

SOUTHERN LAND HOMEBUILDING

THE SLC PROTECTION PLAN

I. INTRODUCTION

This introduction provides a general overview of the SLC Homebuilding, LLC (herein referred to as SLC) Protection Plan, which consists of the Limited Warranty and the Performance Standards. The specific details, limitations and conditions of the Limited Warranty are provided to you in this book.

In general, the SLC Protection Plan is a commitment that materials and workmanship are warranted for one year from the time of closing. During the first two years of the warranty, SLC warrants that the home will be free from defects in electrical, plumbing, and mechanical systems. Defects in materials and workmanship in the structural elements of the home are warranted for two years from closing. Some appliances, equipment and other components included in the home are not warranted by SLC but are covered by separate warranties provided by the manufacturer or supplier.

THE SPIRIT OF THE WARRANTY – Our warranty commitment is easy to understand and based upon COMMON SENSE. We believe you have a right to expect a clean home, which is complete and free of defects at the time of closing. Things should work. If there are problems because of defects in materials and workmanship, as outlined above and described in more detail later, SLC will arrange for their repair or replacement. If a problem results from actions by occupants of the home or others or from ordinary wear and tear, SLC is not responsible for the resulting repair or replacement.

THE RIGHT'S OF YOUR HOME – We view your warranty in terms of what you, the buyer, have a right to expect. We view the issue of preventative maintenance in terms of what your home has a right to expect from you. No materials used in the construction of your home will last forever. Most will last for a long time, if properly maintained. It is our desire to help you understand how to prolong the life of your home through regular maintenance that is appropriate for the types of materials used in your home.

The following pages describe in general terms, WHAT YOU HAVE A RIGHT TO EXPECT FROM SLC and WHAT YOUR HOME HAS A RIGHT TO EXPECT FROM YOU. Following that is the LIMITED WARRANTY, WARRANTY EXCLUSIONS, LIMITATION OF LIABILITY, REQUESTING WARRANTY SERVICE, DISPUTE SETTLEMENT, and SLC PERFORMANCE STANDARDS.

YOUR RIGHTS AND THE RIGHTS OF YOUR HOME

This section discusses in general terms what you can expect from SLC in the construction of your home and what your home should expect from you in ongoing maintenance and care. The actual coverage's are described in the Limited Warranty provided in this book. The SLC "Home Care Guide" will provide you with most of the information you need to provide your home with the appropriate level of preventative maintenance.

Builder Responsibilities

1. SOIL DRAINAGE

Your home has been placed on good soil engineered to withstand the settlement that will occur. It should not settle in such a way as to create structural problems during the warranty period.

2. CONCRETE SURFACES

The concrete surfaces in your home shall fulfill the functions for which they were intended without excessive settlement, cracking or secondary damage, such as leaking. Since concrete is likely to crack, standards are defined in a later section.

3. STRUCTURAL INTEGRITY

Since homes are constructed by human beings, using a variety of materials, small tolerances are normal. What we consider unacceptable tolerances are defined in the detailed warranty section, which follows.

4. INTRUSION OF THE ELEMENTS

Your home should not leak. Exceptions might occur such as when a driving rain forces water into vents, windows or under doors and ice dams. Under normal circumstances, your home should protect you from the intrusion of the elements.

Homeowner Responsibilities

Your home and lot were designed with a particular drainage pattern, which should carry rainwater away from the foundation. Water should not be directed to the edge of the foundation, either in the form of lot drainage or the watering of flowers.

Concrete surfaces should be free of salts (for ice), other de-icing chemicals and excessive weight such as a moving van. Yard drainage should be maintained to divert water away from concrete surfaces, if possible, to eliminate the chance it will undermine the surface and erode the bearing soil.

Structural alterations to the home must be performed by professionals who understand the load bearing requirements of the change. The reason that local municipalities require permits for building alterations is to make sure that the structural integrity of the home is maintained.

In many cases, the seal around doors and windows is caulk. This material will require annual inspection and any necessary replacement after one to two years. Water from yard and lawn watering devices should not come in contact with the structure.

5. MECHANICAL SYSTEMS

Those systems installed in your home to provide power, water, treated air, ventilation and waste disposal shall work. Since the mechanical systems of your home were designed for normal usage, placing unreasonable demands upon them will present problems

Plugging several electrical devices into one circuit may cause it to overload. Loading materials into a drain may cause it to clog. Undue weight should not be placed upon pipes or shower heads because they can break. Some devices must be cleaned periodically (e.g., furnace filters) so that they can do what they were designed to do.

6. FINISHED SURFACES

Finished surfaces shall maintain uniform or characteristic appearance for a reasonable period of time. Cracks or surface deterioration shall be repaired as provided in the Limited Warranty.

Wood requires cleaning and sealing to prevent problems of water penetration and continued exposure to the elements. Painted or sealed surfaces must be cleaned and refinished according to the requirements of your geographic area. If this is not done, the surface will deteriorate.

7. CARE AND MAINTENANCE

Although things wear out, components in your home should last a reasonable length of time (assuming you give them appropriate care and maintenance). This time will vary with geographical regions, with the types of materials involved and usage. As time goes on, adjustment will be required.

Instructions for care and maintenance are included with many components of your home, including finished flooring, appliances and air handling equipment. Following these instructions will extend the life of these components.

II. THE LIMITED WARRANTY

THIS LIMITED WARRANTY INCLUDES PROCEDURES FOR INFORMAL SETTLEMENT OF DISPUTES, SUCH AS ARBITRATION, WHICH WILL BE BINDING ON YOU AND SLC. ADDITIONAL INFORMATION ON THE BINDING ARBITRATION PROCEDURE CAN BE FOUND IN THE DISPUTE SETTLEMENT SECTION OF THIS LIMITED WARRANTY. YOU SHOULD READ THIS WARRANTY IN ITS ENTIRETY IN ORDER TO UNDERSTAND THE PROTECTION IT PROVIDES, EXCLUSIONS THAT APPLY AND THE PERFORMANCE STANDARDS WHICH DETERMINE COVERAGE IN EACH CASE.

A. THE LIMITED WARRANTY

SLC's Limited Warranty Commitment relates only to Covered Defects which are defined as defects in material and workmanship that are either part of the structure or are elements of the home as supplied by SLC at the date of closing. The existence of a Covered Defect does not constitute a breach of this Limited Warranty; however, SLC is obligated to repair or replace the item to conform with the Performance Standards (See III). This is not an insurance policy nor a maintenance agreement, but a definition of what the owners have a right to expect in terms of warranties.

This Limited Warranty is provided to the original purchaser of the home and is NOT transferable.

One Year Coverage - Southern Land Company warrants the construction of the home and will conform to the tolerances for materials and workmanship, as defined in the Performance Standards (See III), including roof leaks for a period of one year after the closing date (other than items excluded in this warranty).

Two Year Coverage – Applies to major plumbing leaks, interior gas line piping, the electrical system, components of the heating and air conditioning system, and the sewer service system.

Two Year Coverage – Southern Land Company warrants the construction of the home and will conform to the tolerances for the Structural Elements, as defined in the Performance Standards, for a period of two years after the closing date subject to the limitations set forth below. Structural Elements are footings, bearing walls, beams, girders, trusses, rafters, bearing columns, lintels, posts, structural fasteners, sub floors and roof sheathing. A Structural Element will not be deemed defective, and no action required of SLC, unless there is actual physical damage that diminishes the ability of the Structural Element to perform its load bearing function such that the home is unsafe, unsanitary or unlivable.

