

# SOAVE HOMES, INC.



## Limited Home Warranty Packet

(Revised 01/16 /19)

For Warranty Service please contact:

[Service@soavehomesinc.com](mailto:Service@soavehomesinc.com)

Phone: (248) 755-3487

Fax: (734) 828-6236

# SOAVE HOMES, INC

Limited Home Warranty

## VALIDATION FORM

Subsequent Home Buyer Acknowledgement and Assignment

**IMPORTANT: PLEASE READ IMMEDIATELY**

This form must be fully filled out, completed and returned *for any* warranty to be guaranteed by Soave Homes Inc., to the buyer. Please return either by email to [Service@soavehomesinc.com](mailto:Service@soavehomesinc.com) fax to 734-828-6236 or mail to P.O. Box 729 South Lyon, MI 48178 within thirty (30) days after your closing date.

If **WE** have not received this form within the thirty-day period, after your closing date, then it is understood by **US** and **YOU**, that this **LIMITED HOME WARRANTY IS NULL AND VOID and NO warranty coverage will be required by Soave Homes, Inc.**

The undersigned home buyer(s) hereby acknowledge and fully agrees:

- I/we acknowledge that I/we have reviewed and fully understand the Limited Home Warranty document (revised 1/16/19) and agree by its terms entirely.
- I/we acknowledge that this Limited Home Warranty is only valid for one (1) year from the date of closing on our home, unless otherwise specified in the warranty documents.
- I/we understand that this Limited Home Warranty does not cover consequential damages or incidental damages that may occur from a defect/deficiency. We understand that Soave Homes is only responsible for the repair of the actual defect/deficiency. We understand that any additional damage(s) occurring from the actual defect/deficiency are a homeowner(s) responsibility.
- I/we understand that I/we are responsible for the maintenance of the home, including maintenance of the grade of the land surrounding the home, and that the builder shall not be responsible for any damage to the home, which is the result of my/our failure to maintain the home.
- I/we fully understand that this *Limited Home Warranty* is non-transferable.
- I/we fully understand and agree that any disputes regarding this *Limited Home Warranty* will be resolved through binding arbitration.

Signature of subsequent home buyer(s): \_\_\_\_\_ Dated: \_\_\_\_\_

Address: \_\_\_\_\_, MI \_\_\_\_\_

Subdivision: \_\_\_\_\_ Lot # \_\_\_\_\_

Phone Contact information: (\_\_\_\_) \_\_\_\_\_ (\_\_\_\_) \_\_\_\_\_

Email address(s) \_\_\_\_\_

Date of Closing (Warranty Start Date): \_\_\_\_\_ (rev 7/16/18)

SOAVE HOMES, INC.  
LIMITED HOME WARRANTY



P.O. Box 729 South Lyon, MI 48178  
Phone (734) 261-1835 Fax (734) 261-1881

**NOTE: The "Validation Form", on the next page, of this Limited Home Warranty, MUST be signed and returned within thirty (30) days after your closing date, for this "Limited Home Warranty" to be binding.**

If **WE** have not received this form within the thirty-day period, after your closing date, then it is understood by **US** and **YOU**, that this **LIMITED HOME WARRANTY IS NULL AND VOID, and NO warranty coverage will be required by Soave Homes, Inc.**

Enclosed with this **BUILDER'S HOME WARRANTY**, referred to hereinafter as the "**LIMITED HOME WARRANTY**", is a Limited Warranty Coverage Validation Form. The Limited Warranty Coverage Validation Form will indicate the date of closing on your home, which is the date this Limited Home Warranty coverage begins. Your Limited Home Warranty coverage will expire one (1) year from your closing date. Please keep a copy of this form, for your reference, with this **LIMITED HOME WARRANTY** packet.

Throughout this **LIMITED HOME WARRANTY**, the words "**YOU**" and "**YOUR**" refer to the **HOMEOWNER**. The words "**WE**" "**US**" and "**OUR**" refer to **SOAVE HOMES INC.** The other words and phrases that appear in parentheses and cap type also have special meaning. Refer to the definition section, so that **YOU** will understand the terminology applicable to this **LIMITED HOME WARRANTY**.

This **LIMITED HOME WARRANTY** does not cover **CONSEQUENTIAL DAMAGES** or incidental damages. Liability under this **LIMITED HOME WARRANTY** is limited to the agreement on the Limited Warranty Coverage Validation Form.

**WE** make no housing merchant implied warranty of habitability or any other warranties, express or implied, about the sales contract or the warrantee **HOME**, and all such warranties are excluded, except as expressly provided in this **LIMITED HOME WARRANTY**. There are no warranties, which extend beyond the face of this **LIMITED HOME WARRANTY**. Furthermore, some states prohibit the exclusion or limitation of **CONSEQUENTIAL DAMAGES** or incidental damages, so all the limitations or exclusions may not apply to **YOU**.

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## I. COVERAGE LIMIT

Once OUR responsibility has been completed, no further claims can be made against this LIMITED HOME WARRANTY.

## II. WARRANTY COVERAGE

Coverage under this LIMITED HOME WARRANTY changes over the course of the warranty term. Section A refers to coverage period during the first year; Section B refers to coverage provided during the second year of the warranty.

### Section A Coverage:

Beginning on the WARRANTY START DATE, WE warrant for one (1) year that the construction of YOUR HOME (including COMMON ELEMENTS related thereto) will conform to the STANDARDS OF PERFORMANCE for the first-year coverage to the warranty tolerances for DEFINED STRUCTURAL ELEMENT FAILURE(S). Coverage under Section A expires one (1) year after the WARRANTY START DATE and/or WARRANTY START DATE-COMMON ELEMENTS. To be eligible for coverage, WE must receive your Warranty Validation Form within thirty (30) days after your closing date, as well as written notice of the DEFICIENCY or DEFINED STRUCTURAL ELEMENT FAILURE(S) within fifteen (15) days after expiration of date of the coverage. If WE have still not received YOUR notice by the end of the fifteen-day lapse period, then this LIMITED HOME WARRANTY becomes NULL AND VOID. Please see the STANDARDS OF PERFORMANCE section for Section A coverage.

### Section B Coverage:

During the second year of coverage following the WARRANTY START DATE or WARRANTY START DATE COMMON ELEMENTS, WE warrant only the construction of YOUR HOME, meaning that all COMMON ELEMENTS are excluded from warranty work. *WE will only warranty STRUCTURAL problems with the HOME in the second year.* Excluding common elements related thereto will not conform to the STANDARDS OF PERFORMANCE or second (final) year coverage. Coverage under Section B only applies to items that are DEFINED AS STRUCTURAL ELEMENT FAILURE(S). To be eligible for this Section B Coverage, WE must receive your Warranty Validation Form within thirty (30) days after your closing date, as well as written notice of the SYSTEMS DEFICIENCY or DEFINED STRUCTURAL ELEMENT FAILURE(S) within fifteen (15) days after the expiration date of the coverage. If WE have still not received YOUR notice by the end of the fifteen-day lapse period, then this LIMITED WARRANTY becomes NULL AND VOID.

