has taken the appropriate precautions and performed the necessary maintenance to ensure the function and integrity of the home. Accordingly, conditions resulting from normal wear and tear, or normal aging and deterioration are the responsibility of the Buyer and fall under the definition of homeowner maintenance as further discussed in Section 2.2.

The scope of the Limited Warranty is focused on the home, including those common elements that are an integral part of the home and, for the most part, excludes those structures and improvements (e.g., sidewalks and driveways etc.) that are not an integral part of the home. It applies only to conditions that develop or are discovered during the warranty period (conditions known to exist or obvious and observable prior to closing are not considered to be warranty issues) and is also limited in that conditions that may develop or occur which are beyond the Builder's control are excluded. Finally, conditions resulting from the commercial use of the home are specifically excluded from the provisions of the Limited Warranty.

2.2 Homeowner Maintenance—Every material used to construct a house has a life expectancy. Some of these materials are very stable and need little maintenance while others may require attention several times a year. For instance, roofs and concrete will need much less attention than paint, grout, and caulk. As the Limited Warranty does not cover conditions resulting from normal aging and day-to-day wear and tear, it is up to you the Buyer to take the actions necessary to keep your home in tip-top condition. Examples of conditions requiring homeowner maintenance that routinely occur include:

- Drywall nailpops that do not break the surface and hairline stress cracks.

- Cracks in grout, especially at corners and interfaces with dissimilar materials. This is commonly seen around fireplaces, bathrooms, and kitchens (e.g., between the counter top and tile backsplash).
- Cracks in wood and caulked trim joints. (This can often be minimized by maintaining uniform humidity levels throughout the year.)
- Cracks in caulking around tubs, showers, and vanities.
- Cracks in the caulking of exterior siding and trim, especially around doors, windows, and interfaces with dissimilar materials.

All this can be summed up by two statements:

- *The Limited Warranty is not an insurance policy that will correct every condition that may develop during the warranty period!*
- *The Limited Warranty will not provide you with maintenance free living!*

2.3 Availability of Home for Inspections and Work—

The Buyer is responsible for making the home available to the Builder and the Builder's representatives during normal working hours (e.g., 9:00 a.m. to 4:00 p.m. Monday through Friday) for inspections and repairs required to address a request for service under the Limited Warranty. Whenever possible, the Builder or the Builder's representatives shall provide the Buyer with ample notice to facilitate the Buyer's schedule or to allow for necessary arrangements to be made. Failure to make the home available following reasonable attempts to schedule will alleviate the Builder of any obligation under the Limited Warranty with respect to the specific service requested.

The Buyer is responsible for moving furniture and personal belongings as necessary to facilitate inspections and repairs. This would also apply to interferences resulting from Buyer modifications made to the house (e.g. a basement finish).

2.4 Quality and Method of Repairs Made Under the Limited Warranty—When making repairs under the Limited Warranty, the Builder shall make every effort to meet or exceed the quality of materials and workmanship used in the original construction of the home. However, the Builder shall be free to select whatever method of repair or replacement judged appropriate for the situation. This would include paying the Buyer the reasonable cost for addressing the situation in lieu of actually making said repairs or replacements.

While every effort will be made to match existing colors, finishes and patterns when repairs are made, the Builder is not responsible for:

- Discontinued patterns or color variations in vinyl, carpet, tile, or grout.
- Color or texture variations in paint, stain, varnish, acoustical ceiling finish, or other finishes.
- Color, grain, texture, or size variations in natural wood and stone products.
- Discontinued or variations in hardware, fixtures, faucets, etc.

2.5 External Settlements and the Limited Warranty—Should the Buyer receive insurance or other warranty benefits on conditions covered under the Limited Warranty, the Builder is relieved of further obligation relative to the specific condition. If the Builder has already made repairs or payment to the Buyer relative to the specific condition, the Buyer shall assign the insurance or other warranty benefits to the Builder, not to exceed the Builder's direct cost or expense.

2.6 Punchlist Items and the Limited Warranty—Most Builders provide the Buyer with a pre-closing walk through to generate a punchlist of issues to be addressed. While the majority of items will be addressed prior to closing, there seems to always be a few items that linger or are not done at all. As a result, Buyers will often submit these items under the provisions of the Limited Warranty for resolution.

Unfortunately, most punchlist items fail to meet warranty criteria and would be quickly screened as “not covered under the Limited Warranty.” To illustrate, the punchlist may note that the wrong color of paint was applied to the front door; however as the paint on the door has not failed (i.e., the paint has not peeled), no warranty criteria have been met. To avoid this type of scenario, you should continue to work closely with your Builder (even after closing if necessary) to resolve open punchlist issues.

2.7 Mechanical Inspections and the Limited Warranty—

More and more Buyers are having independent inspections done on their new home prior to closing (much like what has been the common practice when buying used homes). While these inspections can be of benefit, they often create confusion when it comes to the provisions of the Limited Warranty. The question becomes: If an inspection finding or recommendation is not addressed prior to closing, or as a result of the pre-closing punchlist, shouldn't it be addressed under the warranty? In most cases, the answer is NO! Only those items that meet specified warranty criteria will be addressed under the Limited Warranty.

Keep in mind that inspection findings (i.e., deficiencies that can be cited against a specific code or criteria) are most likely also documented on the code inspection and done prior to obtaining the Certificate of Occupancy. Inspection recommendations (i.e., those deficiencies that cannot be cited against any specific code or criteria) are just that: recommendations. While the recommendations may be of value to the Buyer, the Builder is under no obligation to comply.

The same is true for independent inspections done to generate service requests under the Limited Warranty (e.g., at the end of the workmanship/construction warranty period). While the inspection may list numerous findings or recommendations, *your Builder is obligated to address only those items meeting defined warranty criteria.*

2.8 Quality of Workmanship and the Limited

Warranty—No home will be perfect in construction and finish, and any Buyer refusing to accept this reality will surely be disappointed. This disappointment is often expressed by the Buyer trying to overlay warranty issues with perceived quality or workmanship issues. Take, for example, the following situation: a Buyer claims the hardwood floor has holes in it (i.e., small knotholes) and the finish is unsatisfactory (e.g., there is lint or a hair in the finish), and demands it be re-finished. In essence, this Buyer is saying: “This hardwood floor does not meet my quality expectations.” Since no warranty criteria have been met, this condition is not a warranty issue and it is unlikely that any action will be taken.

While there are times when a complaint may be valid, more times than not it is a case where the Buyer is not familiar with the current work or construction standards found in the area. Common complaints heard time and again focus on the finish of the house (e.g., trim detail, drywall finish, wall and trim paint). **Workmanship and quality issues do not fall under the Limited Warranty unless specific warranty criteria are met!**

2.9 Notice and Opportunity to Repair Legislation and the Limited Warranty—Many states have adopted Notice and Opportunity to Repair (NOR) legislation, more commonly called right-to-repair laws. These laws are designed to encourage the resolution of construction related issues without the need for formal litigation. While each state’s statutes vary, they seldom will supersede formalized programs implemented by Builders (i.e., such as the Limited Warranty and reporting procedures defined by this document).

2.10 “Cost Plus” Home Construction and the Limited Warranty—The majority of new homes are constructed and sold under contract for a price established before the contract signing. Of course, there are change orders and other built-in factors that can affect the final cost, but nevertheless, the cost is pretty well established. Under this arrangement, the cost includes the Builder’s profit and overheads. The Builder assumes the risk. The Builder underwrites, so to speak, any costs associated with the Limited Warranty.

Everything changes when the home is constructed under a “cost plus” contract! With a “cost plus” contract, the Builder submits the construction bills to the Buyer at cost plus a pre-specified mark-up. Since there is little or no financial risk involved for the Builder, the mark-up charged by the Builder can be significantly less than the built-in overheads and profit margin of a standard purchase agreement. As a result, a well-run project can save the Buyer thousands of dollars.

However, the cost plus arrangement does not end when the construction is completed! While most subcontractors will stand behind their work for the duration of the construction warranty period at no cost to the Builder (or Buyer) regardless of the construction agreement structure, there are often situations that develop during the construction warranty period that result in additional out-of-pocket expenses to be paid. With a conventional purchase agreement, the Builder absorbs these expenses; with a “cost plus” contract, the Buyer can expect to pay these expenses plus the Builder’s mark-up! In essence, the Buyer assumes the risk and the Buyer underwrites any costs associated with the Limited Warranty. In some ways, it is like the Buyer becomes the Builder, and the Builder becomes a job superintendent under the Buyer.

Bottom line: unless other arrangements are made in advance, the Buyer can expect to pay for out-of-pocket expenses associated with the Limited Warranty when the home is built as “cost plus”.

2.11 Manufacturers' Warranties—Certain components in the home have warranties provided by the manufacturer. The manufacturers' warranties for these components are assigned to the Buyer upon closing per the sale contract and the Builder assumes no further obligations under the Limited Warranty. Note that the manufacturer's warranty for an item may be of different duration than the Builder's Limited Warranty. In addition, a manufacturer's warranty may have beginning and ending points that do not coincide with the Builder's Limited Warranty (this is particularly true for homes that were previously displayed as a model). If these factors are of concern, the Buyer should pursue separate extended warranty policies available through various independent providers.

The following is a non-inclusive listing of components that have warranties provided by the manufacturer only. Neither the failure of these components nor damages caused by failures are covered by the Builder's Limited Warranty.

Appliances:

Bread warmer	Clothes dryer	Clothes washer
Cook top	Dishwasher	Freezer
Garbage disposal	Ice maker	Microwave
Oven	Oven hood	Range
Refrigerator	Stove	Trash compactor
Wine cooler		

Heating, Ventilation, and Air-Conditioning:

Air-conditioning	Boiler	Thermostat
Exhaust fan	Fireplace insert	Furnace
Heat pump	Humidifier	Space heater
Electronic air cleaner		

Plumbing:

Sump pump	Water heater	Water meter
Water pump	Water softener	Whirlpool bath

Mechanical and/or Electrical:

Burglar alarm	Central vacuum	Door chimes
Electric meter	Fire alarm	Fire extinguisher
Garage dr. opener	Gas meter	Gas or elec. grill
Intercom	Smoke detector	

2.12 Fragile Items—Components or surfaces of a home easily damaged or that are vulnerable to day-to-day wear and tear are considered “fragile.” These include tubs, sinks, tile, vinyl, marble, light and plumbing fixtures, porcelain, Formica countertops, screens, windows, mirrors, etc. **Other than for conditions noted prior to closing, the Limited Warranty on fragile items is limited to construction-oriented defects.**

Examples of fragile item damages not covered under the Limited Warranty include:

- Broken or scratched glass, mirrors, windows, or light fixtures.
- Chips, dings, scratches, or mars in marble, sinks, tubs, Formica, vinyl and wood flooring, tile, appliances, doors, cabinets, woodwork, walls, and fixtures.
- Cracks, chips, pits or other blemishes in quartz and granite countertops.
- Torn screens.
- Dents in metal-skin doors.
- Stained, snagged, or torn carpet.