Manufacturer’s Warranties – Southern Land Company assigns and passes through to Owner the Manufacturer’s warranties on all “consumer products” as defined in the Magnuson-Moss Warranty Act (15 U.S.C. SS 2301-2311). The following items are classified as “consumer products” when sold as part of a house and are covered by Magnuson-Moss Warranty Act:

1. Heating and Ventilation – Furnace, air conditioning, coils and compressor, humidifier, electronic air cleaner, heat pump, exhaust fan, thermostat.
2. Mechanical/Electrical – Intercom, central vacuum system, security system, fire and smoke alarm, fire extinguisher, garage door opener, door chimes, electric meter, gas meter, barbecue grill, light bulbs.
3. Plumbing – Water heater, water pump, water meter, sump pumps, water softener.
4. Appliances – Oven, surface unit, range, trash compactor, freezer, refrigerator, dishwasher, oven hood, disposal, ice maker, food center, clothes washer, clothes dryer, hot water dispensers.

If a defect occurs in an item covered by this Limited Warranty, SLC will repair or replace it to conform to the Performance Standards. In the case of defects in Structural Elements, SLC will repair or replace the Structural Element to restore the load bearing function, as designed, and make such other repairs as are necessary to return the home to a safe, sanitary and livable status. The repair of a defect will include the correction, replacement, or refinishing of only those surfaces, finishes and coverings that were damaged by the defect and that were a part of the home when title was first transferred by SLC. SLC will repair or replace surfaces, finishes and coverings that require removal in order for SLC to repair or replace a defect. The extent of the repair or replacement of these surfaces, finishes and coverings will be to approximately the same condition they were in prior to the defect, but not necessarily to like new condition.

B. EXCLUSIONS

This Limited Warranty excludes any loss or damage which is not a Covered Defect, including:

1. Loss of or damage to any real property which is not part of the home covered by this Limited Warranty and which is not included in the original purchase price of the home as stated in the closing documents.
2. Any damage, to the extent it is made worse by:
 - a. Negligence, improper maintenance, or intentional or improper operation by anyone other than SLC, its agents, or sub-contractors, including but not limited to damage resulting from rot, corrosion or rust.
 - b. Failure by you or anyone other than SLC, its agents or sub-contractors to comply with the warranty requirements of manufacturers of appliances, fixtures and equipment.
 - c. Failure by you to give timely notice to SLC of any defects.
 - d. Changes in the grading of the ground by anyone other than SLC, its employees, agents or subcontractors.
 - e. Changes, alterations or additions made to the home by anyone other than SLC, its agents or subcontractors after the Limited Warranty commencement date.
 - f. Dampness or condensation due to your failure to maintain adequate ventilation.
 - g. Failure to properly water and fertilize lawn, shrubs and trees to keep healthy. (See irrigation/landscape provision).
 - h. Failure to maintain areas of seed and straw to prevent wash out.
3. Loss or damage, which the homeowner has not taken timely action to minimize.
4. Any defect caused by, or resulting from materials or work supplied by someone other than SLC, its agents or subcontractors.
5. Normal wear and tear or normal deterioration.
6. Loss or damage not otherwise excluded under this Limited Warranty, which does not constitute a defect in the construction of the home by SLC, its agents or subcontractors.
7. Work done by purchaser or anyone other than builder or builder's sub- contractors.
8. Loss or damage caused by or resulting either directly or indirectly from accidents, riots and civil commotion, theft, vandalism, fire explosion, power surges or failures, smoke, water escape, falling objects, aircraft, vehicles, acts of nature, lightning, windstorm, hail, mudslide, earthquake and volcanic eruption.
9. Loss or damage caused directly or indirectly by flood, wind driven water, surface water, waves, tidal waves, overflow of a body of water, or spray from any of these (whether or not driven by wind), water which backs up from sewers or drains, changes in the water table which were not reasonably foreseeable at the time of construction, or water below the surface of the ground (including water which exerts pressure on or seeps or leaks through a building, sidewalk, driveway, foundation, swimming pool or other structure), wetlands, springs or aquifers.

10. Loss or damage to the home, persons or property directly or indirectly caused by rotting of any kind, termites, other insects, birds, vermin, rodents or other wild or domestic animals.
11. Loss or damage resulting from use of the home for non-residential purposes.
12. Any condition which does not result in actual damage to the home, including but not limited to un-inhabitability or health risk due to the presence or consequence of electromagnetic fields (EMF's), radon gas, formaldehyde or other pollutants and contaminants; or the presence of hazardous or toxic materials.
13. Bodily or personal injury of any kind (including physical or mental pain and suffering and emotional distress); medical, hospital, rehabilitation or other incidental or consequential expenses; attorney's fees, court costs, experts' fees and other such expenses; or damage to any property of others.
14. Loss or damage caused by or resulting from abnormal loading of structural elements by you, which exceeds design, loads as mandated by codes.
15. Consequential damages, including but not limited to, costs of shelter, food, transportation; moving and storage; any other expenses related to inconvenience or relocation during repairs to the home; and any diminution of the market value of the home.
16. Cost of shelter, transportation, food, moving, storage, or other incidental expenses related to relocation during repair, or any other costs due to loss of use inconvenience or annoyance;
17. Any complaint or claim on an item reported to Southern Land Company after an unreasonable delay or later than 30 days after the expiration of the applicable coverage period for such item under this warranty (or later than any shorter time period herein specified); or loss or damage resulting from failure to comply with manufacturers' warranty requirements;
18. Normal wear and deterioration;
19. Glass breakage and exterior hardware;
20. Structural slab foundation systems that have experienced some movement but are within the foundation's design performance criteria; separation, settlement or movement of concrete slabs within the structure at control joints (joint material maintenance is not the responsibility of Southern Land Company).
21. Violations of local, state or national building codes, ordinances or standards;
22. Pre-existing conditions the Homebuyer(s) were aware of before closing on the Home and knowingly waived, such as "punch list" or "orientation" items, whether or not appearing on a punch list or orientation checklist;
23. Outside hose bibs and other hose connections;

This Limited Warranty does not cover any loss or damage as a result of any defect, which would not have occurred in the absence of one, or more of the events or conditions listed in B. EXCLUSIONS, 8 and 9 above. This Limited Warranty does not cover such loss or damage regardless of:

1. the cause of the excluded event or condition; or

2. other causes of the loss or damage; or
3. whether other causes acted concurrently or in any sequence with the excluded event or condition to produce the loss or damage.

C. LIMITATION OF LIABILITY

IT IS UNDERSTOOD AND AGREED THAT SLC'S LIABILITY UNDER THIS WARRANTY WHETHER IN CONTRACT, IN TORT, IN NEGLIGENCE OR OTHERWISE, IS LIMITED TO THE REMEDY PROVIDED IN THIS LIMITED WARRANTY. SLC'S OBLIGATIONS UNDER THIS LIMITED WARRANTY AND UNDER THE PURCHASE AGREEMENT ARE LIMITED TO REPAIR AND REPLACEMENT. UNDER NO CIRCUMSTANCES SHALL SLC BE LIABLE FOR ANY SPECIAL, INDIRECT OR CONSEQUENTIAL DAMAGES, INCLUDING WITHOUT LIMITATION ANY DAMAGES BASED ON A CLAIMED DECREASE IN THE VALUE OF THE HOME, EVEN IF SLC HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

THIS LIMITED WARRANTY IS THE ONLY WARRANTY APPLICABLE TO THIS PURCHASE. ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, ALL IMPLIED WARRANTIES OF FITNESS, MERCHANTABILITY OR HABITABILITY, ARE DISCLAIMED AND EXCLUDED.

D. REQUESTING WARRANTY SERVICE

Upon detecting the existence of a defect, the Owner shall follow the procedures set forth below:

1. If the defect is covered by this Limited Warranty, **written notice** with a thorough and complete explanation of the defect shall be sent to SLC Homebuilding, LLC via email at warrantytexas@southernland.com. **Only emergency requests will be taken by telephone.** We will contact you within three business days to acknowledge receipt of your service request. Inspection, service and repairs will only be performed during normal working hours, 8:00 a.m. to 4:00 p.m., Monday through Friday.
2. If the defect is covered by a manufacturer's warranty, follow the instructions provided with such warranty. If you have problems, you may contact SLC Homebuilding, LLC's office for information and assistance in filing the claim.