Coverage will be discontinued once your HOME is sold, as this warranty is *non-transferable*. WE will not extend the warranty once the HOME is sold, regardless the time the original buyers lived in the HOME.

### III. OUR COVERAGE OBLIGATIONS

YOU must make all notices of DEFICIENCIES, DEFINED STRUCTURAL ELEMENT FAILURE(S), and complaints under this LIMITED HOME WARRANTY in writing. Telephonic or face-to-face discussions will not protect YOUR rights under this LIMITED HOME WARRANTY.

WE will have been considered to have breached this LIMITED HOME WARRANTY only if WE fail to correct a DEFICIENCY or DEFINED STRUCTURAL ELEMENT FAILURE(S) in accordance with the terms and conditions of this LIMITED HOME WARRANTY.

#### *DEFICIENCIES:*

In the event a DEFICIENCY occurs during the applicable coverage period, WE will, upon receiving written notice from YOU, test or inspect the DEFICIENCY to confirm coverage for the DEFICIENCY within a reasonable time after WE receive YOUR notice. Upon confirmation of a DEFICIENCY, WE or another third party designated by US will repair, or replace the DEFICIENCY. The decision to repair, replace or in some cases reimburse YOU is sole OUR option, not YOURS.

#### *DEFINED STRUCTURAL ELEMENT FAILURE:*

If a DEFINED STRUCTURAL ELEMENT FAILURE occurs during the applicable coverage period, WE, or another third party designated by US will, upon receiving written notice from YOU, test or inspect the DEFINED STRUCTURAL ELEMENT FAILURE(S) to confirm coverage for the DEFINED STRUCTURAL ELEMENT FAILURE within a reasonable time after WE have received written notice from YOU. Upon confirmation of a DEFINED STRUCTURAL ELEMENT FAILURE, WE or another third party designated by US will repair or replace the DEFINED STRUCTURAL ELEMENT FAILURE. The decision to repair, replace or in some cases reimburse YOU is solely OUR option, not YOURS.

#### IV. COVERAGE LIMITATIONS

When WE repair a DEFICIENCY, or DEFINED STRUCTURAL ELEMENT FAILURE(S), the repair will include the correction or replacement of only those surfaces, finishes and coverings that were damaged by the DEFICIENCY or DEFINED STRUCTURAL ELEMENT FAILURE(S) that were part of the HOME when title was first transferred by US. Again, this LIMITED HOME WARRANTY is non-transferable, regardless of the time lived in the HOME by the original party.

WE will repair and replace surfaces, finishes and coverings that requires removal or replacement for US to repair or replace DEFICIENCIES or DEFINED STRUCTURAL ELEMENTS FAILURE(S). The extent of OUR repair and replacement of these surfaces, finishes and coverings will be to approximately the same condition they were prior to the DEFICIENCY or DEFINED STRUCTURAL ELEMENT FAILURE(S), but not necessarily to a like new condition.

WE will only refinish those surfaces that were damaged by a DEFICIENCY or DEFINED STRUCTURAL ELEMENT FAILURE(S).

When WE undertake repair on surfaces, finishes and coverings, OUR repair will attempt to achieve as close a match with the original surrounding areas as is reasonably possible, but WE cannot guarantee an exact match due to such factors as fading, aging, improper maintenance and unavailability of the same materials, discontinued products, etc...



## V. EXCLUSIONS

A. This LIMITED HOME WARRANTY *does not* cover the following:

1. Any DEFICIENCIES or DEFINED STRUCTURAL ELEMENT FAILURE(S) resulting, either directly or indirectly, from the following causes in the following situations:
  - a. Fire
  - b. Lightning
  - c. Acts of God
  - d. Explosions
  - e. Riot and civil commotion
  - f. Smoke
  - g. Hail
  - h. Aircraft
  - I. Falling Objects
  - j. Vehicles
  - k. Floods
  - l. Wind Driven Water
  - m. Earth Moving but not limited to:
    1. Earthquake, landslide, mudslide
    2. Mine subsidence, sinkholes or changes in the groundwater table not reasonable foreseeable at the time of construction
    3. Volcanic eruption, eruption or effusion
  - n. Wind including, but not limited to:
    1. Gale force winds
    2. Hurricanes
    3. Tropical Storms
    4. Tornados
  - o. Insects, animals or vermin
  - p. Rot, moisture, corrosion, rust or mildew, various types of mold
  - q. Changes of the grading of the ground by anyone other than US or OUR authorized agents
  - r. Changes, additions or alterations made to the HOME by anyone after the WARRANTY START DATE except those made by our authorized agents upon your request
  - s. Any defect in material or workmanship supplied by anyone other than US or OUR authorized agents
  - t. Improper maintenance, negligence or improper use of the HOME by YOU or anyone else
  - u. Dampness or condensation due to YOUR failure to provide adequate ventilation or failure to provide appliances such as humidifiers, air cleaners, etc.
  - v. Abnormal loading on floors which exceeds design loads
  - w. Underground springs or other sources of subsurface water

2. Any costs arising from, or any DEFICIENCIES or DEFINED STRUCTURAL ELEMENT FAILURE(S) resulting from the actual, alleged or threatened discharge, dispersal, release or escape of POLLUTANTS. WE will not cover costs or expenses arising from the uninhabitable or health risks due to the proximity of POLLUTANTS. WE will not cover costs or expenses resulting from the discretion of any governmental entity to test, clean up, remove, treat, contain or monitor POLLUTANTS.
3. Any costs arising from, or any DEFICIENCIES or DEFINED STRUCTURAL ELEMENT FAILURE(S) resulting from the effects or electromagnetic fields (EMF'S) or radiation.
4. Any damage to personal property.
5. Any CONSEQUENTIAL DAMAGES.
6. Any MANUFACTURED or CONSUMER PRODUCTS and DAMAGE or DEFICIENCY in CONSUMER or MANUFACTURED PRODUCTS.
7. Any DEFICIENCIES or DEFINED STRUCTURAL ELEMENT FAILURE(S):
  - A). that YOU become aware of after the HOME is not being used primarily as a residence.
  - B). which YOU have not taken timely and reasonable steps to protect and minimize damage after WE have provided YOU with written authorization to prevent further damage.
8. Any DEFICIENCY or DEFINED STRUCTURAL ELEMENT FAILURE that is covered by any other express warranty or insurance coverage YOU may have.
9. Any non-conformity with local building codes, regulation or requirements that has not resulted in a DEFICIENCY or DEFINED STRUCTURAL ELEMENT FAILURE. While WE acknowledge OUR responsibility to build in accordance with applicable building codes, this LIMITED HOME WARRANTY does not cover building code violations in the absence of a DEFICIENCY or DEFINED STRUCTURAL ELEMENT FAILURE. In such instance, YOUR recourse is under the building codes and other applicable laws and not under this LIMITED HOME WARRANTY. This exclusion, in no way, mitigates or relieves US or OUR obligation to build in accordance with applicable building codes.
10. Any loss or damage:
  - A) after year one, to resulting from or made worse by all components of structural porticos.
  - B) after year one, to resulting from or made worse by elements of the HOME which are constructed separate from foundation walls or other structural elements of the HOME such as, but not limited to, chimneys and concrete floors of basements and attached garages.