2.13 Specific Exclusions—The following components, systems, and conditions are specifically excluded from the Limited Warranted:

- 1) Defects in materials provided by parties other than the Builder or subcontractors under direct contract with the Builder.
- 2) Damage caused by materials or workmanship provided by parties other than the Builder or subcontractors under direct contract with the Builder. This would include, for example, damage resulting from a change in grade or landscaping by anyone other than the Builder.

- 3) Infestation of or damage caused by microorganisms, insects, vermin, rodents, birds or wild or domestic animals.
- 4) Defects which are a result of natural aging characteristics of materials such as, but not limited to, warping, cupping, twisting, or bowing of wood, efflorescence (chalking) of concrete, etc.
- 5) Loss or damage caused by external factors including, but not limited to: riots or civil commotion; windstorm; fire; explosion; smoke; water; wind-driven snow or rain; hail; lightning; falling trees or other objects; aircraft; vehicles; flood; mud slides; earthquakes; volcanic eruption; radon, microbes, or other environmental pollutants; soil subsidence; expansive soil; and changes of the underground water table.
- 6) Damage resulting from abuse, exceeding design limits (e.g., exceeding floor loading limits), using the home or any component in any way other than for its intended use (including damage resulting from commercial and nonresidential use), or failing to perform maintenance in accordance with manufacturers' or suppliers' recommendations.
- 7) Bodily or personal injury of any kind (including physical or mental pain and suffering and emotional distress, medical, hospital, rehabilitation or other incidental expenses).
- 8) Incidental or consequential damages relating to, or resulting from any damage to, or defect in the home or the property on which it is located. Examples of consequential damages would include:
 - Damages to paint, drywall, trim, cabinets, and/or flooring due to a roof or plumbing leak.
 - Damages to personal property or to any property of others, due to a roof or plumbing leak.
 - Cleanup following a backed-up sewer drain.
 - Inflated utility bills (e.g., a high water bill due to a plumbing or lawn irrigation leak).Examples of incidental damages would include:
 - Damages done to drywall and paint to access plumbing to repair a leak (e.g., the plumber had to cut a hole in the garage ceiling to fix the plumbing leak).

- The cost of meals or lodging because you had to leave the home as a result of the event or subsequent repairs. (See Item 11 below.)

While not required by the Limited Warranty, your Builder may choose to address some or all of the consequential and incidental damages resulting from an event. Doing so does not obligate your Builder on damages associated with future events. Contact your homeowner's insurance provider regarding damages not addressed by your Builder. Note that some states do not allow the exclusion or limitation of incidental or consequential damages, so check your sale contract for details.

- 9) Loss of use, opportunity, or market or rental value resulting from damages, defects, or repairs made under the Limited Warranty.
- 10) Damage or loss that is caused or made worse by the failure to take action or give notice within a reasonable time period (i.e., the next business day).
- 11) Cost of shelter, transportation, food, moving, storage, or other expenses related to inconvenience or relocation during repairs.
- 12) Condensation and frost, and any resulting damages (e.g., peeling paint due to moisture).
- 13) Discoloration in brick, stone, synthetic stone, paint, wood, mortar, caulk, concrete stucco, shingles, carpet, porcelain, Formica, vinyl, plumbing and light fixtures, tile, etc., due to neglect, staining, repairs, age, fading, dust, dirt, rain, or other elements of nature.
- 14) Failure of your Builder to complete construction of the Home or any part of the Home on or before the effective date of the Limited Warranty, or damages arising from such failure.
- 15) Fungus, mold and mildew.
- 16) Wear and tear, and normal deterioration or aging.
- 17) Sound transmission between rooms, floor levels, adjoining condominium units in a multi-family dwelling, or from the exterior (e.g., street) into the home.
- 18) Interior window treatments (e.g., blinds, shutters, or curtains).

19) Conditions known to exist by the Buyer prior to the effective date of the Limited Warranty.

Should any provision of the Limited Warranty be deemed unenforceable by a court of law, the remaining provisions shall remain in effect.

3. Workmanship Warranty Provisions – Yard and Site Improvements

3.1 Yard/Site Grading and Drainage—Necessary grades and swales have been established within the “drainage zone” to ensure proper drainage away from the home. The “drainage zone” is defined as the areas within 10 feet of the home foundation. Except as provided for in Section 3.2, the Buyer is responsible for maintaining the grades and swales established by the Builder. Since positive drainage within the “drainage zone” is designed to protect the home foundation, grading and drainage swales may or may not extend to provide positive drainage for the entire lot or yard.

Standing or ponding water beyond the “drainage zone” is not covered by the Limited Warranty. Standing or ponding water within the “drainage zone” is acceptable for up to 24 hours following a rain. Longer periods can be anticipated following unusually heavy or prolonged rainfalls. Standing or ponding water is not covered in the “drainage zone” when caused by (but not limited to):

- Sump pump discharge.
- Sprinklers systems.
- Runoff from adjoining properties.
- Ground and subsurface water (e.g., springs).
- Unusual grade conditions.
- Alterations to the initially established grade (e.g., added flower beds, berms, patios, etc.).
- Failure to maintain initial grade (e.g. settling, except as provided for in Section 3.2).
- Drainage swales.

Swales are design to accumulate and channel runoff. As a result, it is not uncommon for water to stand in swales for an extended period of time following a rain. This condition is not covered under the Limited Warranty.

Erosion (e.g., from gutters, sump pumps or runoff) and silting (e.g., from adjoining properties) are not warrantable conditions.

3.2 Yard/Site Settling—Settling often occurs in backfilled areas (e.g., around the foundation or along utility trenches). Under the provisions of the Limited Warranty, the Builder shall provide for a one-time fill of backfilled areas that have settled excessively (i.e., more than 6-inches) where drainage away from the house is affected (i.e., within the “drainage zone”). This criterion also applies to settling that may develop or extend under sidewalks, driveways, patios, etc. The Limited Warranty does not cover settling in areas undisturbed by the Builder.

Soil that pulls away from the foundation creating a gap is a result of the soil drying out and shrinking. This is not a warranty issue unless accompanied by settling in excess of that stated above.

The Buyer is responsible for removing and replacing sod, shrubs or other landscaping affected by the placement of the fill.

3.3 Exterior/Yard Improvements—As noted in Section 2.1, the scope of the Limited Warranty is focused on the home and generally excludes those structures and improvements (e.g., sidewalks, driveways, decks, porches, etc.) that are not an integral part of the home.

3.3.1 Concrete Flatwork—Exterior concrete surfaces, including but not limited to driveways, sidewalks, patios, steps, stoops, retaining walls, etc., are subject to disintegration or damage caused by factors beyond the Builder’s control. Accordingly, flaking, scaling, spalling, pitting, discoloration, expanding, shrinkage, or any other problems whatsoever affecting exterior concrete surfaces are not covered by the Limited Warranty under any situation.

The Builder will address cracks in driveways and sidewalks that exceed 1/4 inch open, or where vertical displacement

along a crack exceeds 1/4 inch. These criteria do not apply to cracks along control joints, or where driveways and sidewalks interface with steps, stoops, foundation walls, etc. Repairs will be made using a material designed to fill cracks in concrete. The color and texture match of repairs are not guaranteed.

The Builder will address settling of driveways, sidewalks, patios, stoops and steps when in excess of 1 inch relative and directly adjacent to the home. The builder will also address settling of adjoining concrete sections in driveways, sidewalks and patios when the relative height difference is in excess of 1/2 inch. The color and texture match of repairs are not guaranteed.

To minimize the potential for the premature deterioration of driveways, sidewalks, and other concrete surfaces, avoid using chemicals such as salt or deicers, especially during the first year. Note that vehicles can pick up similar chemicals from treated roads and leave residue on the drive or in the garage. This residual can have the same effect and should be removed as soon as possible. Allowing snow or ice to remain on concrete surfaces for extended periods of time can also accelerate deterioration through repeated thaw and refreeze cycles. Concrete sealants can minimize deterioration caused by winter weather and chemical attack, and are highly recommended.

Concrete sealants and treatments applied during construction can create a patchy discoloration of the surface. This will fade with time and weathering and is not a warrantable condition. Likewise, sealants and colorants used on decorative or stamped concrete will fade and weather requiring routine homeowner maintenance.

3.3.2 Asphalt—The effects of weather and earth movement will cause settling and cracking of asphalt. The Builder will address cracks in asphalt driveways that exceed 1/16 inch open, or where vertical displacement along a crack exceeds 1/16 inch.

Asphalt is a petroleum product and gasoline, oil, turpentine, and other solvent or petroleum products can dissolve or damage the surface. Concentrated or prolonged loads (e.g., high-heeled shoes, motorcycle or bicycle kickstands, trailers, or even cars left in the same spot for long periods) can create depressions or punctures in asphalt, particularly in hot weather. As like concrete flatwork, deterioration of or damage to asphalt is not covered by the Limited Warranty under any situation.

3.3.3 Decks, Landings, Railings, and Stairs—Decks, landings, railings, and stairs are constructed in accordance with specific and detailed building codes using graded lumber or approved man-made products. Weathering and aging can affect not only the appearance but also the integrity of these structures over time. Maintenance is the responsibility of the Buyer.

Routinely observed conditions resulting from weathering and aging include the warping, cupping, splitting, fading, checking or cracking of railings, deck supports, and deck boards. Decks, landings, railings and stairs are not covered by the Limited Warranty under any situation. This includes wood posts and beams, whether used for decoration or accent (e.g., corbels), or as part of the structure (e.g., posts or columns used at the front stoop or for deck supports).