E. DISPUTE SETTLEMENT

This Dispute Settlement provision sets forth the exclusive remedy of all disputes or controversies under this Limited Warranty.

These disputes may include, but are not limited to:

1. whether a defect is covered by this Limited Warranty;
2. whether a defect has been corrected as required by this Limited Warranty;
3. whether you provided timely notice of the defect to Southern Land Company as required by this Limited Warranty;
4. whether you provided a timely request for binding arbitration as required by this Limited Warranty;

5. whether an issue should be submitted to binding arbitration.

SLC and Homebuyer(s) hereby acknowledge and agree that the Conciliation/Arbitration procedure set forth herein shall be the sole and exclusive remedy for the resolution of any and all disputes arising after the initial closing of the purchase of the home by the initial homeowner(s).

If the parties are unable through conciliation to mutually resolve any controversy or claim arising out of or relating to limited warranty, or an alleged breach thereof, Southern Land Company or Seller may request an impartial, third party arbitration hearing administered through an arbitration service. The hearing will be conducted in accordance with the arbitration services's rules and regulations for the home construction and warranty industry then in effect and under the standards set forth by the Home Builders Association of Middle Tennessee Registered Builder Program. Said arbitration hearing shall occur only after all reasonable attempts at conciliation between the parties have failed including conciliation from the Home Builders Association of Middle Tennessee. The arbitration provided for there under shall be legally binding and the party requesting the arbitration shall pay the cost of arbitration.

III. SLC PERFORMANCE STANDARDS

If a defect is an item which is covered by this Limited Warranty, SLC Homebuilding, LLC will repair or replace, or pay Owner the reasonable costs of repairing or replacing the defective item. The choice among repair, replacement or payment is SLC Homebuilding, LLC's. Action taken by SLC Homebuilding, LLC to correct defects shall not extend any term of this warranty. Corrective work shall be performed by SLC Homebuilding, LLC only during normal working hours, 8:00 a.m. to 4:00 p.m., Monday through Friday. No corrective work will be performed on Saturday, Sunday or company holidays. Builder shall not be required to enter the premises to perform corrective work unless Owner has provided SLC Homebuilding, LLC with key, written permission to enter and a complete written release of liability. Corrective work performed by SLC Homebuilding, LLC to repair a defect covered by this Limited Warranty shall be at no charge to home owner.

The following Performance Standards are based on the Southern Standards Building Code and have been accepted by the residential construction industry in general.

1. SITE WORK

GRADING

DEFICIENCY: Settling of ground around foundation, utility trenches or other areas on the property where excavation and backfill have taken place that affect drainage away from home.

CONSTRUCTION STANDARD:

Settling of ground around foundation walls, utility trenches or other filled areas which exceeds a maximum of six inches from finished grade established by Builder.

BUILDER RESPONSIBILITY: If Builder has provided final grading, Builder shall fill settled areas affecting proper drainage, one time only, during the Warranty period. Builder is responsible for removal and replacement of shrubs and other landscaping (installed by Builder) affected by placement of the fill.

1.2 DRAINAGE:

DEFICIENCY: Improper grades and swales which cause standing water and affect the drainage in the immediate area surrounding the home.

CONSTRUCTION STANDARD: Necessary grades and swales shall be established to provide proper drainage away from Home. Site drainage under this warranty is limited to those immediate grades and swales surrounding Home. Standing or ponding water within the immediate surrounding area of Home shall not remain for a period longer than 24 hours after a rain. Where swales are draining from adjoining properties or where a sump pump discharges, an extended period of 48 hours is to be allowed for the water to dissipate. The possibility of standing water after an unusually heavy rainfall should be anticipated and not to be considered a deficiency. No grading determination is to be made while there is frost or snow or when the ground is saturated.

EXCLUSION:

Standing or ponding water on the property which does not directly affect the immediate area surrounding the foundation of Home, caused by unusual grade conditions, retention of treed areas, or sod done by homeowner is not considered a defect.

BUILDER RESPONSIBILITY:

Responsibility for initially establishing the proper grades, swales and drainage away from Home.

HOMEOWNER RESPONSIBILITY:

The homeowner is responsible for maintaining such grades and swales once properly established by Builder to prevent runoffs and erosion of the soil.

EXCLUSION:

Soil erosion and runoff caused by failure of the homeowner to maintain the properly established grade, drainage structures and swales, stabilized soil, sodded, seeded and landscaped areas; are excluded from Warranty coverage.

DEFICIENCY: Grassed or landscaped areas which are disturbed or damaged due to work on the property in correcting a deficiency.

CONSTRUCTION STANDARDS: Landscape areas which are disturbed during construction repair work are a defect.

BUILDER RESPONSIBILITY:

Restore grades, seed and landscape to meet original condition.

EXCLUSION:

Replacement of trees and large bushes which existed at the time of Home was constructed or those added by the homeowner after occupancy or those which subsequently die are excluded from Warranty Coverage.

2. CONCRETE

2.1 CAST-IN PLACE CONCRETE:

DEFICIENCY: Basement or foundation wall cracks, other than expansion or control joints.

CONSTRUCTION STANDARDS:

Non-structural cracks are not unusual in concrete foundation walls. Cracks greater than 1/8 inch are deficiencies.

BUILDER RESPONSIBILITY:

Repair non-structural cracks in excess of 1/8 inch by surface patching. These repairs should be made toward the end of the Warranty coverage to permit normal stabilizing of Home by settling.

DEFICIENCY: Cracking of basement floor, garage floor or attached patio floor.

CONSTRUCTION STANDARD:

Minor cracks in concrete basement floor, garage floor or attached patio floor are common. Cracks exceeding ¼ inch width or ¼ inch in vertical displacement in a deficiency.

BUILDER RESPONSIBILITY:

Repair cracks exceeding maximum tolerance by surface patching.

DEFICIENCY: Cracks in concrete slab-on-grade floors, with finish flooring.

CONSTRUCTION STANDARD:

Cracks which rupture or significantly impair the appearance or performance of the finish flooring material is a deficiency.

BUILDER RESPONSIBILITY:

Repair cracks as required so as not to be apparent when the finish flooring material is in place. Repair or replace finish flooring.

DEFICIENCY: Uneven concrete floor slabs.

CONSTRUCTION STANDARD:

Except for basement floors or where a floor or a portion of floor has been designed for specific drainage purposes, concrete floors in rooms finished for habitability by Builder shall not have pits, depressions or area of unevenness exceeding ¼ inch in 32 inches, or slopes in excess of 1/240 of room width or length (i.e. 10.0 foot wide room-not to exceed ½ inch out of level).

BUILDER RESPONSIBILITY:

Repair/replace to meet the Standard. Where applicable, surface patching is an accepted method of repair. Reinstall or replace any finish flooring material as necessary.

DEFICIENCY: Pitting, scaling or spalling of concrete work.

CONSTRUCTION STANDARD:

Concrete surfaces that disintegrate to the extent that the aggregate is exposed and loosened under normal conditions of weathering and use is a deficiency.

BUILDER RESPONSIBILITY:

Take whatever corrective action is necessary to repair or replace defective concrete surfaces.

EXCLUSION:

Deterioration caused by salt, chemicals, implements used and other factors beyond Builder control.

DEFICIENCY: Excessive powdering or chalking of concrete surfaces.

CONSTRUCTION STANDARD:

Excessive powdering or chalking of concrete surfaces is a deficiency, but should not be confused with normal surface dust that may accumulate for a short period after Home is occupied.

BUILDER RESPONSIBILITY:

Take corrective action necessary to treat, repair or resurface defective areas.

DEFICIENCY: Separation of brick or masonry edging from concrete slab and step.

CONSTRUCTION STANDARD: It is common for the joint to crack between concrete and masonry due to the dissimilarity of the materials. Cracks in excess of ¼ inch are a deficiency.

BUILDER RESPONSIBILITY:

Grout crack fully and reset loose masonry where required. Replacement of masonry material, if required, shall match the existing as close as possible.

DEFICIENCY: Cracking, settling, or heaving of stoops and steps.