- C) to wiring and between communication devices from the source of power, whether or not connected to the interior wiring system of the HOME. Such devices shall include, but not limited to, telephone systems, television cable systems, central vacuum systems, intercom systems, computer systems and of power shall include, but not be limited to, service entrance conductors, switches, outlets, receptacles and junction boxes.
11. Any loss or damage resulting from, or made worse by:
- A) changes in grading caused by erosion
  - B) the weight/and or performance of any type of waterbed or any other furnishing which exceeds the load-bearing design of the home
  - C) defect in, but not limited to: recreational facilities, driveways, walkways, patios, porches and stoops not structurally attached; decks and balconies which not bolted to or cantilevered from the main structure of the HOME; boundary and/or retaining walls: bulkheads; fences; landscaping; sodding; seeding; shrubs; trees and plantings; subsurface drainage systems (other than footer drains); lawn irrigation systems; off-site improvements, including streets, sidewalks, adjacent property and the like; or any other improvements not part of the HOME itself
  - D) defects in detached garages or outbuildings (except those which contain plumbing, electrical, heating, cooling systems) A detached garage is one which is constructed on its own foundation, separate and apart from the foundation of the HOME. A breezeway, fence, utility line or similar union shall not cause a garage or outbuilding to be considered attached
  - E) any portion of a water supply system, private or public, including volume and pressure of water flow (*the pressure of the water flow is a municipal problem*)
  - F) quality and portability of water
  - G) any portion of a sewage disposal system, private or public, including design
12. Any DEFICIENCY, which does not result in actual physical damage or loss to the HOME.
13. Any request for warranty performance submitted to US after an unreasonable delay or later than thirty (30) days after the expiration or the applicable warranty period.
14. Warranted DEFICIENCIES that YOU repair without prior written authorization by US
15. Any damages to, or resulting of items specifically excluded from coverage under this LIMITED HOME WARRANTY, such as landscaping or personal property, items not originally installed by US, such as wallpaper, where removal and replacement are required to execute a repair.

16. Any damages to, or resulting from swimming pools, whether located inside or outside of the HOME, because of its construction, placement, use of equipment, main, etc...
17. Sound transmission and sound proofing between rooms and floor levels.
18. Appliances and Equipment included in the HOME are not warranted under this LIMITED HOME WARRANTY, but may be covered by separate warranties provided by the manufacturer or supplier. These warranties are passed onto YOU by US at the time of closing and are separate from this LIMITED HOME WARRANTY.

B. OUR LIMITED HOME WARRANTY does not cover any loss or damage because of any DEFICIENCY or DEFINED STRUCTURAL ELEMENT FAILURE(S), which would not have occurred in the absence of one or more of the events or conditions listed in EXCLUSIONS, sections A-1, A-2, or A-3 above. OUR LIMITED HOME WARRANTY does not cover any such loss or damage regardless of:

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

## **VI. PROCEDURE TO REQUEST US TO PERFORM UNDER THIS LIMITED HOME WARRANTY**

If YOU become aware of a DEFICIENCY or DEFINED STRUCTURAL ELEMENT FAILURE that YOU believe is covered under this LIMITED HOME WARRANTY, YOU have the following responsibilities:

### **A. Notification**

Notify US in writing, as soon as it is reasonably possible, but in no event, may YOUR written notice be received by US or postmarked later than thirty (30) days after the warranty for the DEFICIENCY or DEFINED STRUCTURAL ELEMENT FAILURE expires. WE will not warrant or repair any items that surpass the expiration date.

If the written notice is postmarked or received by US more than thirty (30) days beyond the warranty expiration date, WE shall have no obligation to repair or replace the DEFICIENCY or DEFINED STRUCTURAL ELEMENT FAILURE.

If the DEFICIENCY or DEFINED STRUCTURAL ELEMENT FAILURE involves a COMMON ELEMENT, written notice must still be made by a designated representative of the homeowner(s) or condominium association.

### **B. Cooperate with US**

YOU must give US, OUR employees, agents or subcontractors reasonable help in investigating, monitoring and correcting DEFICIENCIES or DEFINED STRUCTURAL ELEMENT FAILURE(S). Examples of help includes, but is not limited to, granting US reasonable access to YOUR HOME, illustrating the FAILURE(S).

If YOU fail to help US, WE will have no obligation to repair, replace or in some exceptional cases pay YOU for DEFICIENCIES or DEFINED STRUCTURAL ELEMENT FAILURE(S).

### **C. Do Not Make Voluntary Payments**

YOU agree not to make any voluntary payment(s) or assume any obligation or incur any expenses for the remedy of a condition YOU believe is a DEFICIENCY or DEFINED STRUCTURAL ELEMENT FAILURE without OUR prior written approval. WE will not reimburse YOU for cost incurred where YOU did not obtain OUR prior written approval.

However, YOU may incur reasonable expenses in making repairs in an EMERGENCY CONDITION without OUR prior written approval, provided the repairs are solely for the protection of the HOME from further damage, and provided YOU notify US, as soon as possible, but in no event, later than five (5) days after the repairs were undertaken. To obtain reimbursement for repairs made during EMERGENCY CONDITIONS, YOU must provide US with an original receipt and accurate written record of the repair and the costs. This will be solely upon OUR discretion whether it is, or was, an EMERGENCY CONDITION and the extent of the repairs and cost associated with the EMERGENCY CONDITION.

#### **D. Sign A Release**

When WE have completed repairing, replacing or in certain cases, even paying you for the cost of repairing or replacing, DEFICIENCIES or DEFINED STRUCTURAL ELEMENT FAILURE(S), YOU must sign a full release of OUR obligation for the DEFICIENCIES or DEFINED STRUCTURAL ELEMENT FAILURE, WE corrected. Under our discretion only, the release must be signed to make the repair valid.

#### **E. If YOU Disagree with US**

Binding Arbitration will be the sole remedy for resolving disputes between YOU and US that arise from or relate to the LIMITED HOME WARRANTY. The binding arbitration procedure is described in the following section (VII).

## VII. BINDING ARBITRATION PROCEDURE

Any disputes between YOU and US related to or arising from this LIMITED HOME WARRANTY will be resolved by binding arbitration. Disputes subject to binding arbitration include, but are limited to:

- A. WE do not agree with YOU that a DEFICIENCY or DEFINED STRUCTURAL ELEMENT FAILURE is covered by this LIMITED HOME WARRANTY.
- B. WE do not correct a DEFICIENCY or DEFINED STRUCTURAL ELEMENT FAILURE to YOUR satisfaction or in a manner that YOU believe this LIMITED HOME WARRANTY requires.
- C. WE fail to respond to YOUR written notice of a DEFICIENCY or DEFINED STRUCTURAL ELEMENT FAILURE.
- D. Disputes related to COMMON ELEMENTS.
- E. Alleged breach of this LIMITED HOME WARRANTY.
- F. Alleged violations of consumer protection, unfair trade practice or other statutes.
- G. Disputes concerning the issues that should be submitted to binding arbitration.
- H. Disputes concerning the timeliness of binding arbitration requests.