Manufacturers of man-made decking materials typically have warranty provisions against fading and deterioration. The Builder does not extend these warranties and claims should be pursued directly with the manufacturer.

3.3.4 Fences and Retaining Walls—Fences and retaining walls are not covered by the Limited Warranty under any situation. This would include warping, sagging, settling and shifting of fence posts, gates, and fencing material as well as the settling, shifting, and silt wash through of stone or block retaining walls. However, the installing contractors will often “stand behind” their work and correct certain problems that develop. These “good faith” warranties are

not extended by the Builder and problems should be discussed directly with the installing contractor.

3.3.5 Miscellaneous Improvements—The Builder's Limited Warranty does not cover defects in:

- Outbuildings, including detached garages and carports (except when the outbuilding contains the plumbing, electrical, heating, cooling or ventilation systems serving the home).
- Swimming pools and other recreational equipment or facilities.
- Other improvements not a part of the home.

Again, warranty provisions on miscellaneous improvements may be available through manufacturers and installers. These warranties are not extended by the Builder and should be pursued directly with the respective manufacturer or installer.

3.4 Sod, Landscape, and Irrigation/Sprinkler Systems—Due to the many factors beyond the Builder's control that could affect a finished yard (e.g., weather, insects, pets), sod, shrubs, trees and other plantings are not covered by the Limited Warranty under any situation. This includes shrubs, trees, and other plantings existing prior to construction.

Some nurseries provide guarantees on the plantings that they provide. Any guarantees provided in this situation are independent of the Builder; thus the Buyer would need to be interface directly with the supplying nursery to determine if guarantees are provided.

New sod must be watered daily (to the point that the ground is soft) until the roots have "taken" (i.e., the sod can no longer be easily pulled up). **During the hot summer, failure to water new sod for just one day can result in dead sod.** Sod is not covered by the Limited Warranty under any situation. This includes (but is not limited to):

- Dead or patchy sod.

- Weeds.
- Gaps or ruts created by sod placement or shrinkage.
- Sod that slides or repositions (e.g., during a severe storm before the sod has rooted).

Similarly, the quality and quantity of grass germinating from seed is not covered by the Limited Warranty.

Irrigation and sprinkler systems are not covered by the Limited Warranty under any situation. This would include, but not be limited to, sprinkler lay-out and coverage, leaks, component operation (e.g., spray heads, timer controls, valves), and winterization. Also excluded are secondary issues such as low water pressure affecting or caused by sprinkler systems, standing or ponding water, leaks into the house caused by direct impingement or misdirected sprinkler heads, and elevated water bills due to breaks or leaks. Should problems develop, the Buyer should contact the system installer directly.

4. Workmanship Warranty Provisions – Home Exterior

4.1 Concrete Footings and Walls—Damage or deterioration of exterior concrete footings or walls (e.g., spalling, weathering, pitting, scaling or damage caused by the removal of forming nails or clips) that does not affect structural integrity is not covered under the Limited Warranty. This would include small voids inadvertently created during the construction process.

4.2 Stucco, Brick and Stone Veneer—Cracks due to shrinkage are common in veneer, mortar joints and stucco. The Builder shall repair cracks in brick or stone veneer, or mortar joints greater than 1/4-inch in width and cracks in stucco greater than 1/8-inch in width. The 1/4-inch criterion also applies at locations where brick, stone, or stucco interface with trim or siding. Repairs are done one-time only during the warranty period and may be by pointing or patching, or other industry-accepted repair method. The Builder is not responsible for color or texture variations as a result of the repair. The Buyer is responsible for any touch-up painting that may be required (e.g., following stucco repairs).

It is not uncommon for small rust spots to develop on stucco. This is typically due to porosity that allows water to reach the wire mesh or due to a small piece of metal debris in the stucco mix. This condition is easily remedied with touch up paint and is considered to be homeowner maintenance.

Efflorescence present on masonry or mortar surfaces is not uncommon and is not a warrantable condition.

4.3 Roof and Flashing—Roofs and flashing are designed to prevent leaks under normally anticipated conditions. The Builder will repair verified leaks unless as a result of snow or ice buildup or damming, valleys blocked by debris, high winds (i.e., wind driven rain), Buyer action or negligence.

Water should drain from a flat roof, except for minor ponding, within 24 hours of a rainfall, or according to the manufacturer's recommendations.

Damages done by winds in excess of the manufacturer's ratings (typically 45 to 50 mph in velocity) are not covered by the Limited Warranty. Such claims should be filed under the Buyer's insurance policy. Material defects fall under the manufacturer's warranty. (Note that the manufacturers' warranties on roofing materials typically provide only for replacement materials and not the labor required to replace the materials.)

Attics require proper ventilation. While louvers and vents are designed to be weather resistant, they are not weather proof. Therefore, leaks due to snow or rain driven by winds into the attic through louvers or vents are excluded from the Limited Warranty.

The Builder will adjust flashing that allows leakage into the house. Unless there is evidence of leakage, the appearance of flashing does not in and of itself create a warranty issue.

Due to the nature of wood shakes, it is normal for a small percentage of the shingles to curl up during the aging process. The Builder is responsible for addressing only those situations that actually result in a roof leak. Additionally, as wood roofs weather it is not uncommon for some of the color pigment to leach out of the wood shakes and stain other exterior components of the house. The Limited Warranty does not cover such staining.

4.4 Exterior Trim and Siding—The Builder shall repair joints on exterior trim elements or siding that result in leakage into the house. Note, however, that leaks caused by directed water streams (e.g., garden hoses, power washers, lawn sprinklers) are not covered by the Limited Warranty. When leakage into the house is not an issue, the builder shall address trim joints that open in excess of 1/4-inch, or joints in siding that open in excess of 3/16-inch. These criteria do not apply to cracks in trim that are a

result of drying and aging (e.g., rough cedar beams, wood shutters, etc.) or to original construction (e.g., gaps between soffits and fascia). Caulking with an exterior sealant is an acceptable repair.

Siding that delaminates or deteriorates beyond manufacturer's specifications shall be repaired or replaced by the Builder unless caused by the Buyer's negligence or failure to maintain. (For example, sprinkler systems that are allowed to continually soak siding will cause it to fail prematurely.) The Buyer is responsible for any painting that may be required as a result of repairs.

The Builder shall address siding that bows over 1/2-inch in a 32-inch span, or trim that bows over 3/8-inch in an 8-foot span. These criteria apply only to conditions that develop during the warranty period.

Over-driven or under-driven nails are not covered by the Limited Warranty unless the condition results in siding that is not secured.

The color fastness of vinyl, steel, and aluminum siding is not covered by the Limited Warranty. Additional provisions in this regard may be available through the manufacturer and would be a Buyer's responsibility to pursue.

4.5 Chimneys—Chimneys that are not framed into the structure of the home (i.e., brick or stone chimneys as opposed to flues run up inside a framed chimney chase) will often incur slight amounts of separation from the main structure. If separation exceeds 1/2-inch over any 10-foot vertical measurement, the Builder shall determine the cause and correct it. Caulking is an acceptable repair.

While chimneys are normally provided with rain caps, it is possible for small amounts of water to enter the chimney during rains with gusty winds. As a result, a small amount of water may drip into the fireplace from the flue. This is not uncommon and is not considered to be a warranty issue. Alternatively, water observed running down the face

of a fireplace is typically a result of a roof or flashing leak and should be reported immediately.

4.6 Gutters and Downspouts—Gutters and downspouts shall not leak (note, however, that the overflowing of gutters during a heavy rain or when blocked by snow or ice is not a warrantable condition). Since industry practice is to install gutters approximately level, it is entirely possible that small amounts of water will stand in certain sections of the gutter immediately after a rain. When unobstructed by debris, water standing in gutters should not be in excess of 1/2-inch in depth.

The Limited Warranty does not cover damage caused to gutters or downspouts as a result of snow or ice build-up, nor does it cover erosion caused by run-off from downspouts. Noise caused by water falling into or running through downspouts considered to be objectionable by the Buyer is not a warrantable condition.

The Builder will address the separation of buried downspout extensions when caused by settling meeting the criteria stated in Section 3.2. All other issues associated with buried downspout extensions (e.g., separations due to minor settling, freezing, silting, erosion, blockages) are not covered by the Limited Warranty.

4.7 Exterior Paint, Stain, and Varnish—The Builder shall prepare and repaint exterior surfaces where the paint has peeled or flaked off during the warranty period. This provision applies to exterior trim and siding only and excludes (but is not limited to) paint, stain or sealer on:

- Decks, handrails, etc.
- Concrete footings, foundations, retaining walls, stoops, etc., unless specifically prepared and painted per instructions in the purchase contract.
- Rubberized components (e.g., weatherstrip around exterior and overhead garage doors, and sheet material used as flashing on roofs).

- Galvanized metal flashing (e.g., flashing used above doors or windows, flashing used in siding joints, roof flashing, etc.).
- Black iron pipe (commonly used for gas lines).

Where deterioration affects more than 50 percent of the wall area, the whole wall area shall be refinished. Color and texture match on touch-ups or repairs will be as close as reasonably possible, but are specifically not guaranteed. Paint touch-ups are almost always visible and this is especially true on darker colors. Fading is normal and the degree is dependent on climatic conditions; thus, fading is not a warrantable condition.

Varnish, lacquer, or stain finishes used on exterior surfaces (e.g., wood doors, shutters, trim) will deteriorate rapidly and are not covered by the Limited Warranty.

Mildew or fungus formation on exterior siding or trim is a condition the Builder cannot control and is a homeowner maintenance item.

4.8 Exterior Caulking and Sealants—Exterior caulking and sealants used around doors, windows, siding, trim etc., will shrink and must be maintained during the life of the home. (Industry guidelines recommend that external caulking be inspected and touched up every six months.) This is a homeowner maintenance item unless the condition is a result of shrinkage or movement of exterior trim or siding in excess of the criteria stated for these items (reference Section 4.4).

A caulking or sealant failure should always be suspected in those situations where “all of a sudden” there is a leak where there was none before. Vulnerable areas include:

- Around penetrations coming into the home (e.g., around gas lines, telephone or cable service, sump pump discharges, Freon lines running to the air conditioner condenser unit, etc.).
- Around the outside of doors and windows (while flashing is typically used at these locations, caulking is often required for a positive seal).