CONSTRUCTION STANDARD:

Minor separation is normal.

BUILDER RESPONSIBILITY:

Repair separation of more than ½ inch by fully caulking crack.

2.2 CONSTRUCTION AND CONTROL JOINTS

DEFICIENCY: Separation or movement of concrete slabs within the structure of construction and control joints.

CONSTRUCTION STANDARD:

None. No coverage.

EXCLUSION:

Concrete slabs within the structure are designed to move at construction and control joints and is not a deficiency.

HOMEOWNER RESPONSIBILITY:

Maintenance of joint material.

3. MASONRY

3.1 UNIT MASONRY (BRICK, BLOCK and STONE)

DEFICIENCY: Cracks in non-bearing or non-supporting walls.

CONSTRUCTION STANDARD:

Small shrinkage cracks running through masonry and mortar joint are not unusual. Crack in excess of 1/8 inch in width is a deficiency.

BUILDER RESPONSIBILITY:

Repair non-structural shrinkage cracks in excess of 1/8 inch by pointing or patching. Repairs shall be made near the end of the Warranty period.

DEFICIENCY: Cracks in bearing or supporting masonry walls.

CONSTRUCTION STANDARD:

Vertical or diagonal cracks which do not affect the structural ability of masonry bearing walls, are not unusual. Cracks in excess of 1/8 inch in width are a deficiency.

BUILDER RESPONSIBILITY:

Repair shrinkage cracks in excess of 1/8 inch by pointing or patching.

DEFICIENCY: Horizontal cracks in basement and foundation walls.

CONSTRUCTION STANDARD:

Horizontal cracks in the joints of masonry walls are not common but may occur. Cracks 1/8 inch or more in width are deficiencies.

BUILDER RESPONSIBILITY:

Builder shall repair cracks between 1/8 inch and 3/16 inch in width by pointing and patching. Cracks exceeding 3/16 inch shall be investigated by Builder to determine the cause. Builder shall take the necessary steps to remove the cause and make repairs by pointing and patching, reinforcement or replacement of the defective courses.

DEFICIENCY: Cracks in masonry walls or veneer above grade.

CONSTRUCTION STANDARD:

Small cracks are common in mortar joints of masonry construction. Cracks 1/8 inch or greater in width are deficiencies.

BUILDER RESPONSIBILITY:

Repair cracks and voids in excess of 1/8 inch by surface pointing. These repairs should be made toward the end of the Warranty coverage to permit Home to stabilize and normal settlement to occur.

Builder is not responsible for color variations between existing and new mortar; however, it shall be made to match as close as possible.

3.2 STUCCO AND EIFS TYPE PLASTER

DEFICIENCY: Cracking or spalling of stucco and EIFS type plaster.

CONSTRUCTION STANDARD:

Hairline cracks in stucco or dryvit type plaster are common especially if applied directly to masonry backup. Cracks greater than 1/8 inch in width or spalling of the finish surface is a deficiency.

BUILDER RESPONSIBILITY:

Scrape out cracks and spalled areas. Fill with cement plaster to stucco to match finish and color as close as possible. Builder is not responsible for failure to match color or texture.

4. CARPENTRY

4.1 ROUGH CARPENTRY

DEFICIENCY: Floors squeak, due to improper installation or loose subfloors.

CONSTRUCTION STANDARD:

A large area of floor squeak which is noticeable, loud and objectionable is a defect.

EXCLUSION: Squeak-proof floor cannot be guaranteed, an isolated floor squeak is not a defect.

BUILDER RESPONSIBILITY:

Correct the problem if caused by faulty construction within reasonable repair capability. Where a finished ceiling exists under the floor, the corrective work may be attempted from the floor side. Where necessary, remove the finish floor material to make the repair and reinstall or replace if damaged.

DEFICIENCY: Uneven wood framed floors.

CONSTRUCTION STANDARD:

Floors which are more than 1/4 inch out of level within any 32 inch measurement when measured parallel to the floor joist in a deficiency.

BUILDER RESPONSIBILITY:

Correct or repair to meet the allowances at the above standard.

DEFICIENCY: Bowed stud walls or ceilings.

CONSTRUCTION STANDARD:

All interior and exterior frame walls or ceilings have slight variations on the finish surfaces. Bowing should not be visible so as to detract from the finished surface. Walls or ceilings which are bowed more than 1/2 inch within 36 inch horizontal or vertical measurement is a deficiency.

BUILDER RESPONSIBILITY: Make necessary repairs to meet the allowable standard.

DEFICIENCY: Warping, checking or splitting of wood framing which affects its intended purpose is a deficiency.

CONSTRUCTION STANDARD:

Minor warping, checking or splitting of wood framing is common as the wood dries out and is not considered a deficiency. A condition which affects the integrity of the member or any applied surface material is a deficiency.

BUILDER RESPONSIBILITY:

Where a problem exists and the surface material is affected, Builder shall repair, replace or stiffen the frame member as required.

DEFICIENCY: Exterior sheathing and subflooring which delaminated or swells.

CONSTRUCTION STANDARD: Sheathing and subflooring delaminating or swelling on the side that the finish material has been applied is a deficiency.

BUILDER RESPONSIBILITY:

Builder shall repair or replace subflooring or sheathing as required. Replacement of the finish materials when necessary, shall be done to match the existing finish as closely as possible.

4.2 FINISH CARPENTRY

DEFICIENCY: Unsatisfactory quality of finished exterior trim and workmanship.

CONSTRUCTION STANDARD:

Joints between exterior trim elements, siding or masonry which are in excess of 3/8 inch is a deficiency. In all cases, the exterior trim abutting masonry siding shall be capable of performing its function to exclude the elements.

BUILDER RESPONSIBILITY:

Repair open joints and touch up finish coating where required to match existing as close as possible. Caulk open joints between dissimilar materials.

DEFICIENCY: Unsatisfactory quality of finish interior trim and workmanship.

CONSTRUCTION STANDARD:

Joints between moldings and adjacent surfaces which exceed 1/8 inch width is a defect.

BUILDER RESPONSIBILITY:

Repair defective joints and touch up finish coating where required to match as close as possible. Caulking is acceptable.

DEFICIENCY: Surface defects in finished woodwork and millwork such as checks, splits and hammer marks.

CONSTRUCTION STANDARD:

Finished woodwork and millwork is to be smooth and without surface marks. Finished surfaces which fall beyond what is reasonably expected in the industry is a deficiency.

BUILDER RESPONSIBILITY:

Correct repairable defects; sanding, filling or puttying is acceptable to return the surface to its original condition. Replace material not repairable, refinish and restore to match surrounding surfaces as closely as possible.

DEFICIENCY: Exposed nail heads in woodwork.

CONSTRUCTION STANDARD:

Material used to fill nail holes has a tendency to shrink and dry up after a period of time and is not considered a deficiency. Nail holes which have not been filled on finished painted wood work is a deficiency.

EXCLUSION:

Nail holes do not have to be filled where the surface finish is not conducive or so designed to have nail holes filled because of the product.

BUILDERS RESPONSIBILITY:

Fill nail holes where required and if necessary, touch up paint, stain, or varnish to match as close as possible.

5. THERMAL AND MOISTURE PROTECTION

5.1 WATERPROOFING

DEFICIENCY: Leaks in basement or in foundation/crawlspace.

CONSTRUCTION STANDARD:

Leaks resulting in actual trickling of water through the walls or seeping through the floor are deficiencies.

EXCLUSIONS:

Leaks caused by landscaping improperly installed by the homeowners, or failure by the homeowner to maintain proper grades is excluded from “Warranty coverage. Dampness is based and foundation walls or in concrete basement and crawlspace floors is often common to new construction and is not a deficiency.

BUILDER RESPONSIBILITY:

Take such action as is necessary to correct basement and crawlspace leaks, except where the cause is determined to be the result of homeowner negligence. Where a sump pit has been installed by Builder in the affected area but the sump pump was not contracted for or installed by Builder, no action is required until a properly sized pump is installed by the homeowner in an attempt to correct the condition. Should the condition continue to exist, then Builder shall take necessary action to correct the problem.