The arbitration will determine YOUR and OUR rights and obligations under this LIMITED HOME WARRANTY. These rights and obligations include, but are not limited to those provided by YOU and US by local, state or federal statutes in connection with this LIMITED HOME WARRANTY.

Any binding arbitration proceeding will be conducted by an independent arbitration organization designated by US. The rules and procedures followed will be those of the designated arbitration organization.

Binding arbitration shall be the sole remedy for resolving disputes between YOU and US. The costs and expenses for the arbitration shall be paid by US, except for arbitration fee, which will be paid by the party requesting arbitration. If YOU request the arbitration procedure and YOU prevail on any claimed DEFICIENCY or DEFINED STRUCTURAL ELEMENT FAILURE under dispute, the arbitration filing fee will be refunded to YOU.

Please note that YOU have ninety (90) days to file for arbitration, this time does not extend the warranty coverage period for any DEFICIENCIES or DEFINED STRUCTURAL ELEMENT FAILURE(S). YOU must still notify US of any alleged DEFICIENCIES or DEFINED STRUCTURAL ELEMENT FAILURE(S) no later than thirty (30) days after coverage or that item expires.

Most of the time, the arbitration procedure will be conducted at YOUR HOME or someplace agreeable by both parties. The arbitrator will conduct and notify both parties of the time and place that both disputed parties have previously agreed on. The parties at the arbitration hearing will include the Arbitrator, YOU and US. After evidence is presented by YOU and US, an award will be rendered by the Arbitrator. The award is final and binding by both YOU and US. WE will comply with the Arbitrator's award no later than sixty (60) days from the date of the award. However, delays caused by circumstances beyond OUR control shall be excused.



## VIII. GENERAL CONDITION

### A. Separation of this LIMITED HOME WARRANTY from the Contract of Sale

This LIMITED HOME WARRANTY is separate and independent of the contract between YOU and US for the construction and/or sale of YOUR HOME. The provisions of this LIMITED HOME WARRANTY shall in no way be restricted by anything contained in the construction and/or sales contract between YOU and US.

### B. Transfer to Subsequent HOMEOWNERS

This LIMITED HOME WARRANTY is non-transferable, regardless the time you have lived in the HOME, should you sell your home.

### C. Manufacturer's Warranty/Transfer of Manufacturer's Warranty

WE do not warranty ANY appliances or equipment that WE installed in the home. YOU must follow procedures on the manufacturer's warranty to cover the item and correct the problem. Moreover, WE also do not warranty any appliances or equipment that WE installed in the home in the instance that the HOME is sold or has transferred ownership.

### D. Recovery Rights

If WE repair, replace or in some cases even pay YOU the cost to repair or replace a DEFICIENCY or DEFINED STRUCTURAL ELEMENT FAILURE, or other related damage to YOUR HOME covered by this LIMITED HOME WARRANTY, WE are entitled to the extent of OUR payment, to take over YOUR related rights of recovery from other people and organizations, including but not limited to, other warranties and insurance. YOU have an obligation not to make it harder for US to enforce these rights. YOU agree to sign any papers, deliver them to US and do anything else that is necessary to help US exercise OUR rights.

### E. General Provision

1. If any of the term or provisions of this LIMITED HOME WARRANTY conflict with the statutes of the state in which this LIMITED HOME WARRANTY is issued, the warranty is amended to conform to such statute, except insofar as the terms and provisions are governed by the United States Arbitration Act.
2. If a court of competent jurisdiction deems a provision of this LIMITED HOME WARRANTY unenforceable, that determination will not affect the remaining provisions.
3. This LIMITED HOME WARRANTY is to be binding on YOU and US.

## X. DEFINITIONS

**COMMON ELEMENTS** mean the structure, components or enclosure, and any part of the HOME, as specified in the condominium documents as a COMMON ELEMENT. This may include, but is not limited to, corridors, lobbies, vertical transportation elements, rooms, balconies or any other spaces that are for the common use of the residents of the HOME. SYSTEMS serving two or more HOMES, and the outbuildings that contain parts of such SYSTEMS, are also included in this definition.

**CONSEQUENTIAL DAMAGES** mean a loss or injury other than the cost to correct a Deficiency or DEFINED STRUCTURAL ELEMENT FAILURE. This definition includes, but is not limited to, cost of shelter, food, transportation, moving and storage, any other expenses related to inconvenience of relocation during repairs to the HOME.

**CONSUMER PRODUCT** means any item of equipment, appliances or other defined as a consumer product in the Magnuson-Moss Warranty Act. Examples of consumer products include, but not limited to, air handling equipment, air conditioning equipment, furnace, heat pump, sump pumps, pumps, dishwasher, microwave, freezer/refrigerator or combination of both, gas or electric ovens, trash compactor, garage door openers, clothes washer and dryer, water heater and thermostats, etc...

**DEFICIENCY(IES)** means defects in materials or workmanship used in the construction of the HOME. The defects must fail to conform with the standards and tolerance in STANDARDS OF PERFORMANCE section of this LIMITED HOME WARRANTY. OUR failure to complete the HOME or any portion of the HOME, does not constitute a DEFICIENCY.

**DEFINED STRUCTURAL ELEMENT FAILURE** means that one or more of the structural elements identified below contain a flaw of such magnitude that the warranty tolerance *is exceeded*. The only structural elements WE cover and their respective tolerance are as follows:

### **Defined Structural Element and Warranty Tolerance**

#### **A. Arches**

1. *Masonry*: Crack of ¼ inch in width, in the arch, or settlement in span of arch of ½ inch

#### **B. Floor Systems**

1. *Structural Concrete*: Crack of 1/3 of an inch in width and ½ inch in vertical displacement
2. *Joists*: DEFLECTION of 1 inch in 15 feet
3. *Trusses*: DEFLECTION of 1 inch in 10 feet

### C. Foundation

1. *Wood Beams, Built-up Laminated or solid:* DEFLECTION of 1 inch in 10 feet
2. *Steel Beams:* Deflection of ½ inch in 10 feet
3. *Concrete Walls:* Crack of ¼ inch in width and ¼ inch in 18 inches measured from base of wall
4. *Masonry Walls:* Crack of 3/8 inch in width, or out of plumb ¼ inch in 18 inches measured from base of wall

### D. Load Bearing Walls and Partitions

1. *Studs:* Bow or cup 1 inch in 10 feet

**DEFLECTION** means the difference in elevation of high and low points along a diagonal, horizontal or vertical plane caused by stress-induced deformation of a load-bearing member. DEFLECTION is measured from any two end points and a third reference point. The reference point may be located at any distance between the two end points.

**EMERGENCY CONDITION** means an event or situation that creates the imminent threat of damage to the HOME or the COMMON ELEMENTS related thereto, or results in an unsafe living condition due to DEFICIENCIES or DEFINED STRUCTURAL ELEMENT FAILURE(S) that YOU become aware of at a point in time other than OUR normal business hours and YOU were unable to obtain OUR prior written approval to initiate repairs to stabilize the condition or prevent further damage.