- Under the thresholds of exterior doors (this is especially true if there is any flex or give in the threshold under traffic).
- At exterior trim pieces. (Often times trim pieces are used to cover breaks in siding panels; if the caulking fails at these locations, water can enter and run down behind the lower siding panels.)
- At transitions from one type of exterior siding application to another (e.g., from stone to stucco, from stucco to wood trim or siding, etc.).

The Builder shall correct leaks resulting from caulking or sealant failures one time only during the warranty period. Once the initial condition is corrected, the Buyer is responsible for maintaining the caulking or sealant to prevent recurrence. Note, however, that leaks caused by directed water streams (e.g., garden hoses, power washers, lawn sprinklers) are not covered by the Limited Warranty.

4.9 Discoloration or Tarnishing—Discoloration, tarnishing, or rusting of exterior components (e.g., light fixtures, door hardware, accent hardware, house numbers, mounting screws, etc.) is not covered under the Limited Warranty. Note that many manufacturers have product warranties against discoloration or tarnishing. The Builder does not extend these warranties and claims should be pursued directly with the supplier or manufacturer.

5. Workmanship Warranty Provisions – Home Interior

5.1 Concrete/Masonry Foundations, Walls, and Floors

Shrinkage cracks in concrete and masonry are common. These types of cracks will seldom have any effect on the integrity of the structure. The Builder will address cracks in concrete or masonry walls that meet any one of the following criteria:

- Cracks in concrete walls greater than 1/4-inch in width.
- Cracks that result in the trickling of water or dampness. However, leaks caused by Buyer action or negligence (e.g., caused by direct impingement of sprinklers, changes to the landscape, or the failure to maintain proper grade) are not covered by the Limited Warranty.
- Cracks in basement or foundational concrete block walls greater than 1/4-inch in width.
- Cracks in non-foundational masonry walls or veneer greater than 1/4-inch in width.

In addition, the Builder will address cracks in concrete floors that meet any one of the following criteria:

- Cracks in concrete floors of conditioned space greater than 3/16-inch in width or having greater than 3/16-inch vertical displacement.
- Cracks in concrete floors of conditioned space with finish flooring that ruptures the finish flooring material.
- Cracks in attached garage floors greater than 3/16-inch in width or having greater than 3/16-inch vertical displacement.

When measuring crack width, surface deterioration that affects the appearance of a crack (e.g., shoulder sloughing along top edge of the crack wall) is excluded.

Repairs will be by surface patching or other industry-accepted method. The Builder is not responsible for color variation between old and new cement or mortar, or for variation in surface textures.

In all cases requiring evaluation and repair, the Builder must have adequate access. Accordingly, the Builder will repair or replace drywall, framing, carpet, tile, etc., damaged or removed during the process, provided the Builder originally installed these items. The Buyer is responsible for removing, repairing, and replacing interferences not originally installed by the Builder.

New concrete contains a high level of moisture. Most of this moisture will dissipate naturally during the first 12-18 months, assuming proper ventilation. During the concrete “dry out” period, there may be evidence of dampness (especially under rugs, boxes, storage bins, etc., that are in contact with the concrete) and efflorescence (the formation of a white powdery substance). As these conditions are a result of the normal aging of concrete, only dampness on basement walls or floors (excluding garages and storage areas not included in the heating and cooling envelope of the house) that is due to moisture intrusion will be addressed by the Builder. Damages resulting from dampness and efflorescence are not warrantable conditions. Dehumidifiers will accelerate the drying process and are recommended where dampness may be a problem.

Except for unfinished basement floors and in areas where the floor has been designed to meet special requirements (e.g., for drainage), concrete floors in living areas shall not have pits, depressions or areas of unevenness or slope exceeding 3/8-inch over a 32-inch span. The Builder shall correct deficiencies meeting this criterion by surface patching or other industry-accepted method. While garage floors are typically poured with a slope, minor puddling is not uncommon. The puddling of water on garage floors is not covered by the Limited Warranty (even if a convenience floor drain has been provided).

Unless otherwise specified in the sale contract, the Limited Warranty does not cover water leaks into under-slab rooms (e.g., rooms under a concrete garage floor or under a concrete front stoop). Normal construction practices create

“dry joints” between the foundation walls and the top concrete slab that are prone to leakage.

5.2 Crawl Spaces—Temporary conditions may exist that result in the formation condensation in crawl space areas. Provided the Builder has complied with applicable code requirements for ventilation, condensation in crawl space areas is not covered by the Limited Warranty.

Although crawl spaces are graded for drainage, water may accumulate for short periods of time. The Builder will address conditions where water stands or ponds in crawl spaces.

5.3 Rough Carpentry/Framing—While every attempt is made to frame a home with square corners and plumb walls this is not always the case. Out of square corners are not covered under the Limited Warranty. Note that the following criteria apply to conditions that develop during the warranty period (i.e., as opposed to original construction).

The Builder shall address framed floors where there is a slope, ridge, or depression in excess of 1/4-inch in a 32-inch measurement as a result of post-closing movement.

The Builder shall address walls that are out of plumb in excess of 3/8-inch in any 32-inch vertical measurement. In addition, the Builder shall address walls that bow more than 1/2-inch in any 32-inch horizontal measurement or walls that bow more than 1/2-inch within any 8-foot vertical measurement as a result of post-closing movement.

Springiness, bounce, and shaking in floors and stairs can result from the types of framing materials used, the spans involved, and amount of loading. As flooring systems and stairs are designed to meet stringent code requirements, the springiness, bounce, and shaking are not covered under the Limited Warranty.

Squeaks and creaks in floors and stairs are common in nearly every home. Many will work themselves out as the

temperature and humidity levels stabilize, and with the placement of furniture. Others will develop over time as the floor and stair framing shrink from drying and shift. This is a part of the normal drying and aging process of the home. For this reason, the Builder will only address floor/stair noise or loose sub-flooring that is a result of an underlying construction defect. (A construction defect would exist, for example, if a seam in the subflooring parallel to the floor joists was left unsupported or if joist hangers were errantly omitted resulting in excessive joist movement. The existence of a squeak or a “soft” spot in the subfloor does not, in and of itself, constitute “an underlying construction defect.”) The warranty criteria for stair landings are the same as those for framed floors.

While “engineered” floor joists (i.e., those made of composite materials) will minimize shrinkage and shifting as the house ages, the potential for floor squeaks is not fully eliminated. Many times floor squeaks are not a result of the floors but the ductwork or piping suspended below. These types of squeaks can often be corrected by shifting the ductwork or pipe, repositioning hanger brackets, or by placing small scraps of carpet or cardboard between the ducting and the offending floor joist.

5.4 Plumbing—The water supply system shall operate as designed and be installed in accordance with all approved building, plumbing and health codes. The Builder shall address leakage from supply piping, soil or waste drains, or vents. In addition, the builder shall address defects in workmanship or materials associated with septic systems. The Builder is not responsible for mineral deposits or water stains in sinks, tub, fixtures, or appliances, for clogged faucet aerators or screens, or for other degraded conditions that develop as a result of water quality.

Gas leaks should be reported to the appropriate public utility service immediately. The Builder shall address gas leaks at field fittings downstream of the gas meter. Leaks internal to the component being supplied (e.g., factory fittings and connections in water heaters, furnaces, fireplaces, etc.) should be directed to the supplier or

manufacturer for resolution. The Limited Warranty does not cover the costs and consequences resulting from a loss of gas service.

The Buyer is responsible for routine maintenance items such as replacing faucet washers to eliminate a faucet leak, tightening of valve packing to eliminate leaks around valve stems or handles, etc. Toilets that run on generally require a simple float valve adjustment and are also a homeowner maintenance item. While service issues for water heaters are covered under the manufacturer's warranty, lighting the pilot light is the Buyer's responsibility.

The Builder shall address stopped-up drain lines caused by construction debris; however, if stoppage is caused by Buyer negligence (i.e., diapers, paper towels, etc.) the Buyer will be responsible for any costs involved in correcting the problem.

Houses are insulated according to local ambient design temperatures. When temperatures drop below design values, pipes can and will freeze if additional precautions are not taken:

- DO NOT set the heat below 65 degrees Fahrenheit until experience shows that lower settings will not result in freeze-ups.
- DO maintain overhead garage doors fully closed.
- DO open heat vents in garage, if so provided, to protect plumbing that may be in garage walls or ceiling.
- DO open vanity cabinet doors to allow warmer air to circulate around pipes.
- DO run a trickle of water at faucets if needed during extreme conditions.

The flexible plastic supply lines used for most all new construction are unaffected by freezing. Therefore, a freeze-up is more an inconvenience than a concern over burst water lines. This cannot be said for houses constructed with rigid plastic or copper supply lines. When these products are used the water to the house should be shut off if a freeze-up occurs until the pipes are thawed.

This will avoid water damages that could result when thawing if a line burst when frozen. The Limited Warranty does not cover damages resulting from frozen water pipes. To protect outside hydrants, garden hoses (including quick connectors) should be removed when freezing temperatures are anticipated. Broken water lines and damages resulting from frozen sillcocks (outside faucets) are not covered under the Limited Warranty.

The Builder will address noise from improperly anchored pipes (signified by loud pounding or hammering of the pipes during normal use). Some noise from water lines can be expected. For example, loud vibrating (i.e., water hammer) may occur if a faucet or valve is closed rapidly (e.g., as is the case with dishwashers and washing machines). Draining and refilling the system can normally correct this condition. Do this by closing the main water shut-off valve and opening several faucets, thus allowing the system to drain. Once the system has drained, slowly open the main water shut-off valve and close open faucets to re-pressurize the system.

Another source of noise in homes is the “ticking” or “popping” sound that can result as hot water passes through the supply lines. The hot water can cause water lines to grow in length from thermal expansion. This growth can cause a “ticking” or “popping” noise anywhere the line rubs with a wall stud, subflooring, a pipe support, etc. As the integrity of the piping is not affected, noise due to thermal expansion and contraction is not a warrantable condition.

Water running (or dripping) through drainpipes can also create unwanted noise. Although the plastic drain piping used in new construction has many advantages, it falls short of the sound deadening qualities found in the cast iron piping used in days gone by. Noise made by water running (or dripping) through drainpipes is not a warrantable condition.