5.2 INSULATION

DEFICIENCY: Insufficient insulation.

CONSTRUCTION STANDARD:

Insulation which is not installed around all habitable areas in accordance with established local industry standards is a deficiency.

BUILDER RESPONSIBILITY:

Builder shall install insulation of sufficient thickness and characteristics to meet the local industry standards. In the case of dispute, cost for investigating the sufficiency of insulation and restoring areas to prior condition is to be borne by the homeowner if it is found that the standard has been met by Builder.

5.3 ATTIC VENTILATION

DEFICIENCY: Insufficient attic ventilation.

CONSTRUCTION STANDARD:

Attics which are not properly vented in accordance with local codes causing moisture to accumulate resulting in damage to supporting members or insulation is a deficiency.

BUILDER RESPONSIBILITY:

Builder shall install properly sized louvers and vents to correct deficiency.

DEFICIENCY: Leaks due to snow or driven rain through louvers and vents.

CONSTRUCTION STANDARD:

Improperly installed louvers and vents that permit penetration of the elements under normal conditions is a deficiency.

EXCLUSION:

Properly installed louvers or vents may at times allow penetration of rain or snow under windy conditions and ice build up is not a deficiency.

5.4 EXTERIOR SIDING

DEFICIENCY: Delaminating, splitting, or deterioration of exterior siding.

CONSTRUCTION STANDARD:

Exterior siding which delaminates, splits or deteriorates is a deficiency.

BUILDER RESPONSIBILITY:

Repair/replace only the damaged siding. Siding to match the original as close as possible, however, the homeowner should be aware that the new finish may not exactly match the original surface texture or color.

DEFICIENCY: Loose siding.

CONSTRUCTION STANDARD:

All siding which is not installed properly, or comes loose, is a deficiency.

BUILDER RESPONSIBILITY:

Reinstall or replace siding and make it secure.

5.5 ROOFING

DEFICIENCY: Roof or flashing leaks.

CONSTRUCTION STANDARD:

Roof or flashing leaks that occur under normal weather conditions is a deficiency.

EXCLUSION:

Where causes of leaks is determined to result from severe weather conditions such as ice and snow build-up, high winds and driven rains, such leaks are not a deficiency.

BUILDER RESPONSIBILITY:

Correct any roof or flashing leaks which are verified to have occurred under normal weather conditions.

DEFICIENCY: Lifting, curled or torn roof shingles.

CONSTRUCTION STANDARD:

Roof shingles which lift or curl during the first year of warranty coverage or tear loose during normal weather conditions is a deficiency.

BUILDER RESPONSIBILITY:

Repair or replace lifted, curled or torn shingles.

EXCLUSION:

Accidental loss or damage from acts of nature such as, but not limited to; fire, explosion, smoke, water escape, windstorm, hail, lightning, falling trees, aircraft, vehicles, flood and earthquake.

DEFICIENCY: Standing water on built up roofs.

CONSTRUCTION STANDARD:

A property pitched built-up roof is to drain water except for minor ponding. Dead flat roofs will retain a certain amount of water. Excessive ponding of water causing leaking of the built-up roof is a deficiency.

BUILDER RESPONSIBILITY:

Repair all leaks due to or caused by standing water.

EXCLUSION:

Standing or ponding water is not considered a deficiency.

5.6 SEALANTS

DEFICIENCY: Water or air leaks in exterior walls due to inadequate caulking.

CONSTRUCTION STANDARD:

Joints and cracks in exterior wall surfaces and around openings which are not properly caulked to exclude the entry of water or excessive drafts is a deficiency.

BUILDER RESPONSIBILITY:

Repair and/or caulk joints or cracks in exterior wall surfaces as required to correct deficiency one time during the Warranty coverage.

HOMEOWNER RESPONSIBILITY:

Maintain caulking once the condition is corrected.

6. DOORS AND WINDOWS

6.1 DOORS: INTERIOR AND EXTERIOR.

DEFICIENCY: Warpage of interior doors.

CONSTRUCTION STANDARD:

Interior and exterior doors that warp so as to prevent normal closing and fit is a deficiency. The maximum allowable warpage of an interior door is ¼ inch when measured from top to bottom vertically or diagonally.

BUILDER RESPONSIBILITY:

Repair or replace as may be required. New doors to be refinished to match the original as close as possible.

DEFICIENCY: Door binds against jamb or head of door frame. Does not lock.

CONSTRUCTION STANDARD:

Passage doors that do not open and close freely without binding against the door frame is a deficiency. Lock bolt to fit the keeper to maintain a closed position.

BUILDER RESPONSIBILITY:

Adjust door and keeper to operate freely.

DEFICIENCY: Door panels shrink and expose bare wood.

CONSTRUCTION STANDARD:

None.

EXCLUSION:

Door panels will shrink due to the nature of the material, exposing base wood at the edges and is not a deficiency.

BUILDER RESPONSIBILITY:

None.

DEFICIENCY: Door panels split.

CONSTRUCTION STANDARD:

Door panels that have split to allow light to be visible through the door is a deficiency.

BUILDING RESPONSIBILITY:

If light is visible, fill crack and finish panel to match as close as possible. Correct one time during Warranty coverage. If panel cannot be repaired to hide crack, the panel or the door itself shall be replaced and finished to match original as closely as possible.

DEFICIENCY: Bottom of doors rub on carpet surface.

CONSTRUCTION STANDARD:

Where it is understood by Builder and the homeowner that carpet is planned to be installed as floor finish by Builder, the bottom of the doors which rub the carpet is a deficiency.

BUILDER RESPONSIBILITY:

Undercut doors as required.

DEFICIENCY: Excessive opening at the bottom of interior doors.

CONSTRUCTION STANDARD:

Passage doors from room to room that have an opening between the bottom of the door and the floor finish material in excess of 1 and ½ inches is a deficiency. Closet doors having an opening in excess of 2 inches is a deficiency.

BUILDER RESPONSIBILITY:

Make necessary adjustments or replace door to meet the required tolerance.

6.2 GARAGE DOORS (ATTACHED GARAGE)

DEFICIENCY: Garage door fails to operate or fit properly.

CONSTRUCTION STANDARD:

Garage doors that do not operate and fit the door opening within the manufacturer's installation tolerances is a deficiency. Some entrance of the elements can be expected under heavy weather conditions and is not considered a deficiency.

BUILDER RESPONSIBILITY:

Make necessary adjustments to meet the manufacturer's installation tolerances.

EXCLUSIONS:

No adjustment is required when cause is determined to result from anyone but Builder's or Builder's subcontractor's installation of an electric door opener.

6.3 WOOD, PLASTIC AND METAL WINDOWS

DEFICIENCY: Malfunction of windows.

CONSTRUCTION STANDARD:

Windows which do not operate in conformance with manufacturer's design standards is a deficiency.

BUILDER RESPONSIBILITY:

Consult with manufacturer when necessary and make necessary adjustments for windows to operate and meet the standard.

DEFICIENCY: Double hung windows do not stay in place when open.

CONSTRUCTION STANDARD:

Double hung windows are permitted to move within a two inch tolerance, up or down when put in an open position. Any excessive movement exceeding the tolerance is a deficiency.

BUILDER RESPONSIBILITY:

Adjust sash balance one time only during the first year Warranty coverage. Where possible, instruct the homeowner on the method of adjustment for future repair.

DEFICIENCY: Condensation or frost on window frames and glass.

CONSTRUCTION STANDARD:

None.

EXCLUSION:

Window glass and frames will collect condensation on the frame and glass surface when humidity and temperature differences are present. Condensation is usually the result of temperature/humidity conditions in Home.

BUILDER RESPONSIBILITY:

None.

6.4 HARDWARE

DEFICIENCY: Hardware does not work properly, fails to lock or perform its intended purpose.

