

LAKESIDE HOMES

HOMEOWNERS MANUAL (pages 1-50)

Pre-Settlement Orientation

Before taking possession of your home, a Pre-Settlement Orientation (PSO) will be scheduled with the Project Manager who has been in charge of the construction of your home. Usually the PSO will be 7-10 days prior to Settlement. The purpose of this meeting is to familiarize you with the operation of all equipment, to review owner's maintenance responsibilities and to demonstrate the quality and features of your home. Any items that are not up to industry standards of workmanship will be noted for correction.

Please review kitchen cabinets, plumbing fixtures, lighting fixtures, flooring, siding, carpet and other visible items very carefully for scratches, chips or flaws, because these items will not be replaced or repaired after you have occupied the home. It must be assumed that any such damage resulted from your use of the home if not identified during the PSO.

We also ask that you pay close attention to all of the Project Manager's instructions, particularly on how to care for the kitchen cabinets, countertops, appliances, furnace, and water heater. All agreed upon items for correction will be noted on the PSO form, a copy of which will be given to you. Items noted should be attended to within ten (10) business days, weather permitting. When all noted items are completed, you will be asked to sign the orientation form that the work has been completed.

Closing

Closing will take place at MRW; 31 Garrett Street, Warrenton, VA., or another designated closing office agreed to by the Builder. You will be given possession of the home following satisfactory completion of pre-settlement and closing, including transfer of funds.

You may not move your family or any of your furniture into the home before the final settlement takes place and the occupancy permit has been issued by the local municipality. You will receive the keys to your new home approximately 30-60 minutes after Closing. This includes the de-mastering of the locks on your home to their specific keys by you and the project manager.

Utility Obligations

In most communities you personally must apply for activating telephone, water, electrical and (where applicable) natural gas service. In some cities, utility companies require advance notice in order to service you in the time frame you require. You will get a letter with more details on this from the Sale Manager.

Also, in some cases, deposits may be required. You are required to remove our name as of date of closing.

Service

In emergency situations (anything that may make the premises uninhabitable or cause permanent damage) you should contact directly those companies listed on the contact list you received at the PSO. If you are unable to adequately take care of the problem, please call or email any representative of Lakeside Homes during normal business hours.

Easements & Restrictive Covenants

It is very likely that easements on or adjacent to your lot have been granted to municipalities or utility companies. They typically include right-of-way areas for street, line of site, and sidewalk, as well as electric, telephone, sewer, water and gas utility lines. In some cases drainage easements have been established to control water run-off.

The easements are normally included on your plot plan, the community map, and/or the recorded plot plan. This may not always be the case, however, because easements can be created at any time. They are, however, a matter of record and can be found on file in the land records at the local Court House. Please remember that the use of land within recorded easements is at the discretion of the municipality or utility companies. Therefore, transformers or other utility boxes may be located within these areas without our knowledge. We have paid careful attention to these easements in locating your home on the lot and in the grading of your homesite. It's important not to change any grades in your drainage easements or install any structures of a permanent nature in easement areas.

Sometimes restrictive covenants may have been recorded by the community in which your new home will be built. These covenants are designed to protect the value of your property by prohibiting, without approval, certain practices such as keeping of livestock, erecting of fences, etc. The restrictions vary from community to community.

In addition, there are zoning and community regulations that apply to your community. Such regulations govern building setback lines, side yard regulations, square footage regulations, and in some cases may cover the extent and type of alterations you can make to your property. Check with your local governmental authorities if you plan to alter your home or grounds.

Service and Maintenance Guide

I. INTRODUCTION

PLEASE READ THIS CAREFULLY. The following is intended to acquaint you with our responsibilities under this Limited Warranty. If a defect that results in actual physical damage to the home occurs, the Performance Standards will be used to determine our obligation under this Limited Warranty. If a specific defect is not addressed in the Performance Standards, one of the following standards will be used to determine our obligation under this Limited Warranty:

- a. Locally adopted codes; or
- b. Model codes covering building, mechanical, plumbing and electrical systems (Appendix A); or
- c. Codes of nearby jurisdictions; or
- d. Locally accepted building practices.

Also note that coverage on certain items varies within the Warranty Period and some items rely on proper maintenance and timely notification by the Homeowner. We reserve the right to review each warranty claim individually based upon the circumstances of the claim.

Any time that warranty service is performed during the Warranty Period, such service continues to be covered within the remaining original Warranty Period; however, there is not any extension to any service item beyond the original Warranty Period.