To minimize the potential for a wet basement, always leave sump pumps plugged in. While the Builder shall address

construction defects with sump pump systems (e.g., leaking or loose joints in the discharge piping), failures due to Buyer negligence (e.g., debris in the sump pit), power outages, frozen discharge lines, etc. are not covered.

Damages done by rising water as a result of a sump pump failure or the inability to keep up with demand are not covered by the Limited Warranty under any condition. (Damages of this nature should be filed on the Buyer's insurance policy.) Buyers concerned about the consequences of a sump pump failure or power outage should investigate back-up options.

Many homes with walkout basements do not have sump pumps. Instead, the drain tile around the foundation that would normally run to the sump is run to daylight and can usually be seen at the lower corners of the foundation. Do not block, crush, or bury these drain tiles as moisture problems could result.

Single handle tub and shower faucets provided in most new homes have an anti-scalding feature that limits the flow of hot water. Since these faucets are typically set conservatively at the factory, it is common for the water at a shower (or combination tub/shower) not to be as hot as desired or to take an extra-long amount of time to reach the desired bathing temperature. This can easily be adjusted and is a homeowner maintenance item (refer to the manufacturer's website for instructions as needed).

During humid conditions it is possible for water to condense and drip off cold water lines or ductwork. As humidity control is the responsibility of the Buyer, the Limited Warranty does not cover condensation and damages done by condensation.

When leaving on vacation or for an extended period of time, it is always a good idea to shut off the water at the main supply valve. That way, damages would be minimized should a problem occur while no one is around.

5.5 Electrical—Circuit breakers, switches, outlets, fixtures, and wiring shall operate as intended. All wiring circuits shall conform to local, state, or approved national electrical code requirements. The Builder shall address situations where circuits trip repeatedly under normal usage (assuming load ratings are not being exceeded). Additionally, the Builder shall address components supplied and installed by the Builder, such as switches and outlets that fail as a result of normal operation.

If a circuit breaker trips at the main box (usually located in the basement or garage), flip the tripped breaker “off” and then back “on” to reset. If the same breaker trips again, unplug or turn off all devices on the affected circuit, and reset the breaker again. If the breaker trips again, the fault is on the circuit and will be corrected by the Builder (unless the condition was created by Buyer neglect or modifications). If the breaker does not re-trip then the fault lies with one of the devices originally powered by the circuit. Inspect each component before plugging it back in or turning it on. Should the breaker trip when a device is plugged in or turned on, do not use it until appropriate repairs have been made.

Always check for faulty bulbs or tripped breakers or Ground Fault Circuit Interrupter (GFCI) outlets before assuming a problem with a circuit. The Buyer shall be responsible for any costs incurred if an electrician is called out to replace a bulb or reset breakers or GFCI outlets. GFCI outlets are safety devices designed to prevent electrical shock. This protection is required in bathrooms, kitchens, over concrete (e.g., garages and unfinished basements), and exterior outlets. **As one GFCI outlet may feed (i.e., protect) other outlets, a tripped GFCI outlet could affect other outlets on the same circuit.**

Tripped GFCI outlets are simple to reset and are a Buyer’s responsibility. As GFCI outlets are very sensitive devices, they will trip occasionally for no apparent reason at all. This does not mean that the device is defective! It does mean, however, that refrigerators or freezers, for example, should never be plugged into GFCI outlets (or into outlets

protected by GFCI devices) where a spurious trip could have costly results. Perishable items lost as a result of a tripped GFCI outlet are not covered under the Limited Warranty.

Arc Fault Circuit Interrupter (AFCI) breakers are normally installed in the main power panel and are easily identified by the test button located beside the breaker trip lever. While not as susceptible to spurious trips as GFCIs outlets, AFCIs breakers are sensitive devices and easily tripped. The most common cause for AFCI trips is damaged cords or plugs on consumer products (e.g., lamps, radios, clocks).

In most parts of the house, the electrical codes allow light fixtures and plug-in outlets to be on the same circuit. As a result, it is not unusual for lights to dim momentarily when plugging in or turning on a device that has a significant current draw. This is commonly seen when using irons, vacuum sweepers, hair dryers, jet tubs, etc. The extent of dimming is also affected by the amount the circuit is already loaded when the device is plugged in or turned on.

For example, if a bedroom circuit is already loaded by a computer system, television or stereo, ceiling fan, a ceiling fan light with several bulbs, and a vanity strip light with several bulbs, the lights may dim when a small hair dryer or curling iron is used. If only the vanity strip light is on, the dimming will not be as noticeable and may not be seen at all when using the same hair dryer or curling iron. The dimming of lights as a result of circuit loading is not a warrantable condition.

The following additional conditions are not covered under the Limited Warranty:

- Replacing burned out light bulbs.
- Adjusting the direction of floodlights, track lights, etc.
- Adjusting the sensitivity of motion-activated lights.
- Re-balancing of ceiling fans.
- Replacing smoke detector batteries.
- Adjusting crooked switch or outlet coverplates.

- Adjusting switch or outlet coverplates that gap from the wall less than 1/16-inch.
- Air drafts at electrical outlets and switches.

5.6 Specialty Wiring and Wireless Systems—Specialty wiring and wireless systems include (but are not limited to) telephone, network and cable television lines, security systems, intercoms, hardwired stereo sound systems, WiFi boosters, and smart home systems. The Limited Warranty only covers construction defects associated with the installation of wiring and components done by the Builder. Operational defects fall under the installer or manufacturer's warranty.

5.7 Heating, Ventilation, and Air Conditioning—While the heating, ventilation, and air conditioning (HVAC) equipment is covered by the manufacturer's warranty, the Builder shall address heating and cooling systems that are not capable of operating within applicable codes and standards.

Heating systems are typically designed to maintain an inside temperature of 70 degrees Fahrenheit under local outside winter conditions as described in the ASHRAE Handbook. Cooling systems are typically designed to maintain an inside temperature of 78 degrees Fahrenheit under local outside conditions as described in the ASHRAE Handbook. When outside temperatures exceed 93 degrees Fahrenheit, an inside temperature of within 15 Fahrenheit degrees of the outside temperature is acceptable.

The above heating and cooling guidelines do not apply to spaces not considered to be normal living areas (e.g., closets and pantries). When evaluating system performance, temperatures are to be measured at the center of the room, at an elevation of 5 feet above the floor, and the system must be given adequate time to stabilize following adjustments (72 hours is considered to be the standard).

The Builder will repair and recharge refrigerant line leaks due to defects in workmanship and materials. To ensure optimum performance, the air conditioning condenser or heat pump must be free from obstructions (e.g. leaves, grass, or landscaping) and must be maintained as close to level as possible. Units operating significantly out of level can be permanently damaged, with damages not being covered by the manufacturer's or Builder's warranty.

When the condensing or heat pump unit rests on the ground (i.e., on a leveling pad), the Builder is responsible for ensuring the unit is initially level (typically done as part of the final grade of the yard). The Buyer is responsible for maintaining the unit level. This is best done by adding dirt, gravel, bricks, etc. under the pad (do not use wood!) to compensate for any settling that may occur.

When the air conditioner is in operation, moisture in the air will condense on the cooling coils. A drain line has been provided to direct the water to the appropriate disposal location (e.g., floor drain, sump pit, or sewer connection). These condensate lines will eventually clog under normal use. The Builder is responsible for ensuring the condensate lines are unobstructed at the time of closing. The Buyer is responsible for maintaining the condensate lines open and for any damages that may result from failing to do so.

Small variations in temperature from room to room or floor to floor are to be expected. Temperature variations up to 7 Fahrenheit degrees are acceptable. In addition to adjustable registers, many homes are equipped with balancing or flow dampers in the main ducts near the furnace that can be used to direct more airflow to parts of the home. The flow dampers and the supply registers can be used to minimize temperature variations. The Buyer is responsible for adjusting registers and main flow dampers to suit his or her personal comfort.

Note that many homes are modified to include "bonus" rooms (e.g., small finished rooms, closets, or storage areas that would normally be attic space or other

unfinished areas). Bonus rooms are typically not included in the HVAC plan for the home and are excluded from the temperature requirements stated above. Should temperature variations to the rest of the house be noticeable during extreme temperature conditions, leave the doors to these areas open to improve air circulation.

The typical thermostat used in most home HVAC installations is accurate to within 5 degrees. Therefore, thermostats reading within 5 degrees of the actual room temperature are considered to be acceptable.

Furnace filters should be kept clean and changed per the manufacturer's recommendations as failure to do so could cause furnace or air-conditioner failures and void the manufacturer's warranty.

- A dirty filter will cause the furnace to over-heat due to reduced air flow and trip off. Replace (or temporarily remove) the air filter, then turn the power to the furnace off for 30 seconds and back on to reset the furnace logic and furnace operation.
- With air-conditioning, a dirty filter will cause the water condensing on the cooling coils to freeze, blocking air flow. (The cooling coils are typically located in the duct housing directly attached to the furnace.) Turn off the air-conditioning and replace (or temporarily remove) the air filter. Once the ice on the cooling coils has melted (which can take several hours), the air-conditioning should work normally.

Maintenance of furnace filters is a Buyer responsibility. Further, service charges for HVAC call-outs as a result of dirty air filters are a Buyer expense.

The Builder will address ductwork that becomes unattached or separates. The Builder will also address "oilcanning" (oilcanning is the term used to describe the loud bang ductwork can make when the fan first starts or stops, causing the sheet metal duct to flex in or out).

The “ticking” or “popping” heard as the ductwork expands and contracts from changes in temperature is not a warrantable condition. Minor air leakage from the furnace plenum or from HVAC ductwork joints is not a warrantable condition when the leakage is into the conditioned space of the house. (The conditioned space of the house would typically include a basement but not an attic or crawl space.)

During humid conditions it is possible for water to condense and drip off air conditioning ductwork. As humidity control is the responsibility of the Buyer, the Limited Warranty does not cover condensation and damages done by condensation.