CONSTRUCTION STANDARD:

All hardware installed on doors and windows which does not operate properly is a deficiency.

BUILDER RESPONSIBILITY:

Builder shall adjust, repair, or replace hardware as required.

6.5 STORM DOORS, WINDOWS AND SCREENS (if applicable)

DEFICIENCY: Storm doors, windows and screens do not operate or fit properly.

CONSTRUCTION STANDARD:

Storm doors, windows and screens, when installed, which do not operate or fit properly to provide the protection or which they are intended is considered a deficiency.

BUILDER RESPONSIBILITY:

Builder shall make necessary adjustments for proper fit and operation. Replace when adjustment can not be made.

EXCLUSION: Missing screens are not a deficiency.

6.6 WEATHERSTRIPPING AND SEALS

DEFICIENCY: Drafts around doors and windows.

CONSTRUCTION STANDARD:

Weather stripping is required on all doors leading directly to the outside from a habitable area. Some infiltration is normally noticeable around doors and windows, especially during high winds. Excessive infiltration resulting from poorly fitted doors and windows, or poorly fitted weather stripping is a deficiency.

BUILDERS RESPONSIBILITY:

Builder shall adjust or correct poorly fitted windows and doors, or poorly fitted weather stripping.

6.7 GLASS AND GLAZING

DEFICIENCY: Clouding and condensation on inside surface of insulated glass.

CONSTRUCTION STANDARD: Insulated glass which clouds up or has condensation on the inside surfaces of the glass is a deficiency.

BUILDER RESPONSIBILITY:

Builder shall replace glass in accordance with windows and glass manufacturer's requirements.

7. FINISHES

7.1 LATH AND PLASTER

DEFICIENCY: Cracks in plaster wall and ceiling surfaces.

CONSTRUCTION STANDARD:

Noticeable cracks in plaster wall and ceiling surfaces of more than 1/8 inch is a deficiency.

BUILDER RESPONSIBILITY:

Builder shall repair cracks that are greater than 1/8 inch in width and touch up paint to match as close as possible, one time only. Such conditions should be reported near the end of the first year warranty date to allow for normal movement in Home.

7.2 GYPSUM WALLBOARD

DEFICIENCY: Defects caused by poor workmanship which may be manifested as cracks over door and window frames, over archways, blisters in tape, excess compound in joints, exposed corner breads, nail pops, or trowel marks.

CONSTRUCTION STANDARD:

Slight defects such as occasional nail pops, seam lines and cracks are common to gypsum wallboard installation. Blisters in tape, cracks over door and window frames and over archways, excess compound in joint, trowel marks, excessive nail popping and exposed corner breads are deficiencies. Nail pops are a defect only when there are signs of spackle compound cracking or falling away.

BUILDER RESPONSIBILITY:

Builder shall correct such defects to acceptable tolerance and touch up affected areas one time only to match as close as possible. Such conditions shall be reported near the end of the Warranty coverage to allow for normal settlement to Home.

EXCLUSION: Depressions or slight mounds at nail heads are not considered deficiencies.

7.3 HARD SURFACE FLOORING (FLAGSTONE, MARBLE, QUARRY TILE, SLATE CERAMIC TILE, ETC).

DEFICIENCY: Floor cracks or becomes loose.

CONSTRUCTION STANDARD:

Ceramic tile, flagstone, or similar hard surface flooring which cracks or becomes loose is a defect. Subfloors are required to be structurally sound, rigid, and suitable to receive finish.

BUILDER RESPONSIBILITY:

Builder shall replace, reset, or correct the cracked or loose finish material.

EXCLUSION: Cracking and loosening of flooring caused by the homeowner's negligence is not a deficiency. Builder is not responsible for slight color and pattern variation or discontinued patterns

of the manufacturer. It shall not be required to replace the entire finish floor when the new material consists of less than 25 percent of the finish floor area.

DEFICIENCY: Cracks appear in grouting of ceramic tile joints or at junctions with other material such as a bathtub, shower, or a countertop.

CONSTRUCTION STANDARD:

Cracks in grouting of ceramic tile joints are deficiencies. Re-grouting of these cracks is a maintenance responsibility of the homeowner after the end of the Warranty coverage.

BUILDER RESPONSIBILITY: Builder shall repair grouting as necessary one time only within the Warranty coverage.

EXCLUSION: Open cracks or loose grouting, where the wall surface abuts the flashing lip at the tub, shower basin, or countertop are considered homeowner's maintenance and any resulting damage to other finish surfaces due to leaks, etc. are not considered a deficiency.

7.4 RESILIENT FLOORING

DEFICIENCY: Nail pops appear on the surface of resilient flooring.

CONSTRUCTION STANDARD:

Readily apparent nail pops are a deficiency.

BUILDER RESPONSIBILITY:

Builder shall correct nail pops that have caused damage to the floor material and repair or replace damaged floor covering in the affected area. Builder is not responsible for discontinued patterns or color variations.

DEFICIENCY: Depression or ridges appear in the resilient flooring due to subfloor irregularities.

CONSTRUCTION STANDARD:

Readily apparent depressions or ridges exceeding 1/8 inch is a deficiency. The ridge or depression measurement is taken as the gap created at one end of a 6 inch straight edge placed over the depression or ridge with 3 inches on one side of the defect held tightly to the floor.

BUILDER RESPONSIBILITY:

Builder shall take required action to being the deficiency within acceptable tolerances so as to be not readily visible. Builder is not responsible for discontinued patterns or color variations in the floor covering, homeowner neglect or abuse, nor installation performed by others.

DEFICIENCY: Resilient flooring or base loses adhesion.

CONSTRUCTION STANDARD:

Resilient flooring or base that lifts, bubbles, or becomes unglued is a deficiency.

BUILDER RESPONSIBILITY:

Builder shall repair or replace resilient flooring or base as required. Builder is not responsible for discontinued patterns or color variations.

DEFICIENCY: Seams or shrinkage gaps show as resilient flooring joints.

CONSTRUCTION STANDARD:

Gaps in excess of 1/8 inch in width in resilient floor covering joints are a deficiency. Where dissimilar material butts, a gap in excess of 3/16 inch is a deficiency.

BUILDER RESPONSIBILITY:

Builder shall take required action to correct the cause of the deficiency. Builder is not responsible for discontinued patterns or color variations of floor covering.

7.5 FINISHED WOOD FLOORING

DEFICIENCY: Knot pops, open joints or cracks in wood flooring.

CONSTRUCTION STANDARD:

Knot pops or cracks in floor boards of finished wood flooring which exceed the manufacturer's quality standards of the wood flooring grade are considered deficiencies.

Open joints in wood flooring is seasonal and not considered a deficiency.

BUILDER RESPONSIBILITY:

Builder shall determine the cause for deficiencies and correct. For repairable deficiency, repair cracks by filling and refinishing to match the wood surface as closely as possible. For non-repairable deficiencies, replace and finish affected area to match remaining flooring as closely as possible.

7.6 PAINTING

DEFICIENCY: Knot and wood stains appear through paint on exterior.

CONSTRUCTION STANDARD:

Excessive knot and wood stains which bleed through the paint is considered deficiencies.

BUILDER RESPONSIBILITY:

Builder shall seal affected areas where excessive bleeding knots and stains appear and touch-up paint to match as closely as possible.

DEFICIENCY: Exterior paint or stain peels or deteriorates.

CONSTRUCTION STANDARD:

Exterior paints or stains that peel or deteriorate during the Warranty coverage are deficiencies.

EXCLUSION:

Fading, however, is normal and subject to the orientation of painted surfaces to the climatic conditions which may prevail in the area. Fading is not a deficiency.

BUILDER RESPONSIBILITY:

Builder shall properly repair and refinish affected areas, matching color as closely as possible. Where finish repairs affect the majority of the surface areas, the whole area should be refinished. The warranty on the newly repainted surfaces will not exceed beyond the original Warranty period.

DEFICIENCY: Painting required as corollary repair because of other work.