THE LIMITED WARRANTY PROVIDED FOR IN THIS BOOKLET INCLUDES BINDING ARBITRATION IN THE EVENT OF A DISPUTE WHICH IS NOT SETTLED BETWEEN YOU AND THE BUILDER. YOU SHOULD READ THE ARBITRATION PROCEDURES AND BE FAMILIAR WITH YOUR RIGHTS AND RESPONSIBILITIES IN THE EVENT ARBITRATION IS USED.

II. NATURALLY OCCURRING GASES

A small percentage of homes in the United States experience elevated levels of radon gas and/or methane gas or other naturally occurring gases. These are naturally occurring gases which rise up and escape from the soil. This phenomenon can occur in any home, regardless of the type of home or who builds it. We claim no expertise in the measurement or reduction of these gases in homes, nor do we provide any advice to homeowners as to acceptable levels or possible health hazards of the gases. As to radon, homeowners may wish to obtain a test kit that meets the EPA protocol for measuring the level of radon gas in their homes. EPA publishes a list which provides information on EPA-approved suppliers of such test kits. Further information is available through the U.S. Environmental Protection Agency or the applicable state environmental protection office. **WE MAKE NO WARRANTY, EITHER EXPRESS OR IMPLIED, AS TO THE PRESENCE OF NATURALLY OCCURRING GASES, SUCH AS RADON AND/OR METHANE, AT OR IN THE VICINITY OF THE SUBJECT PROPERTY.**

III. SOUND ATTENUATION

Although our homes meet or exceed the code requirements for sound attenuation, there remains the possibility that you will be able to hear sounds from interior and exterior sources through the windows, floors and walls. If noise is caused by a construction defect, such defect will be warranted as provided in this booklet; however, noise from whatever source cannot be excluded entirely.

IV. HOMEOWNER RESPONSIBILITIES

The home requires an active maintenance effort on the Homeowner's part to reduce the likelihood of damage due to neglect, improper maintenance, or abnormal use. Various regions of the country have different local maintenance issues. Some specific Homeowner responsibilities are included under specific topics in the section on Performance Standards.

The following is a list of specific home maintenance items which must be performed by the Homeowner. Other maintenance requirements are explained in this Manual.

- *Landscaping*
- *Drain Lines and Sump Pumps*
- *Grading and Drainage*
- *Foundation Water Leaks*
- *Roofing, Gutters and Downspouts*
- *Caulking*
- *Ceramic Tile*
- *Plumbing*
- *HVAC*

NOTE: Damage caused or made worse by Homeowner negligence, improper maintenance, or improper operation is expressly excluded under this Limited Warranty.

A. Landscaping

To properly start your lawn, we recommend that you purchase a book on lawn and garden care. Your lawn and/or shrubs will need regular and consistent attention. After final settlement, we cannot be responsible for seeing that this work is done. Your lawn and/or shrubs will show the effort you have put forth.

If you choose to install a sprinkler system, we are not responsible for site conditions, such as rock, which may affect the cost of such system.

SEEDED LAWNS:

In most cases, we fully sod your lawn. However, if your contract included a lawn package, you will receive a “starter” yard. Begin to water immediately to establish a moist soil condition, preferably in the morning. In hot weather, disease and fungus will attack wet grass, so you must allow time for the grass to dry off before nightfall. The amount of water your lawn requires will vary depending on the type of soil you have, temperature, humidity, wind, and amount of rain.

On new grass, it is important to keep the lawn mower blade sharp, so that the grass blades are cut, rather than pulled out or torn. Minimum cutting height of 3 inches should be kept in mind. Do not rake newly seeded lawns, if possible bag or collect clippings to encourage new growth. With starter lawns there will be areas that require you to spot seed. Also, stones which surface to the top are normal and should be removed by hand.

Your lawn will need to be fertilized and/or limed. Do not fertilize in hot weather, and always water after applying fertilizer. The most important item your new lawn will need is water, water, and more water. The Limited Warranty does not include the replacement of seeding or sod.

SODDED LAWNS:

Sod must be kept moist until the sod is well established (roots have grown into soil). This will usually take 3-4 weeks. After turf begins to grow, reduce watering to 2-3 times a week. Leave sprinkler in the same spot for 1 hour or until the ground is fully saturated. Then cut, water, and fertilize as you would an established lawn.