**HOME** means single-family residence either attached or detached or a condominium or cooperative unit in a multi-unit residential structure covered by this LIMITED HOME WARRANTY. HOME does not include, without limitation, the following: detached garages, detached carports, outbuildings (except outbuildings that contain electrical, plumbing, heating and cooling or ventilations SYSTEMS used by the HOME); swimming pools and other recreational facilities (including but not limited to sodding, seeding, shrubs, trees, plants) offsite improvements or any other improvements that are not part of the HOME.

**HOMEOWNER** means the first person to whom the HOME (or unit in multi-unit residential structure) is sold to, or for whom such HOME is constructed for occupancy by such person or such person's family.

**POLLUTANTS** mean all solid, liquid or gaseous irritants or contaminants. The term includes, but does not cover and is not limited to: petroleum products, smoke, vapors, soot fumes, acids, alkalis, toxic chemicals, radon gas and waste materials.

**STANDARD OF PERFORMANCE** means the standards and tolerances for materials and workmanship that are used in this LIMITED HOME WARRANTY to determine OUR responsibility for repairing DEFICIENCIES as defined on pages 18 through 30 of this document.

**SYSTEMS** mean the following:

1. Plumbing system: gas supply lines and fitting water supply, waste and vent pipes and their fittings, septic tanks and their fields, and water, gas and sewer service piping and their extensions up until the public utility connection.
2. Electrical system: all wiring, electrical boxes, switches, outlets and connections up to the public utility connection.
3. Heating, cooling and ventilation systems: all duct work, steam, water and refrigeration lines, registers connectors and dampers.

**SOAVE HOMES INC. LIMITED HOME WARRANTY** means only this express warranty document provided by US to YOU is valid.

**WARRANTY START DATE** means the date the title for the HOME is transferred by US to YOU, the first HOMEOWNER, or the date the HOME is first used for residential purposes, whichever occurs first.

**WE, US, OUR** means SOAVE HOMES, INC.

**YOU, YOUR** means the Homeowner.

## X. STANDARDS OF PERFORMANCE

The STANDARDS OF PERFORMANCE listed below and on the following pages is intended to provide YOU with an understanding of OUR obligations under this LIMITED HOME WARRANTY. If a DEFICIENCY occurs to YOUR HOME that results in actual physical damage, the STANDARDS OF PERFORMANCE will be used to determine OUR responsibility under this LIMITED HOME WARRANTY.

Please note that damage YOU cause or YOU made worse by YOUR negligence, improper maintenance or improper operations is excluded from this LIMITED HOME WARRANTY.

The choice as to the scope of repair, the repair technique or replacement versus the cost of repair, or replacement is solely OUR discretion. When WE do undertake to repair or replace, WE try to match color, dyes, patterns, material finishes, etc... However, fading, changes in color lots or discontinued patterns or brands/styles may prevent US from providing an exact match.

**CARPET:** Years Covered: One (1) *except where noted*

DEFICIENCY or Condition: *Open seams in carpeting*

OUR RESPONSIBILITY: Visible carpet seams are not a defect. WE will repair any openings or gaps in the seams.

**NOTE:** Spots and/or minor fading on carpet are **not** a covered item under this LIMITED HOME WARRANTY. Spots and/or minor fading can occur naturally when a carpet is exposed to light. WE have no responsibility for this condition.

**CERAMIC TILE:** Years covered: One (1) *except where noted*

DEFICIENCY or Condition: *Cracks in grouting of ceramic tile, joints or at junctions between tiles and other materials (e.g. between tile and bathtub)*

OUR RESPONSIBILITY: Cracks in grouting of ceramic tile joints are commonly caused by normal shrinkage of the grout. WE will repair cracks that are more than 1/8-inch-wide, only one (1) time, after your closing date, and within the first year. WE will not be responsible for discontinued tile or grout, or differences between old and new tile/grout.

YOUR RESPONSIBILITY: Re-grout cracks during the lifetime of the HOME.

**NOTE:** Chips, cracks in floor, counter or wall tile is **not** a covered item under this LIMITED HOME WARRANTY.

WE will replace cracked or chipped tiles, reported to US, by YOU, prior to the closing date of your home. WE will not be responsible to match the tile patterns or color between the old and the new tile and grout.

**CONCRETE (POURED):**      Years covered: One (1)

A.    DEFICIENCY or Condition: ***Cracks in basement or foundation walls***

OUR RESPONSIBILITY: Shrinkage cracks are common in concrete foundation walls.  
WE will repair cracks more than 1/8 inch in width  
WE will only warranty cracks, more than 1/8 inch, that are leaking  
WE will only repair and warranty cracks under 1/8 inch width, that are proven to be leaking.  
Otherwise, there is no warranty coverage to repair standard cracks that are under 1/8 inch width, or are not leaking.

B.    DEFICIENCY or Condition: ***Cracks in basement floors***

OUR RESPONSIBILITY: Minor cracks in basement floors are normal. WE will repair cracks more than ¼ inch in width.

C.    DEFICIENCY or Condition: ***Cracks in slab in attached garage***

OUR RESPONSIBILITY: WE will repair cracks in garage slabs that are more than ¼ inch wide and ¼ inch in vertical displacement.

D.    DEFICIENCY or Condition: ***Pitting, sealing or chipping on concrete surfaces covered by warranty***

OUR RESPONSIBILITY: It is normal for some minor chipping of the surfaces to occur. Concrete surfaces should not be exposed to salt, chemicals, mechanical implements or other factors beyond OUR control. Minor cracks will usually surface do to expansion or settling in the first year. WE also do **not** cover vertical or horizontal displacement caused by extreme frost conditions.

E.    DEFICIENCY or Condition: ***Poured Concrete steps***

OUR RESPONSIBILITY: Stoops, steps or pre-fabricated steps will not settle more than 1 inch from the HOME. WE will repair these DEFICIENCIES.

**COUNTERTOPS:**      Years covered: Zero (0)

DEFICIENCY or Condition: ***Separation from wall***

OUR RESPONSIBILITY: Shrinkage/cracking/separation of caulking-adhesive from the walls are caused from normal shrinkage of the caulk/adhesive, due to climate temperatures and settling of your home. It is a homeowners responsibility to maintain and therefore is not a covered waarranty item.

**DOORS (Wood and Plastic):**      Years covered: One (1) *except where noted*

A.    DEFICIENCY or Condition: *Inside doors or closet doors are warped*

OUR RESPONSIBILITY: WE will repair any doors that is out of square or warped more than ¼ inch measured diagonally from corner to corner. In the event WE install a new door, WE will finish new doors to match other doors as closely as possible. WE cannot guarantee to match the exact color as the existing doors.

YOUR RESPONSIBILITY: Keep bifold doors closed when not in use

B.    DEFICIENCY or Condition: *Split panels of a door*

OUR RESPONSIBILITY: If light is visible through the split in a panel, WE will repair the panel. WE will make this repair only one (1) time, after your closing date and within the first year.