EXCLUSION: CONSTRUCTION STANDARD:

Necessary repair of a painted surface under this Warranty is to be refinished to match surrounding areas as closely as possible.

BUILDER RESPONSIBILITY:

Builder shall refinish repaired areas to meet the standard as required.

DEFICIENCY: Mildew or fungus that forms on a painted factory finished surface.

CONSTRUCTION STANDARD:

None.

Mildew or fungus that forms on a painted factory finished surface when the surface is subject to various exposures (that is ocean, lake, riverfront, heavily wooded area or mountains) is not a deficiency.

BUILDER RESPONSIBILITY: None

DEFICIENCY: Deterioration of varnish or lacquer finishes.

CONSTRUCTION STANDARD:

Natural finish on interior woodwork which deteriorates during the first year of the Warranty coverage is a deficiency.

EXCLUSION:

Varnish-type finishes on exterior will deteriorate rapidly and are not covered by the Warranty.

BUILDER RESPONSIBILITY:

Builder shall refinish affected areas of natural finished interior woodwork, matching the color as closely as possible.

DEFICIENCY: Interior paint coverage.

CONSTRUCTION STANDARD:

Interior paint not applied in a manner sufficient to visually cover wall, ceiling and trim surfaces is a deficiency.

BUILDER RESPONSIBILITY:

Builder shall repaint wall, ceiling or trim surfaces where inadequate paint has been applied. Where a large area is affected the entire surface shall be repainted.

DEFICIENCY: Paint splatters and smears on finish surfaces.

CONSTRUCTION STANDARD:

Paint stains on porous surfaces which are excessive, that detract from the finish, and which cannot be removed by normal cleaning methods are considered deficiencies.

EXCLUSION:

Minor paint splatter and smears on impervious surfaces which cannot be easily removed is considered to be homeowner maintenance and is not a deficiency.

BUILDER RESPONSIBILITY:

Builder shall remove paint splatters or smears without affecting the finish of the material, or replace the damaged surface if stain cannot be removed.

7.7 WALL COVERING

DEFICIENCY: Peeling of wall covering installed by Builder.

CONSTRUCTION STANDARD:

Peeling of wall covering is a deficiency, unless it is due to the homeowner's abuse or negligence.

BUILDER RESPONSIBILITY:

Builder shall repair or replace defective wall covering.

DEFICIENCY: Mismatching in wall covering pattern.

CONSTRUCTION STANDARD:

Mismatching wall covering pattern over a large area that severely detracts from its intended purpose due to poor workmanship is a deficiency.

BUILDER RESPONSIBILITY:

Builder shall remove mismatched wall covering and replace. Builder is not responsible for discontinued patterns or variations in color.

DEFICIENCY: Lumps and ridges and nail pops in wallboard which appear after the homeowner has wall covering installed by others.

CONSTRUCTION STANDARD:

None.

EXCLUSION:

The homeowner shall insure that the surface to receive wall covering is suitable and assumes full responsibility should lumps, ridges and nail pops occur at a later date.

BUILDER RESPONSIBILITY: None.

7.8 CARPETING

DEFICIENCY: Seams in carpet.

CONSTRUCTION STANDARD:

Seams in carpeting that separate due to improper installation are a deficiency.

BUILDER RESPONSIBILITY:

Builder shall correct to eliminate the separation.

DEFICIENCY: Carpeting comes loose or excessive stretching occurs.

CONSTRUCTION STANDARD:

Wall to wall carpeting that comes loose is a deficiency.

BUILDER RESPONSIBILITY:

Builder shall re-secure loose carpeting one time during the Warranty coverage.

8. SPECIALTIES

8.1 FIREPLACES

DEFICIENCY: Fireplace or chimney does not draw properly causing smoke to enter home.

CONSTRUCTION STANDARD:

A properly designed and constructed fireplace or chimney is to function as intended. It is normal to expect that high winds can cause temporary negative draft situations. Similarly, negative draft situations can also be caused by obstructions such as large branches of trees too close to the chimney. In addition, the geographic location of the fireplace or its relationship to adjoining walls and roof may cause negative draft conditions. In some cases, it may be necessary to open a window slightly to create an effective draft. Since negative draft conditions could be temporary, it is necessary the homeowner substantiate the problems to Builder by constructing a fire so the condition can be observed.

BUILDER RESPONSIBILITY:

When determined the malfunction is based upon improper construction of the fireplace then take the necessary steps to correct the problem.

EXCLUSION:

When it is determined that the fireplace is properly designed and constructed, but still malfunctions due to natural causes beyond Builder's control, Builder is not responsible.

DEFICIENCY: Chimney separation from structure to which it is attached.

CONSTRUCTION STANDARD:

Newly built fireplaces will often incur slight amounts of separation. Separation which exceeds ½ inch from the main structures in any 10 foot vertical measurement is a deficiency.

BUILDER RESPONSIBILITY:

Builder shall correct. Caulking or grouting is acceptable up to ½ inch displacement.

9. EQUIPMENT

9.1 KITCHEN CABINETS AND VANITIES

DEFICIENCY: Kitchen or vanity cabinet doors and drawers malfunction.

CONSTRUCTION STANDARD:

Cabinet doors, drawers and other operating parts that do not function as designed are deficiencies.

BUILDER RESPONSIBILITY:

Builder shall repair or replace operating parts.

DEFICIENCY: Surface cracks and delamination in high pressure laminates of vanity and kitchen cabinet countertops.

CONSTRUCTION STANDARD:

Countertops, fabricated with high pressure laminate coverings that delaminate or have surface cracks or joints exceeding 1/16 inch between sheets are considered deficiencies.

BUILDER RESPONSIBILITY:

Builder shall repair or replace laminated surface covering having cracks or joints exceeding the allowable widths.

DEFICIENCY: Warping to kitchen and vanity cabinet doors and drawer fronts.

CONSTRUCTION STANDARD:

Warpage that exceeds ¼ inch as measured from the face of the cabinet frame to the furthestmost point of warpage on the drawer or door front in a closed position is a deficiency.

BUILDER RESPONSIBILITY:

Builder shall correct or replace door or drawer front as required.

DEFICIENCY: Gaps between cabinets, ceiling and walls.

CONSTRUCTION STANDARD:

Countertops, splash boards, base and wall cabinets are to be securely mounted. Gaps in excess of ¼ inch between wall ceiling surfaces is a deficiency.

BUILDER RESPONSIBILITY:

Builder shall make necessary adjustment of cabinets and countertop or close gap by means of molding suitable to match the cabinet or countertop finish, or as closely as possible, or other acceptable means.

10. MECHANICAL SYSTEMS

10.1 SEPTIC TANK SYSTEMS

DEFICIENCY: Septic systems fails to operate properly.

CONSTRUCTION STANDARD:

Septic system is to be capable of properly handling normal flow of household effluent. It is however, possible that due to freezing, soil saturation, changes in ground water table or excessive use of plumbing or appliances, an overflow can occur. Periodic pumping of the septic tank is considered homeowner maintenance, and a normal need for pumping is not a deficiency.

BUILDER RESPONSIBILITY:

Builder shall take corrective action as required; if it is determined that malfunction is due to improper construction. Builder is not responsible for malfunctions which occur through homeowner negligence or abuse. Builder is also not responsible for malfunctions which occur due to acts of nature such as freezing and changes in ground water table.

EXCLUSION:

The following are considered homeowner negligence or abuse as an exclusion under the warranty: a) excessive use of water such as overuse of washing machine and dishwasher, including their simultaneous use; b) connection of sump pump, roof drains or backwash from water condition, to the system; c) placing of non-biodegradable items in the system; d) addition of any harsh chemicals, greases or cleaning agents, and excessive amounts of bleaches or drain cleaners; e) use of food waste disposer not supplied by Builder; f) placement of impervious surfaces over the disposal area; g) allowing vehicles to drive or pack over the disposal area; h) failure to periodically pump out the septic tank when required.

10.2 PLUMBING

DEFICIENCY: Plumbing pipes freeze and burst.