Your lawn will need to be fertilized and/or limed. Do not fertilize in hot weather, and always water after applying fertilizer. The most important item your new lawn will need is water, water, and more water. The Warranty does not include the replacement of seeding, sod, trees or shrubs.

TREES AND SHRUBS:

Water every other day for the first week, then once a week if temperatures are below 85 degrees, twice a week if above 85 degrees. It is important to soak the plants, not sprinkle the top of the mulch. Watering should continue through the fall of the first year. Trees need 5 gallons of water per week, more if it is hot. Shrubs and trees will need pruning and fertilizing. Again, we recommend that you purchase a book on garden and lawn care for more detailed instructions as there are too many variables to be specific.

Trees and shrubs, regardless of whether they were planted by us or not, are not warranted by us. The only exception would be if there are dying or dead trees or shrubs noted in the PSO.

B. Homeowner Maintenance Tips

Your new home has been carefully designed and constructed to provide you and your family with a safe, comfortable home. However, in order to maintain your home in top condition, some periodic attention on your part is necessary. In this Manual, we have incorporated maintenance ideas that we hope will be helpful to you.

C. Mold

Mold is a naturally occurring fungus which is spread by microscopic spores. Homes cannot be designed to exclude the possibility of mold spores circulating within the house and the subsequent development of mold. In order to grow, mold requires both a food source (i.e. fabric, carpet, drywall and wood, among others) and moisture. A homeowner can and should minimize moisture within the home in order to reduce or minimize mold growth. There are many possible sources of moisture within a home including, but not limited to, humidity, condensation, leaks, spills and overflows. Some or all of these sources of moisture can be prevented through good maintenance and housekeeping practices. It is important to note that if the source of moisture is not minimized within 24-48 hours, that it can prove to be the basis upon which mold may develop.

In light of the above, a homeowner has a continuing obligation to minimize the potential for mold growth and minimize mold when and if it develops. This can be effected by some or all of the following:

1. Regular vacuuming and cleaning of the house following manufacturer's recommendations for specific products.
2. The use of exhaust fans, the air conditioner and taking other steps to evaporate or facilitate the evaporation of moisture during seasons of high humidity, such as late spring, summer and early fall, to minimize the humidity within the home. If the home has a humidifier, make sure it is turned off during the seasons mentioned above.
3. Inspection for leaks on a regular basis within the house and, in that regard, looking for wet spots, discoloration, musty odors and any visible signs of mold. Particular care should be given to the inspection of condensation pans in refrigerators and air conditioners. All leaks should be repaired promptly.
4. Any spills, puddles or other sources of moisture should be cleaned up and dried as soon as possible. Under no circumstances should water be allowed to pool or stand in your home. Any materials that cannot be thoroughly dried, including drywall, insulation, padding or carpeting, should be replaced promptly.
5. Use of exhaust fans while cooking or using shower.

If, notwithstanding all of these preventive measures, mold should develop, the affected area should be cleaned with proper cleaning solutions.

Materials that cannot be cleaned effectively should be discarded. If the mold growth is severe, the services of a professional cleaner should be utilized.

As your builder, we should only be contacted where the source of moisture is a direct result of a building defect or mechanical problem within the applicable warranty period. Such notification must be given within 24 hours in order to minimize the possibility that the source of moisture will lead to mold development. We will not be responsible for any damages caused by mold or by any other agent arising from or connected with the mold for property damage, personal injury, emotional distress, death or adverse health effects.

D. Ice Damming

During prolonged severe winter weather conditions, ice and snow build-up is likely to occur at the eaves of a roof. This condition occurs when snow and ice accumulate and gutters and downspouts freeze.

It is important to check the gutters in the spring and fall, since the most serious damage to your home will result in the winter if gutters and downspouts are obstructed. It is the Homeowner's responsibility to keep gutters and downspouts clear of tree limbs, leaves, balls and other obstructions which can stop the downspout from functioning properly.

In the winter, ice build-up at gutters can pull gutters loose from the home. Ice build-up can also cause water to back up under the shingles and leak into the home. The installation of gutter guards may aggravate ice damming problems. Also, we will not remove ice damming from the roof. You may want to discuss coverage for these kinds of possible damage with your insurance agent when selecting a homeowner's insurance policy.