C. **NOTE:** Panels in doors shrink so that raw wood edges show, this is normal and is *not* covered under this LIMITED HOME WARRANTY.

WE cannot guarantee that all interior doors will not make noise. We have **no responsibility** for this condition.

**DRYWALL, PLASTER AND LATH:**      Years covered: One (1)

*Also reference Gypsum Wallboard*

DEFICIENCY or Condition: *Cracks in inside walls and ceilings*

OUR RESPONSIBILITY: Cracks in inside walls and ceilings are not unusual. WE will repair all cracks that are more than 1/8-inch wide. WE will repair these cracks only one (1) time after your closing date and within the first year.

**NOTE:** WE are not responsible for re-painting after warranty/touch-up work on all gypsum board/drywall related items. This is YOUR responsibility. WE do recommend that YOU do not do any interior decorating, plastering, painting, etc... until the one-year move-in-date has expired.

**ELECTRICAL SYSTEMS:**      Years Covered: One (1) *except where noted*

A.    DEFICIENCY or Condition: *Fuses blow or circuit breakers "kick out"*

OUR RESPONSIBILITY: WE will check or repair any wiring that does not conform with the local electrical requirements.

YOUR RESPONSIBILITY: Do not overload circuits.

B. DEFICIENCY or Condition: *Malfunctions in electrical outlets, switches and fixtures*

OUR RESPONSIBILITY: WE will repair or replace all defective outlets, switches or fixtures that are purchased and installed by US. If the HOMEOWNER purchases the fixtures, it becomes a manufacturer's warranty/responsibility.

C. Deficiency or Condition: *Ground fault interrupters frequently trip*

OUR RESPONSIBILITY: Ground fault interrupters are sensitive and can easily be tripped. Normally, this is not indicative of a constructive defect. WE will install ground fault interrupters to meet the electrical requirements. WE will correct the interrupters if the tripping is due to a defect in construction.

YOUR RESPONSIBILITY: Check all GFCI circuits first to see whether the reset button is tripped. This is usually a typical problem.

D. NOTE: Cold air can sometimes penetrate an outlet on an exterior wall into a room. This is **not** a deficiency and is **not** covered under this LIMITED HOME WARRANTY. We have no responsibility for this condition.

**FINISH CARPENTRY (INTERIOR):** Years covered: One (1)

DEFICIENCY or Condition: *Trim molding has open joints between moldings and the surface areas that the molding is attached, or there are cracks in the wood itself*

OUR RESPONSIBILITY: WE will repair or replace open joints in moldings or between moldings and surfaces if the gaps are more than 3/16-inch wide. Caulking is acceptable. WE will repair any open joints that are more than 3/18-inch-wide or do not keep out the elements. Caulking is acceptable.

YOUR RESPONSIBILITY: Maintain interior/exterior finish by caulking and painting.

**FIREPLACE AND CHIMNEYS:** Years Covered: One (1) except *where noted*

DEFICIENCY or Condition: *Improper drawing of fireplace or chimneys*

OUR RESPONSIBILITY: If the draft problem is caused by improper installation, WE will repair the problem. Several items cause temporary negative draft situations in a fireplace or chimney/chase. These include, but not limited to, high winds, obstructions such as large branches or trees too close to the chimney. WE are not responsible for these problems.

YOUR RESPONSIBILITY: Insure there is a sufficient fresh air make-up for the flu to draw properly. Before the beginning of the season, make sure the area is cleared of any trees. Clean the flu annually.



**NOTE:** Cracks or discolor in fireplace bricks and mortar joints are **not** a covered item under this LIMITED HOME WARRANTY. The heat from the fire can naturally change any finish or even cause cracking. WE do not warranty any of these occurrences. And have no responsibility for this condition.

**GARAGE DOORS:** Years covered: One (1)

A. DEFICIENCY or Condition: ***Garage door(s) does not work properly***

OUR RESPONSIBILITY: If garage doors do not operate properly under normal use, WE will adjust or correct them. If YOU install a garage door opener, WE are no longer responsible for the operation of the garage door.

YOUR RESPONSIBILITY: Keep all movable parts lubricated

B. DEFICIENCY or Condition: ***Rain or snow leaks through garage door(s)***

OUR RESPONSIBILITY: Garage doors will be installed in accordance with manufacturer's specifications. WE will repair leaks resulting from a failure to properly install the garage door. However, during severe weather conditions, some leakage may be normal.

**GLASS:** Years Covered: Zero (0) except *where noted*

Broken glass, once you have closed and moved into your home, is **not** a covered item under this LIMITED HOME WARRANTY. We have no responsibility for this condition.

**NOTE:** WE will repair broken glass reported to US, by YOU, prior to your closing date.

**GUTTERS:** Years covered: One (1)

A. DEFICIENCY or Condition: ***Leaks in gutter and/or down spouts***

OUR RESPONSIBILITY: Gutters and downspouts might overflow during heavy rains. They should not leak at the connections. WE will repair any leaks.

YOUR RESPONSIBILITY: Keep leaves and debris out of gutters to allow water to flow properly. Do not lean ladders against gutters.

B. DEFICIENCY OR CONDITION: ***Standing water in gutters***

OUR RESPONSIBILITY: It is common practice to install gutters approximately level, resulting in small amounts of standing rain in a gutter after the rainfall. If the water is more than 1 inch deep in a gutter and the gutter is not clogged with debris, WE will repair the gutter so that the water can flow properly.

YOUR RESPONSIBILITY: Keep leaves and debris out of gutters to allow water to flow properly.

**GYPSUM WALLBOARD:** Years covered: One (1)

*Also reference Drywall, Plaster and Lath*

DEFICIENCY or Condition: *Nail pops and blisters in tape on inside walls and ceilings*

OUR RESPONSIBILITY: Nail pops and blisters in tape are common in gypsum wallboard installation and are considered acceptable. WE will however, correct any of these imperfections which are noted, only once, which will be at the end of your one (1) year warranty date.

YOUR RESPONSIBILITY: Mark all touch-ups, with masking tape or blue painters tape, for the drywall warranty representative, closer to the end of your one-year warranty date. Areas/items missed due to YOUR failure to inform US, will not be repaired, after the drywall warranty representative has completed their work.

**NOTE:** WE are not responsible for re-painting after warranty/touch-up work on all gypsum board/drywall related items. This is YOUR responsibility. WE recommend waiting at least one (1) year after your closing date, for any painting or interior decorating, due to settlement, shrinkage, expansions, etc....

**HARDWARE:** Years covered: One (1)

DEFICIENCY or Condition: *Locks on doors or windows do not operate properly*

OUR RESPONSIBILITY: WE will repair any hardware which does not meet manufacturer's standards.

**HVAC:** Years Covered: One (1) *unless otherwise noted*

A. DEFICIENCY or Condition: *Inadequate heating*

OUR RESPONSIBILITY: Heating systems are designed to maintain an indoor temperature of 70 degrees Fahrenheit. The temperature is measured in the center of each room at a height of 5 feet above the floor (under local outdoor winter design conditions as specified in the ASHRAE handbook). Federal, State or Local energy requirements take precedence. WE will repair the heating system so that it provides the required temperature.