CONSTRUCTION STANDARD:

Drain, waste and water pipes are to be adequately protected to prevent freezing and bursting during normally anticipated cold weather.

BUILDER RESPONSIBILITY:

Builder shall correct the condition responsible for broken pipes by freezing, and repair piping damage. The homeowner is responsible to maintain suitable temperature in Home to prevent pipes from freezing and bursting. Homes which are periodically occupied such as summer homes, or where there will be no occupancy for an extended period of time must be properly winterized or periodically checked to insure that a reasonable temperature is maintained. Leaks occurring due to homeowner's neglect and resultant damage are not Builder's responsibility.

DEFICIENCY: Leakage from any piping.

CONSTRUCTION STANDARD:

Leaks in any sanitary soil, waste, vent and water piping are deficiencies.

EXCLUSION:

Condensation on piping does not constitute leakage, and is not a deficiency, except where pipe insulation is required. Builder is not responsible for any other damage of any kind resulting from leaks from frozen or thawed pipes.

BUILDER RESPONSIBILITY:

Builder shall make necessary repairs to eliminate leakage.

DEFICIENCY: Faucet or valve leak.

CONSTRUCTION STANDARD:

A valve or faucet leak due to material or workmanship is a deficiency.

EXCLUSION:

Leakage caused by worn washers or seals are a homeowners maintenance items.

BUILDER RESPONSIBILITY:

Builder shall repair or replace the defective leaking faucet or valve.

DEFICIENCY: Stopped-up sanitary sewers, fixtures and sanitary drains are deficiencies.

CONSTRUCTION STANDARD:

Sanitary sewer, fixtures and sanitary drains should operate and drain property.

BUILDER RESPONSIBILITY:

Where defective construction is shown to be the cause, Builder shall make necessary repairs.

EXCLUSION:

Sewers, fixtures and drains which are clogged through the homeowner's negligence are not covered under the Warranty. Note: Builder's responsibility for defective sewer lines extends to the property line on which Home is constructed.

10.3 WATER SUPPLY

DEFICIENCY: Staining of plumbing fixtures due to high iron content in water.

CONSTRUCTION STANDARD:

High iron content in the water supply system will cause staining of plumbing fixtures.

BUILDER RESPONSIBILITY:

None. Maintenance and treatment of the water is the homeowner's responsibility.

DEFICIENCY:

Water supply stem fails to deliver water, or pressure is low.

CONSTRUCTION STANDARD:

All service connections to municipal water main or private water supply are Builder’s responsibility when installed by him. Low water pressure is defined as follows: use of the cold water supply at any one single fixture drastically reduces the cold water supply at any one other single fixture.

BUILDER RESPONSIBILITY:

Builder shall repair as required if failure to supply water is the result of deficiency in workmanship or materials. If conditions exist which disrupt or eliminate the sources of water supply that are beyond his control, then Builder is not responsible.

DEFICIENCY: Noise from water pipes.

CONSTRUCTION STANDARD:

Some noise can be expected from the water pipe system, due to the flow of water. “Water hammer” in the supply system is a deficiency.

BUILDER RESPONSIBILITY:

Builder shall correct to minimize “water hammer”.

EXCLUSION:

Noises due to water flow and pipe expansion are not considered deficiencies.

10.4 HEATING AND AIR CONDITIONING

DEFICIENCY: Inadequate heat.

CONSTRUCTION STANDARD:

A heating system shall be capable of producing an inside temperature of at least 70 degrees Fahrenheit as measured in the center of the room at a height of five feet above the floor under local outdoor winter design conditions. NOTE FOR HEATING. There may be periods when the outdoor temperature falls below the design temperature, thereby lowering the temperature in Home. Orientation of Home and location of room will also provide a temperature differential, especially when the heating system is controlled by a single thermostat for one or more floor levels.

BUILDER RESPONSIBILITY:

Builder shall correct heating system as required to provide the required temperatures if a deficiency exists. Builder shall balance dampers, registers, and make minor adjustments one time only during the Warranty coverage.

DEFICIENCY: Inadequate cooling.

CONSTRUCTION STANDARD:

When air conditioning is provided, the cooling system is to be capable of maintaining a temperature of 78 degrees Fahrenheit as measured in the center of each room at height of five feet above the floor, under local outdoor summer design conditions. There may be periods when the outdoor temperature rises above the design temperature, thereby raising the temperature in Home. Orientation of Home

and location of room will also provide a temperature differential, especially when the air conditioning system is controlled by a single thermostat for one or more levels.

BUILDER RESPONSIBILITY:

Correct cooling systems to meet the above temperature requirements during the Warranty coverage.

DEFICIENCY: Ductwork and heating piping not insulated in un-insulated area.

CONSTRUCTION STANDARD:

Ductwork and heating pipes that are run in un-insulated crawlspaces, garages or attics are to be insulated. Basements are not “un-insulated areas”, and no insulation is required.

BUILDER RESPONSIBILITY:

Builder shall install required insulation.

DEFICIENCY: Refrigerant lines leak.

CONSTRUCTION STANDARD:

Builder-installed refrigerant lines that develop leaks during normal operation are deficiencies.

BUILDER RESPONSIBILITY:

Builder shall repair leaking lines and recharge unit as required.

DEFICIENCY: Condensate lines clog up.

CONSTRUCTION STANDARD:

Condensate lines will clog under normal conditions.

BUILDER RESPONSIBILITY:

Builder shall provide clean and unobstructed lines at start of Warranty coverage.

HOMEOWNER RESPONSIBILITY:

Continued operation of drain lines is a homeowner maintenance item.

DEFICIENCY: Ductwork noisy.

CONSTRUCTION STANDARD:

Noise in ductwork may occur for a brief period when the heating or cooling begins to function and is not considered a deficiency. Continued noise in the ductwork during its normal operation is a deficiency. Sound from air movement is not a deficiency.

BUILDER RESPONSIBILITY:

Builder shall take necessary steps to reduce noise in the ductwork.

DEFICIENCY: Ductwork separates, becomes unattached.

CONSTRUCTION STANDARD:

Ductwork that is not intact or securely fastened is a deficiency.

BUILDER RESPONSIBILITY:

Builder shall reattach and re-secure all separated or unattached ductwork.

11. ELECTRICAL SYSTEM

11.1 ELECTRICAL CONDUCTORS

DEFICIENCY: Failure of wiring to carry its designated circuit load to switches and receptacles and equipment is a deficiency.

BUILDER RESPONSIBILITY:

Builder shall check wiring and replace wiring if it fails to carry the design load.

11.2 SWITCHES AND RECEPTACLES

DEFICIENCY: Fuses blow or circuit breakers kick out.

CONSTRUCTION STANDARD:

Fuses and circuit breakers which deactivate under normal usage, when reset or replaced is a deficiency during the Warranty coverage.

BUILDER RESPONSIBILITY:

Builder shall check wiring and replace wiring or breakers if it does not perform adequately or is defective.

DEFICIENCY: Drafts from electrical outlets.

CONSTRUCTION STANDARD:

The electrical junction box on exterior walls may produce a slight air flow whereby the cold air can be drawn through the outlet into a room. This problem is normal in new home construction.

BUILDER RESPONSIBILITY:

None.

DEFICIENCY: Malfunction of electrical outlets, switches or fixtures.

CONSTRUCTION STANDARD:

All switches, fixtures and outlets which do not operate as intended are considered deficiencies.

BUILDER RESPONSIBILITY:

Builder shall repair or replace defective switches, fixtures and outlets.

11.3 SERVICE AND DISTRIBUTION

DEFICIENCY: Ground fault interrupter trips frequently.

CONSTRUCTION STANDARD:

Ground fault interrupters are sensitive safety devices installed into the electrical system to provide protection against electrical shock. These devices are sensitive and can be tripped very easily. Ground fault outlets which do not operate as intended are considered deficiencies.

BUILDER RESPONSIBILITY:

Builder shall replace the device if defective.