Certain areas of the house may be supplied with exhaust fans. Locations where exhaust fans are typically installed include kitchens, bathrooms and laundry areas. These fans are characteristically noisy and only fans that cease to work will be serviced under the limited warranty. Operational noise and vibration are not warrantable conditions. In addition, exhaust fans are designed with an internal flapper to minimize air flow back into the house. These flappers are sensitive to the air movement within the house often creating a “clattering” noise. This can also occur with windy conditions or severe weather. Flapper noise is not a warrantable condition. These flappers are not air tight and drafts may be felt depending on exterior temperatures. During winter conditions, the cold air leaking back into the house can cause condensation on the metal ductwork and fan components. If enough condensation occurs, water can run back into the house creating the appearance of a leak situation. As humidity control is the responsibility of the Buyer, the Limited Warranty does not cover condensation and damages done by condensation.

5.8 Drywall—The Builder shall address the following drywall conditions:

- Cracks that exceed 1/16-inch open.
- Nailpops that break through the surface.

- Buckling where the buckled area protrudes more than 1/16-inch out from the original surface.
- Popped corner beads creating gaps of 1/16-inch or more.
- Loose drywall tape.

Less significant conditions, such as hairline cracks, will develop during the normal aging of the home and are not covered by the Limited Warranty. Blemishes and imperfections in the drywall finish such as seam lines, sanding marks, or insufficient sanding not visible with normal lighting from a reasonable distance are not warrantable conditions.

Unless extenuating conditions exist, drywall repairs are provided one-time only during the warranty period. This one-time repair is normally done at the end of the construction warranty period in order to maximize the time available for the effects of normal shrinkage and settling to manifest. Any painting required following drywall repairs is the Buyer's responsibility, as is the repair or replacement of wall covering that may have been damaged.

5.9 Doors and Windows—The exterior doors and windows used in a new home are designed and tested to meet certain code requirements for leakage. *Note that these requirements do not mandate that doors and operable windows (i.e., those that have the capability of being opened) be leak-proof under all conditions.* Therefore, given certain conditions (e.g., strong gusty winds or torrential rains) some air or water leakage can be expected. While the Builder will address leakage through or around doors and windows that are a result of construction or manufacturing defects, minor leakage through exterior doors and operable windows that are installed in accordance with the manufacturer's specifications is not covered by the Limited Warranty.

Most sliding patio doors and many of the window and door units with vinyl frames have drain ports at the bottom exterior corners. These ports must remain functional to assure proper drainage. If blocked, water may be trapped

in the sill or threshold area and overflow into the home. The Builder will address construction related blockages (e.g., drain ports inadvertently caulked shut). The Buyer is responsible for maintaining the ports open and free of mud, silt, grass clippings, insects, etc. Leakage resulting from improperly maintained drainage ports is not covered by the Limited Warranty.

5.9.1 Doors—The Builder shall adjust doors that rub on the frame, or do not latch or lock one-time only during the warranty period. In addition, the Builder shall adjust poorly fitting weather stripping so that exterior doors seal within the limitations of the door design. As previously noted, exterior doors are not weather proof and air gaps are common at the following locations:

- At the corners of hinged doors, especially at the bottom corners where the side weatherstrip elements interface with the threshold.
- At the top and bottom of the center rail on double or French doors.
- At interferences due to added components or hardware. Examples include deadbolt guards that wrap around the edge of the door and security sensors.
- On sliding doors, at the top and bottom corners that overlap with the stationary door.

Tightening of loose door hardware (e.g., deadbolts, locksets, etc.) is considered to be homeowner maintenance and the responsibility of the Buyer.

Many exterior doors incorporate an adjustable threshold to accommodate seasonal changes in the door clearances. The Buyer is responsible for adjusting the threshold of exterior doors as necessary to maintain a proper seal at the bottom of the door. The maintenance of door weatherstripping, including the replacement of torn weatherstripping at the bottom of a door due to an improperly adjusted threshold, is a Buyer responsibility.

The Builder shall adjust doors that swing open or closed by the force of gravity. In addition, the Builder shall address

the fit of doors where the perimeter gap between the door and the adjacent doorframe element vary more than 3/16-inch.

Adequate spacing is required to allow for unobstructed flow of air between rooms when a door is in the closed position. The resulting space between the door bottom and any flooring type should not be excessive. Door bottom spacing which exceeds 1.75 inches shall be corrected to meet the guideline. The 1.75 inch spacing shall be measured from the higher floor covering if the door threshold is at a transition between two flooring materials with different heights.

The Builder is not responsible for trimming doors to accommodate floor covering added by the Buyer (e.g., an entry throw rug or a bath matt).

The Builder shall repair or replace doors that warp in excess of 1/4-inch (as measured between a straight edge placed diagonally corner to corner and the face of the door). Exterior doors are more prone to warpage due to temperature differences and slight warpage should be anticipated, especially during occasional periods of high humidity.

Dents in metal doors are a result of impacts to the door surface occurring during the construction process, move in or from use after move in. Dents occurring after the pre-closing walk through will not be repaired. Dents that are documented on the pre-closing punchlist will be repaired. Doors that cannot be properly repaired will be replaced at the sole discretion of the Builder.

While solid wood doors are attractive, they are more vulnerable to problems created by changes in temperature and humidity. For example, insert panels may shrink or shift revealing unfinished wood. This is a normal cause and effect with wooden products and would not be covered by the Limited Warranty. In addition to expansion and contraction issues, the wood insert panels are susceptible

to cracking. The Builder will only address through cracks that allow light to pass through the panel.

Storm doors are recommended at exterior door locations that may experience minor leakage during severe weather conditions. Vented storm doors are always recommended, as the solar heat generated by unvented doors will often warp doors and distort the plastic frames around door windows. Damages to exterior doors resulting from improperly vented storm doors are not covered by the Limited Warranty.

Screen doors (swing, sliding, retracting, etc.) should be verified to be in good working conditions prior to closing. Damages identified post-closing are not covered by the Builder and adjustments required to ensure smooth operation are considered to be homeowner maintenance.

5.9.2 Windows—The Builder shall adjust windows that cannot be latched or locked as designed. In addition, the Builder shall address situations where there is a failure of the operating mechanisms (i.e., crank mechanisms, counter balance springs or devices, hinges, etc.). Failure of the vapor seal on a window (as evidenced by moisture condensation between the inner and outer glass panes) falls under the manufacturer's warranty and is not a Builder responsibility.

Condensation or frost on the inside of windows is an indication of too much humidity in the house. Since humidity levels in the house are controlled by the Buyer, water damage done to paint and trim as a result of condensation is not covered by the Limited Warranty.

Minor scratches are common in window glass occurring from manufacturing, shipping or construction process as well as from normal Homeowner cleaning and maintenance activity. Scratches in window glass visible from further than 8 feet away in natural light identified in the pre-closing walk through will be replaced with glass that meets the performance guideline. Scratches in window

glass identified after the pre-closing walkthrough will not be replaced or repaired.

Homeowners should use caution when removing, cleaning, and reinstalling screens as they easily tear, especially with pets and small children. Screens with tears or other damages not documented prior to closing will not be repaired or replaced.

The maintenance of the weatherstripping on windows is a Buyer responsibility.

5.9.3 Overhead Garage Doors—The Builder shall adjust garage roll-up doors that bind or hang up. In addition, the Builder will adjust counter balance springs in those situations where the door will not stay in the open position. Adjustments to the door to improve contact with weatherstripping around the opening or at the bottom are a homeowner maintenance item.

Snow or water can be expected to enter at overhead garage door locations during unusual or severe weather conditions. This would not be considered a warrantable condition.

Operational problems with overhead garage doors are not covered in cases where someone other than the Builder has installed a garage door opener.

5.10 Fireplaces—With today's construction, traditional fireplaces are being replaced with ventless or sealed direct vent fireboxes (commonly referred to as fireplace "inserts"). Unlike traditional fireplaces, inserts have a "break-in" period that may require as much as 10 to 15 hours of cumulative use to burn out the "new" smell (often from the factory paint, oily films from fabrication and installation, dust, etc.). In fact, during the first few hours of use, a light haze or smoke may be noticeable in the house and it may be necessary to open a door or window for added ventilation. The ceramic logs used in firebox inserts are specifically positioned by the manufacturer and should not be rearranged.

Traditional fireplaces shall draft under normal operating conditions. High winds can often create negative draft conditions. Note that obstructions too close to the chimney (e.g., large trees or branches) may also affect draft. Homes that are very airtight and/or highly insulated may require a window be opened slightly to affect a proper draft. The Builder shall address poor draft situations if the problem is a result of incorrect construction or installation. When provided with ceramic inserts (along the sides and back of the fire chamber), the size and intensity of a fire should be limited to avoid cracking the inserts. Cracking of ceramic inserts (or firebrick) and the discoloration of fireplace finishes due to heat are not covered conditions.

Fireplaces and fireboxes are drafty by nature and during colder weather the drafts may be very noticeable (to the point that frost may form, depending on the humidity levels in the house). Drafts can be minimized by ensuring the chimney damper and combustion air damper (if so equipped) are closed when not in use. In addition, glass doors, if not already installed, are also advisable. Drafts from and around the fireplace/firebox are not covered by the Limited Warranty unless associated with an actual construction defect.

5.11 Finish Carpentry/Woodwork/Cabinetry—Interior wood trim can be expected to shrink as a result of the natural drying out process of the home. However, wood trim will also expand and contract as a result of seasonal humidity changes. The Builder shall address separations between joints or between molding and the attached surface that exceed 1/8-inch in width. (Concerns with gaps between flooring and trim (e.g., baseboard trim, base shoe trim, doorframes, or door casing trim) should be addressed prior to closing and are not covered by the Limited Warranty.)

The Builder shall also address gaps between cabinets, cabinets and ceilings, or cabinets and walls exceeding 1/4-inch. When movement affects a counter or vanity top, the Builder shall touch up grout or caulking one time only

during the warranty period when the resulting gap exceeds 1/4-inch. Caulking is an acceptable repair and the Builder is not responsible for color variations.

Panels in doors and cabinets may also shrink as a part of the drying out process or seasonal humidity changes exposing unfinished surfaces or cracking painted surfaces. Touch ups to address shrinkage is considered to be a homeowner maintenance issue. (The extent of shrinking and cracking can often be limited by maintaining the proper humidity levels in the home.)

Cabinet doors and drawer fronts are also prone to slight warpage and this should also be anticipated. The Builder shall address warpage in excess of 1/4-inch when measured by closing the drawer or door and measuring from the face of the frame to the point of furthest warpage. Warpage of cabinet doors to a lesser extent can often be corrected by hinge adjustments and is a homeowner maintenance item. The Builder shall adjust cabinet doors where misalignment from door to door exceeds 1/8-inch.