YOUR RESPONSIBILITY: Balance dampers and registers and make other minor adjustments for change of seasons. Also, maintain unit per manufacturer's specifications.

B. Deficiency or Condition: *Inadequate air conditioning*

OUR RESPONSIBILITY: Cooling system is designed to maintain an indoor temperature of 78 degrees Fahrenheit. The temperature is measured in the center of each room at height of 5 feet above the floor under local outdoor summer designed conditions specified in the ASHRAE Handbook. If the temperature outside is above 95 degrees Fahrenheit, cooling system must be able to maintain an inside temperature that is 15 degrees Fahrenheit below the outside temperature. Federal, State and Local energy requirements take precedence. WE will repair the cooling system so that it provides the required temperature.

YOUR RESPONSIBILITY: Balance dampers and registers and make other minor adjustments for change of seasons. Also, maintain unit per manufacturer's specifications.

C. DEFICIENCY or Condition: *Separated or Unattached ductwork*

OUR RESPONSIBILITY: WE will reattach or re-secure all ductwork that has become separated or unattached.

YOUR RESPONSIBILITY: Do not subject the ductwork to any unusual loads.

D, NOTE: Ductwork makes ticking and crackling noises when the metal expands from the heat and contracts for the cold, is natural and is **not** a deficiency and is **not** a covered under this LIMITED HOME WARRANTY. We have **no** responsibility for this condition.

**INSULATION:**

WE will insulate the HOME as required to meet local energy and building requirements, or as applicable FHA or VA requirements. Insulation does not render a wall or soundproof a room. OUR insulation will meet the local/state energy R-rating for insulation.

**KITCHEN CABINETS:** Years covered: One (1)

DEFICIENCY or Condition: *Warped kitchen cabinets, gaps between the cabinets/ceilings and or walls, split panels of a cabinet door*

OUR RESPONSIBILITY: WE will repair any doors or drawer fronts that are warped more than ¼ inch. This condition is measured by closing the drawer or door and measuring from the face frame to the point of furthest warpage. WE are not responsible for matching the cabinet finishes. WE will correct any gap that is more than ¼ inch wide. If light is visible through the split panel, WE will repair the panel.

YOUR RESPONSIBILITY: Do not overload cabinets.

**LOUVERS AND VENTS:**

Years covered: One (1)

*Also reference Roofing*

DEFICIENCY or Condition: *Rain or snow leaks into the attic through louvers and vents*

OUR RESPONSIBILITY: HOMES must have louvers and vents for proper ventilation. Rain or snow will sometimes come through these openings. WE will repair/replace any louver or vent improperly installed.

**MARBLE (REAL OR SYNTHETIC) PLASTIC, LAMINATE, PORCELAIN & FIBERGLASS:**

Years Covered: Zero (0) except *where noted*

Blemishes, scratches, nicks or chips are **not** a covered item under this LIMITED HOME WARRANTY. We have **no** responsibility for these conditions.

**NOTE:** WE will repair any blemishes, scratches, nicks or chips reported to US, by YOU, prior to your closing date. WE are not responsible for discontinued patterns or for differences between old and new.

**MASONRY:** Years covered: One (1)

DEFICIENCY or Condition: *Cracks in masonry veneer walls*

OUR RESPONSIBILITY: Cracks up to 3/8-inch-wide due to shrinkage are common in mortar joints in masonry construction. WE will repair joints in masonry walls over 3/8-inch wide. WE will not be responsible for any difference in the color of the old or new mortar.

**PAINT, STAIN OR VARNISHES:** Years Covered: Zero (0) *except where noted*

Deteriorating, fading or peeling of inside/outside paint, stain or varnishes is **not** a covered item under this LIMITED HOME WARRANTY. We have no responsibility for these conditions.

Fading of paint or stain is normal and is not considered a defect or deficiency. The amount of fading will depend on the climate where the HOME is located and the climate control inside the HOME.

**NOTE:** WE will however, repair any paints, stains or varnishes that are considered defects or poor workmanships on OUR part, one (1) time after your closing date and within the first year. WE will try to match the color with old and new paint, but we are not responsible for matching the new colors with the old colors.

**PLUMBING:**

Years Covered: ONE (1) except *where noted*

Water Supply Lines, Septic/Sewer Systems, fixtures

A. DEFICIENCY or Condition: *Plumbing pipes have frozen or burst*

OUR RESPONSIBILITY: Drain, waste, vent and water pipes will be adequately protected to prevent freezing, as required by applicable plumbing requirements for normal anticipated cold weather and in accordance with the design temperatures established by the American Society of Heating, Refrigeration and Air Conditioning Engineers (ASHRAE). WE will repair any pipes not meeting the ASHRAE standards.

YOUR RESPONSIBILITY: Drain water pipes and outside faucets when they are exposed to freezing temperatures, roughly in the fall to the end of winter.

**NOTE:** WE are not responsible for any frozen or broken/burst pipes should YOU fail to not properly winterize.

B. DEFICIENCY or Condition: *Leaks in faucets or valves*

OUR RESPONSIBILITY: WE will replace or repair (if necessary) any faucets or valves that leak due to DEFICIENCIES in workmanship or materials. Condensation is not considered a leak and is a normal occurrence.

C. DEFICIENCY or Condition: *Deficiencies in plumbing fixtures, appliances or fittings*

OUR RESPONSIBILITY: WE will repair any fixture, appliance or fitting that does not meet the manufacturer's standards in the first year of the warranty only.

D. DEFICIENCY or Condition: *Stopped up sewers, fixtures and drains*

OUR RESPONSIBILITY: WE will repair, for **only one (1) month** after your closing date, all sewer, fixtures and drains that are clogged because of construction defects only. WE are not responsible for any DEFICIENCY which is not construction related, including any municipal failure(s).

YOUR RESPONSIBILITY: If sewers, fixtures and drains are clogged because of YOUR actions (such as, but not limited to: dumping improper wastes down drains) then YOU take full responsibility.

E. **NOTE:** Noisy water pipes are **not** a covered item under this LIMITED HOME WARRANTY. Some noise in the water pipes is natural and comes from the flow of water and from the pipes expanding due to cold and hot water combinations. We have no responsibility for this condition.

If the pipes are found to be improperly installed or fastened, WE will repair or refastened the pipe(s), up to one year from the date of closing on your home.

**ROOFING:** Years covered: One (1) *unless otherwise noted*  
*Also reference Louvers and Vents*

A. DEFICIENCY or Condition: ***Leaks on roof or flashing***

OUR RESPONSIBILITY: WE will repair roof or flashing leaks.

**NOTE:** Leaks caused by ice build-up is not OUR responsibility and will **not** be covered under this LIMITED HOME WARRANTY.

YOUR RESPONSIBILITY: Keep leaves cleaned from valleys, gutters and downspouts

B. DEFICIENCY or Condition: ***Standing water on flat roof***

OUR RESPONSIBILITY: It is not unusual for minor ponding to occur on a flat roof for up to if not more than 24 hours after rainfall or snow melting. **NOTE:** WE are not responsible if the roof was specifically designed to retain water.