The above stated criteria only apply if humidity levels have been properly maintained in the house (humidity control is a Buyer responsibility). To eliminate humidity control as an issue, the Builder may choose to apply these criteria when normal ambient humidity levels are highest. Puttying or caulking is an acceptable method of repair.

Cabinet hinges will periodically loosen with usage and seasonal changes. The re-tightening of cabinet hinge screws is homeowner maintenance. Similarly, locksets on doors will loosen with usage and time. The re-tightening of loose screws and mounting hardware is homeowner maintenance.

Fabricated vanity and kitchen countertops shall not delaminate and will be replaced or repaired, as required. Due to the size limitations of the materials used, laminated counter tops may have seams in the laminate and joints where large sections are pieced together. The Builder shall

address gaps in the laminate or misalignment in seams exceeding 1/16-inch in width.

Handrails must meet stringent requirements regarding rigidity and configuration at the time of closing. Handrails that loosen from normal wear and tear are not covered by the Limited Warranty. The builder will address balusters that become detached. Balusters that are merely loose (i.e., those that move or rattle but have not detached) are not covered by the Limited Warranty. Likewise, loose components and hardware that do not affect the integrity of the handrail (e.g., baluster shoes and knuckles, and handrail mounting brackets) are not covered by the Limited Warranty.

Caution should be taken to not overload closet rods and shelves. Conventional wood shelving and closet rods should be supported approximately every 48 inches. Metal or specialty shelving systems should be installed per the manufacturer's recommendations. The Builder will only consider those situations where a failure has occurred and the above stated guidelines are not met.

5.12 Floors and Floor Coverings—If repairs to floor coverings are required, the Builder will attempt to match the existing floor covering/floor finish to the extent practicable. However, the Builder is not responsible for discontinued patterns or color variations if vinyl, carpet, tile, or grout is patched or replaced. As wood, vinyl and tile floors are fragile, only gouges, chips, or cracks noted prior to closing will be addressed.

Certain flooring products (e.g., vinyl plank flooring and laminate wood flooring) are installed as “free floating”. This means that the flooring is not glued, stapled, nailed or otherwise fastened to the subfloor. It is typically installed over a thin foam pad which can give the flooring a soft or spongy feeling. In addition, seasonal variations in temperature and humidity can cause the flooring to expand or contract, creating localized sections that are slightly raised (as if there is a large air bubble under the flooring).

This is often referred to as “peaking” and is common with new construction.

5.12.1 Carpet—The Builder shall address carpeting that comes up or becomes loose from the point of attachment. Although every effort has been made to conceal carpet seams, they are likely to show. The Builder shall only address seams that fail (i.e., seams that come apart) or gap in excess of 1/8-inch. Note that carpet stretches or “relaxes” with time as part of the normal aging process. The amount of relaxation depends on the quality of carpet, the volume of traffic, the size of the room, etc. As these variables are characteristics of the home and its use, re-stretching carpet is not covered under the Limited Warranty. Carpet wear, which includes fading, is also affected by conditions outside the Builder’s control and is not covered by the Limited Warranty.

As the name implies, tack strips used to secure carpet in place are made with carpet tacks. The sharp exposed points are designed to grab and hold the carpet backing. Occasionally the tack points can be felt through the carpet and can be painful if stepped on. The best remedy is to peen over the offending tacks by tapping lightly with a hammer. This is not a service provided by the Builder and would be treated as homeowner maintenance.

5.12.2 Hardwood Floors—Hardwood floors can give years of beauty to a home if properly maintained. However, the life span of these floors can be significantly reduced by moisture, either by too much (e.g., water leaks) or by too little (e.g., low humidity levels in the dry winter months). A lack of humidity will cause the wood to dry out excessively and result in cracks and separations between the floorboards. This condition may be more pronounced around floor registers and at exterior doors. The use of a humidifier in dry climates or seasons will minimize cracks and separations resulting from a lack of humidity. Cracks and separations that do form will typically close as humidity levels increase during the more humid times of the year. The Builder shall only address gaps or separations in excess of 1/8-inch by filling or replacing boards, at the

Builder's option. This criterion only applies if humidity levels have been properly maintained in the house (humidity control is a Buyer responsibility). To eliminate humidity control as an issue, the Builder may choose to apply this criterion when normal ambient humidity levels are highest.

Pre-finished wood flooring is often installed as "free floating" meaning the individual planks are not nailed in place. As a result, it is common for the flooring have a "spongy feel" or to move slightly with weight. Neither floor movement nor floor noise (squeaks or popping) are covered by the Limited Warranty.

Minor cupping, crowning, and ridges in hardwood floors may develop during normal occupancy of the home and variations of 1/16-inch or less are considered normal. More significant cupping, crowning, or discoloration of floorboards is often a result of water on or underneath the flooring. Vulnerable locations include exterior doors, windows, behind toilets, and under appliances. Since experience shows that most water damages are found at exterior doors, properly adjusted thresholds are essential, and vented storm doors are highly recommended.

The Builder shall address water-damaged wood flooring (i.e., where cupping, crowning, or ridges between floorboards exceed 1/16-inch over a 3-inch span measured across the grain of the floorboards after drying) only where the cause is due to a construction defect. Since wood discoloration will not occur if water problems are detected and reported in a timely fashion, discoloration of floorboards due to repeated exposure to moisture is not covered by the Limited Warranty.

The Limited Warranty does not cover damages to floors as a result of wear and tear or Buyer negligence. Similarly, damage due to plumbing or appliance failures should be filed on the Buyer's insurance policy and is not covered by the Limited Warranty. Note that early detection of a problem and quick action on the part of the Buyer can often eliminate the need for costly repairs to wood floors.

The use of paraffin or oil based products on hardwood floors may void the Builder's warranty as these products can make floors difficult, if not impossible to refinish should a problem develop.

While choice lumber is used in making hardwood flooring, it is a natural product and it will have minor flaws (e.g., small knot holes, cracks or splits, milling marks, etc.) and variations in grain and color. These imperfections add character to the floor and are not covered under the Limited Warranty. Sanding marks in the wood, paint on or under the floor finish, and blemishes in the floor finish are considered to be cosmetic in nature and not covered by the Limited Warranty. The floor finish is subject to day-to-day wear and tear and is also not covered by the Limited Warranty.

5.12.3 Vinyl and Resilient Flooring—Both vinyl and resilient flooring are somewhat prone to shrinkage. As a result, the Builder shall only address gaps exceeding 1/32-inch in width at seams and 1/16-inch in width where dissimilar materials come together. The Builder shall repair or replace vinyl or resilient flooring that loses adhesion, lifts or bubbles (this excludes “free floating” floors as discussed above).

While slight depressions and ridges can be expected with vinyl flooring, the Builder shall repair ridges or depressions that exceed 1/8-inch over a 6-inch span. The Builder shall also address nail pops that break the surface of the flooring. Vinyl and resilient flooring are also susceptible to fading. Fading is not covered under the Limited Warranty.

Vinyl flooring will have depressions from furniture and other items placed on the floor for an extended period of time. Depressions from furniture legs and other items is not covered by the Limited Warranty. High heels and pet claws can scratch, indent or damage vinyl flooring and these damages are not covered by the Limited Warranty.

5.12.4 Stone and Tile—The Builder shall address cracked or loose floor tile (i.e., ceramic, stone, or marble) only if the condition is caused by an underlying construction defect. Cracks and small voids in grout are common and are considered to be homeowner maintenance. Example locations where cracks in grout can be anticipated include:

- At the interface of dissimilar surfaces (e.g., where tile floor transitions to hardwood flooring or where floor tile interfaces with a fiberglass tub or shower pan).
- Along the bottom of baseboards or other trim installed over a tile floor or hearth.
- Where tile comes together at two different angles (e.g., where wall tile at a fireplace meets the tile on the floor or hearth, or on stairs where the tile used on a riser meets a landing or stair tread).

The following conditions are not covered by the Limited Warranty and would need to have been addressed prior to closing:

- Sharp edges and small chips in the finish surface (or the back coloration surface in clear or translucent tile) along cut edges.
- Tile lippage (the difference in elevation from tile to tile).
- Visual evidence of mastic, thinset, mortar, or mesh used to set stone or tile in a “dry-stack” configuration (e.g., where gaps between stone or tile are left open as opposed to being filled with mortar or grout).
- Chips or flaws in the tile or stone finish surface.

Grout sealants are often recommended to help keep the grout clean. While there is a definite benefit in that regard, the use of certain sealants may void the warranty provisions because new grout added during repairs may not adhere properly. Contact your tile installer if there are questions or for recommended products.

The use of an elastic substance (e.g., color matching caulk) is more effective than grout when performing touch ups and is highly recommended. The Builder shall repair grouting, one time only, where a general failure of the

grout has occurred (e.g., crumbling of the grout over large areas).

5.13 Interior Paint, Stain, and Varnish—The Builder shall prepare and repaint interior surfaces where the paint has peeled or flaked off during the warranty period *unless* the paint failure was caused by condensation or a water leak not covered under the Limited Warranty, or is in area routinely exposed to moisture (e.g., around tubs, toilets, showers, sinks, etc.). Where deterioration affects a majority of the wall area, the whole wall area shall be refinished. Color and texture match on touch-ups or repairs will be as close as reasonably possible, but are specifically not guaranteed. Paint touch-ups are almost always visible and this is especially true on dark colors.

Fading of paint, stain and varnish is normal and the degree is dependent on age and exposure to sunlight, dust, smoke, etc.; thus, fading is not covered under the Limited Warranty.

On occasion, wood will “bleed” sap as it ages. When this happens, the most common affect is a localized discoloration of the trim paint. The discoloration may result in a circular pattern (caused by sap bleeding from a knot in the wood) or a streaked pattern (caused by sap bleeding from the grain in the wood). A less common affect is the formation of a sap blister under the paint. The Limited Warranty does not cover blemishes that are a result of the natural aging process of the materials used.

Wood cabinets, paneling, moldings, trim, doors, etc., all have variations in the wood grain and natural color. Because wood is a natural product, it will take stain differently on different pieces and often on different areas on the same piece. This is a normal occurrence and should be expected. As such, color variations are not covered under the Limited Warranty.

Watermarks on natural wood will be addressed only if caused by a leak covered under the Limited Warranty *and* the finish requires repair (i.e., the finish is peeled or

cracked). Although an effort under these circumstances will be made to remove the watermark, complete removal is often times not possible and, hence, is not guaranteed under the Limited Warranty.

5.14 Wall Covering—The Builder shall address wallpaper that loses adhesion because of poor installation or a material defect. This criterion does not apply to wallpaper applied in high moisture areas (e.g., around showers or tubs). The Builder is not responsible for mismatched or discontinued colors or patterns should repairs be required under the Limited Warranty.

Note that seams may show slightly (especially on dark colors) and misalignment of patterns may be noticeable. Neither of these conditions is covered under the Limited Warranty.

In general, the provisions for wall tile (i.e., ceramic, stone, or marble) and grout are the same as those discussed for floor tile and grout.

5.15 Caulking and Sealants—Caulking and sealants generally have a shorter life expectancy than most other products and materials in the home due to the natural settling and drying out process of the home. It is therefore necessary to periodically touch-up caulking and other sealants. This is a Buyer responsibility. Susceptible areas include tubs, showers, vanities, countertops and caulked joints in trim.

5.16 Hardware and Accessories—Fading, tarnishing or other deterioration of hardware finish may be covered by the manufacturer, but is not covered by the Builder Limited Warranty. Tightening of loose hardware (e.g., cabinet knobs or pulls) or repairing accessories that have become loose or detached (e.g., towel bars and toilet paper holders) is homeowner maintenance.

6. Requests for Service under the Limited Warranty

During your initial visit to the BBSGONLINE processing center you will be required to “accept” a user agreement and then update your profile (which includes the option of changing your Login and Password). **Note that system communication with you is by email so it is essential that your profile include an actively monitored email address.** Once your profile has been updated, you will be able to use the on-screen prompts to view helpful documents (e.g., this warranty document), input new service issues, check status of previously submitted service issues, etc.

6.1 Routine Service Requests—Service requests during the construction warranty period should be submitted to BBSG at the time intervals specified by your Builder. Other than for urgent issues, most Builders will provide for one or two submittal windows: an initial and/or a final service request (typically at 90 days and/or 11 months following the warranty start date, respectively). Emergency and immediate action service requests are addressed in the following sections. **Except for emergency or immediate action service requests, those submitted at times other than service window provided by the Builder may be returned or held until the next designated submittal date.**

Service requests must be submitted online via the Internet. **Do not phone in service requests as there is no assurance they will be properly recorded and followed up on.** Using the Login and Password provided by your BBSG representative, you can access the service request input screen via the Internet address shown on the back of this booklet or at www.BBSGUSA.com.

Most Builders will only accept ONE service request per service window. Create multiple line items within the service request as needed, grouping like issues if desired (e.g., drywall repairs at various locations, door adjustments

at multiple locations). Lists submitted as one line item cannot be processed and will be returned.

Photos or supporting documentation may be required by the Builder. The BBSGONLINE processing system will accept one photo or document per line item. (Uploading multiple photos or documents to the same line item will simply over-write the previous photo or document.) If multiple photos are to be submitted, create multiple line items if needed; however, the best approach is to put all photos into one document and upload that single document. (Be sure to comply with the maximum upload file limitation specified within the processing system.)

When making submittals, only include those items that are covered by the Limited Warranty (it is recommended that you review the provisions of the Limited Warranty prior to submitting service requests). Conditions that should not be included in the service request include:

- *Damage to fragile items.* Examples would include chips or gouges in fiberglass tubs and showers or vanity tops, scratches in glass or mirrors, and torn or bent screens.
- *Cosmetic issues.* This would encompass drywall or paint touch ups for gouges or marks on walls, ceilings, cabinets, trim, and doors.
- *Homeowner maintenance items.* Examples would include caulking touch ups, cabinet door adjustments, and lubricating door hinges.
- *Conditions that do not meet specified warranty criteria.* Examples would include gaps between hardwood floorboard that are less than 1/8-inch wide, floor squeaks, twisted or loose boards on decks, settled areas in the yard not affecting proper drainage, and hairline cracks in driveways or sidewalks.
- *Quality or preference issues.* A good example would be the quality of the finish on a hardwood floor.
- *Damage caused by Buyer abuse or neglect.*
- *Consequential, incidental, or secondary damages.* A good example would be curtains or blinds damaged by a window leak.

When listing conditions in the service request, be very specific as to the location and nature of the problem. A condition described as “*plumbing leak in guest bath*” is not very helpful; a better description might be “*water leaking from fitting on cold water supply line inside vanity of guest bath.*” Also, if a condition does not occur all the time, provide some indication as to when or under what conditions the problem occurs.

6.2 Immediate Action Service Requests—Conditions requiring immediate action are those that do not qualify as an emergency but at the same time, if not corrected in a timely manner, could result in further damage to the home or significantly impact the “livability” of the home. Always take action as needed to mitigate the condition and minimize damage to the house.

Examples of conditions requiring immediate action include:

- Weather related leaks (e.g., roofs, doors, windows, basements, etc.). Note that leaks of this nature can only be addressed as weather allows (i.e., not during inclement conditions).
- Plumbing leaks requiring a partial isolation of the system.
- Plumbing drain line leaks.
- Loss of air conditioning.
- Loss of heating when outside temperatures are above 45 degrees Fahrenheit.
- Loss of hot water.
- Loss of power to one or more electrical outlets (however, be sure to check and reset all GFCI outlets and AFCI breakers first).
- An exterior door that cannot be locked using either the deadbolt or the lockset (if equipped with a locking feature).
- An exterior door that cannot be opened (i.e., due to binding or a failure of the locking/latching hardware).

Immediate action service requests should be documented and submitted to BBSG in the same fashion as routine service requests. Once received, immediate action service

requests will be processed in an expedited manor (albeit during normal business hours) in the order received. While subcontractors will give high priority to immediate action service requests, repairs will be made during normal business hours based on resource availability.

When dealing with a loss of heating or air conditioning, you can often expedite the scheduling of repairs by contacting the installing subcontractor directly. (Many installers will leave their service number on or near the furnace unit.)

While many subcontractors will respond after business hours and on weekends for non-emergency conditions, some will require the payment of call-out or overtime fees (typically to cover the added costs for someone to be called out after normal business hours). Neither the Builder nor BBSG are under obligation to reimburse you for these added fees in response to conditions not considered to be an emergency as defined in Section 6.3.

6.3 Emergency Service Requests—Should an emergency condition as defined below exist, you should first report the issue if possible via the BBSG website as this will generate a priority notification to your BBSG representative. If Internet reporting is not an option, you should contact your BBSG representative directly by phone. If necessary and unable to immediately reach your BBSG representative, contact your Builder or the appropriate subcontractor directly to arrange for service. Always take action as needed to mitigate the condition and minimize damage to the house. An emergency condition is defined as:

- *A total loss of heat when the outside temperature is below 45 degrees Fahrenheit.*
- *A total loss of electricity* (however, check with your utility provider regarding local power outages before contacting BBSG or the electrician).
- *A total loss of water* (however, check with your utility provider to be certain the problem is not a general outage in the area).

- *A plumbing leak that requires the entire water supply to be shut off* (most sinks and toilets will have individual shut-off valves and can be individually isolated).
- *A gas leak* (close the service valve nearest the leak and contact the utility company or, if the leak is at the furnace, hot water heater, or appliance, contact the plumber).

The loss of air conditioning is not considered to be an emergency condition.

A follow-up report to BBSG (via the Internet reporting portal) should be submitted if the initial notification was by phone or to the Builder or subcontractor. This will ensure that the condition is documented for future reference.

When contacting a subcontractor directly for emergency repairs, provide the Builder's name, your address, phone numbers where you can be reached, and a detailed description of the problem. Note that many subcontractors do not provide 24-hour service. If this is the case, you will need to take temporary actions to mitigate the condition and contact the subcontractor as soon as possible the next business day.

BBSG cannot authorize you to use repair services or subcontractors other than those specified by the Builder. If you choose to use repair services or subcontractors other than those specified, neither the Builder nor BBSG are under obligation to reimburse you for the cost of the repairs. Further, repairs done by an unauthorized subcontractor may void the warranty provisions on that portion of your home.

If you call out a subcontractor to make repairs on conditions not meeting the emergency criteria stated above, you will be responsible for any special call out or overtime fees incurred for the service call.

6.4 Service Request Processing—Once submitted, your service request will be reviewed for completeness and reported issues assessed against warranty criteria. If

supporting documentation (e.g., a photo) is needed but not included, you will be requested to resubmit or update an issue with the requested documentation. On occasion, a BBSG representative may contact you directly to obtain more information. If it becomes necessary for a BBSG or Builder representative to physically inspect a condition, site visits are scheduled during normal business hours only.

A warranty acknowledgment summarizing the results of the follow-up inspection and actions taken will typically be emailed to you within one to two weeks after the inspection. If repairs are needed, BBSG will notify the responsible subcontractor (or the Builder) of the action required. When appropriate, the warranty acknowledgment will include the name and phone number of the subcontractor(s) contacted. **Once the subcontractors have been notified, you are responsible for scheduling your service appointments using the contact information provided.**

You will be prompted on a monthly basis to update the status on incomplete issues. If no update is provided, it is assumed that the issue has been completed and the issue will be automatically closed. To keep an issue open and active, simply provide a comment. All status updates are reviewed by BBSG. If appropriate, BBSG will perform a follow-up contact with the subcontractor or Builder to investigate the delays.

6.5 Grievances—If you disagree with the disposition of an item on your service request, you may submit a grievance to BBSG via the Internet portal. **The grievance must be submitted with 15 days of the date shown on the Warranty Acknowledgment Report and must state a basis for the grievance, including the exact warranty criterion that was misapplied.** Grievances that fail to state the exact warranty criterion that was misapplied may be rejected with no further action. Remember that as warranty administrator, BBSG cannot authorize repairs for:

- Issues not covered by the Limited Warranty.
- Issues not meeting warranty criteria.

- Issues submitted following the end of the construction or systems warranty periods, as applicable.

If after following the above procedure you still believe you have a valid grievance, you may interface directly with the Builder who is the warrantor.