C. **NOTE:** Ice build -up on roof is **not** a covered item under this LIMITED HOME WARRANTY. During prolonged cold-spells, ice is likely to build-up on the eaves of the roof. This build up will occur when snow and ice accumulate and gutters and downspouts freeze. Damage to your roof from ice build-up is **not** OUR responsibility.

**ROUGH CARPENTRY:** Years covered: One (1)

A. DEFICIENCY or Condition: ***Squeaking floors or sub floors that appear loose***

OUR RESPONSIBILITY: These conditions are often temporary in new homes. WE will correct these conditions only if they are caused by underlying defects in construction. A squeak proof floor cannot be guaranteed.

B. DEFICIENCY or Condition: **Bowed walls or other interior exposed surfaces**

OUR RESPONSIBILITY: All interior and exterior walls have slight variances on their finished surfaces. Bowing of walls will not detract from or blemish the wall's finish surface. WE will repair any walls which have a bow more than 1 inch out of line within 10 feet horizontal or vertical measurement taken a minimum 24 inches from and sheetrock corner or opening

**SEALANTS:** Years Covered: One (1)

DEFICIENCY or Condition: ***Leaks in exterior walls because caulking is inadequate***

OUR RESPONSIBILITY: WE will correct any penetrating water that is penetrating the exterior wall into the interior walls.

**SEPTIC DRAIN FIELDS:**

Years Covered: One (1)

Septic Drain Fields will meet state, county or local requirements. WE will repair any septic drain fields that cannot properly handle the normal flow of household waste materials. WE are **not** responsible for conditions beyond OUR control such as freezing, saturated soils, increase in elevation of the waste table, excessive use of the system or limitations established by the local governing agency.

**SIDING (VINYL):**

Years covered: One (1)

DEFICIENCY or Condition: *Improper nailing/or fastening*

OUR RESPONSIBILITY: WE will re-fasten any siding that appears to be loose or is not fastened correctly. WE do **not** warranty the siding itself.

**SIDING (WOOD):**

Years covered: One (1) *except where noted*

DEFICIENCY or Condition: *Delaminating of veneer siding or joint separation*

OUR RESPONSIBILITY: All siding will be installed so that it meets the manufacturer's standards and industry and local standards. WE will repair or replace any siding that delaminates or separates. WE will not try to match up paint colors with existing siding.

YOUR RESPONSIBILITY: Protect the siding from damage, such as not leaning heavy objects against the siding, ball dents and water from irrigation systems. Also, annually seal and/or re-caulk siding.

**NOTE:** Wood Siding otherwise is **not** covered under this LIMITED HOME WARRANTY.

Gaps on end and side edge may occur due to normal expansion and contraction.

WE cannot control the nature of wood expansion and contraction, and have **no** responsibility for this condition.

**SITE DRAINAGE:**

Years covered: One (1)

DEFICIENCY or Condition: *Improper site drainage*

OUR RESPONSIBILITY: WE will establish the proper grades and swales for the water to drain properly away from the HOME. Water will not stand or pond within 10 feet away from the HOME for extended periods of time after rain or snow melting (usually no more than 24 hours or so depending on the impact of the storm). For swales, which drain other areas or

where sump pumps discharge, a longer time is not unusual (around 48 hours). It is normal for water to stand after a heavy rainfall. WE will not make grading or ponding determinations while there is frost or snow on the ground, or while the ground is saturated or frozen.

**YOUR RESPONSIBILITY:** Maintain the grades and swales after they have been properly established by US. Insure established drainage patterns are not impeded by landscaping, decking, patios, pools, driveways, walks, etc... which YOU installed. Do not change the grade of the soil away from the foundation by building planters, flower beds or any other blocking construction. Damage caused by changes in drainage and grading is **not** a covered item under this LIMITED HOME WARRANTY. We have **no** responsibility for this condition.

**SITE GRADING:**

Years covered: One (1)

DEFICIENCY or Condition: *settling of ground around foundation, utility trenches or other filled areas does not allow water to drain away from the home.*

OUR RESPONSIBILITY: WE will fill excessively settled areas which affect the proper drainage. WE will do this only one (1) time, after your closing date, and within the first year during the first year.

YOUR RESPONSIBILITY: Remove and replace shrubs, sod and/or any other landscaping affected by the placement of the fill.

**WATERPROOFING:**

Years covered: One (1)

DEFICIENCY or Condition: *Leaks in basement*

OUR RESPONSIBILITY: Dampness on the walls or floors in the basement is not a defect. However, if water is seeping through the basement walls, WE will repair the leaks only in the first year of coverage. WE recommend purchasing our 2-10-year waterproofing package prior to construction.

YOUR RESPONSIBILITY: Maintain proper grades and drainage around the home and landscape properly to avoid water problems in the HOME.

**WINDOWS: (Wood, Plastic, Metal)**

Years covered: One (1) *except where noted*

A. DEFICIENCY or Condition: *Windows do not function properly*

OUR RESPONSIBILITY: WE will correct the windows so that they are relatively easy to open and close.

YOUR RESPONSIBILITY: Keep tracks and rollers, cleaned, lubricated and adjust periodically.



B. DEFICIENCY or Condition: *Sliding Doors do not operate properly*

OUR RESPONSIBILITY: Sliding doors will be installed in accordance with the manufacturer's specifications. WE will repair inoperative sliding doors.

YOUR RESPONSIBILITY: Keep tracks and rollers, cleaned, lubricated and adjust periodically.

C. **NOTE:** Condensation and/or frost on the inside surface of windows is *not* a covered item under this LIMITED HOME WARRANTY.

CI.

Condensation may occur on the interior window surfaces with extremes in temperature and humidity. Individual living habits can impact humidity levels. These conditions are beyond OUR control and WE have **no** responsibility for this condition.

If a humidifier is installed, YOU must follow the manufacturer's recommendation for proper setting of the humidistat. WE strongly urge every homeowner, to have a humidifier, especially if the HOME has more than a hundred square feet of hardwood flooring.

**WOOD FLOORS (FINISHED):**

Years covered: One (1) *except where noted*

DEFICIENCY or Condition: *Cracks between the floor boards*

OUR RESPONSIBILITY: WE will repair cracks that are more than 3/16-inch wide. This warranty is invalid, if the HOMEOWNER fails to properly maintain the hardwood floors.

YOUR RESPONSIBILITY: HOMES with hardwood flooring, must have a humidifier to maintain proper humidity control within the wood. It is out of OUR responsibility/control how a HOMEOWNER maintains THEIR flooring after closing. Wear and tear problems will be determined by a flooring representative.

**NOTE:** Changes in the finish and coloring of the hardwood flooring is not a covered item under this LIMITED HOME WARRANTY. WE do not warranty any color fading within the hardwood flooring. Colors and finishes may change over time, due to normal wear and tear, penetrating sunlight, excessive spillage of liquids or chemicals, improper cleaning/and or cleaning solutions, etc... We have **no** responsibility for these conditions.