V. PERFORMANCE STANDARDS

A. ONE YEAR WARRANTY ITEMS

1.0 GENERAL DATA: Coverage: 1st Year Only, Workmanship and Materials As Stated

The Performance Standards list specific items (defects) within each separate area of coverage. The first section covers Workmanship and Materials; the second section covers Systems. The standards are expressed in terms of performance criteria. For easy comprehension, the format is designed as follows:

a. Service & Maintenance Tips

b. Problem Solving

1. Possible Condition

Brief statement, in simple terms, of problems that may be encountered.

Performance Standard

A performance standard relating to a specific deficiency.

Responsibility

A statement of the corrective action required of the Builder to repair the condition or a statement of the Homeowner's maintenance responsibilities.

2.0 SITWORK: Coverage: 1st Year Only, Workmanship and Materials As Stated

2.1 Sub-Surface Drainage Materials

a. Service & Maintenance Tips

We have water-proofed the outside of the foundation below grade with a high-quality water-proofing material. We have installed interior and/or exterior perimeter drainage to re-direct any water that may accumulate at the base of the foundation. It is important that you keep the ends of these drain relief pipes clear, so that the water flowing from around the foundation is not blocked.

We have established the grade around the outside of the home to carry the water away from your home. (See “Landscaping”). Your sump pump should be checked periodically, and if there is a float, check to see that it is operating freely. The sump crock should be flushed periodically to keep sediment from building up. For ease of operation, use silicone spray on the float and other moving parts. Power outages will affect the operation of the sump pump. Battery back-ups are available at local retail stores.

2.2 Surface Drainage

a. Service & Maintenance Tips

Proper grading is essential to provide and maintain a dry basement. We have provided proper drainage around your home in general conformance with the approved site plan as determined by local requirements. In some cases, the addition of swales and mounding around the outside of the foundation wall may have been necessary. It is important that the established grades be maintained, and the swales remain clear, so that surface water may flow away from your home. Gutters, downspouts, and splash blocks should be kept unobstructed and maintained to divert water away from the foundation.

Within the first year, we will provide on a one-time basis, labor and material to fill any settled areas to include water, electric, sewer and gas lines.

We will replace or put back landscaping (sod, seed or bushes) which is disturbed by the filling activities but we do not warrant or guaranty such replaced landscaping. In addition, the grass or sod may not match the existing yard.

b. Standards

1. Possible Condition

Settling of ground around foundation, utility trenches or other areas.

Performance Standard

Settling of ground around foundation walls, utility trenches or other filled areas should not interfere with water drainage from the home.

Responsibility

We will fill settled areas affecting proper drainage, one time only during the first year. We are responsible for removal and replacement of shrubs and other landscaping installed by us affected by placement of the fill. Grassed or landscaped areas which are disturbed during repair work will be restored. We are to restore, grade, seed, and landscape to meet proper conditions. Landscaping added by the Homeowner is not our responsibility for movement, maintenance, or replacement.

2. Possible Condition

Improper drainage of the site.

Performance Standard

The necessary grades and swales shall have been established by us to insure proper drainage away from the home. Standing or ponding water shall not remain for more than 48 hours in the immediate area after a rain; except in swales which drain other areas. The possibility of standing water after an unusually heavy rainfall should be anticipated. No grading determination shall be

made while there is frost or snow on the ground, or while the ground is saturated.

Responsibility

We are responsible only for initially establishing the proper grades and swales in the areas disturbed by construction. The Homeowner is responsible for maintaining such grades and swales once they have been properly established by us.

NOTE: Ponding Water shall be defined as visible surface water standing in low points in the yard, (not identified as permanent erosion control measures) generally 24 hours after cessation of a hard rain, and more than 48 hours in swales and other drainage areas identified on the site plan.

Certain government restrictions, such as the Chesapeake Bay Act, the Clean Air Act, and local environmental protection guidelines, may prohibit us from entering onto undisturbed areas of the lot, therefore the areas must remain in their natural state regardless of providing otherwise positive drainage.

Ponding or drainage caused by clearing, grubbing, raking, etc., by the Homeowner or neighboring homeowners is not our responsibility.

3.0 CONCRETE AND ASPHALT: Coverage: 1st Year Only, Workmanship and Materials As Stated

3.1 Impervious Concrete & Asphalt Porches, Steps, and Driveways (*refer to 3.2 for Pervious Concrete & Asphalt*)

a. Service & Maintenance Tips

Most exterior concrete cracking is caused by frost or uneven sub-grade settlement at sewers, drains, and utility line crossings. Minor cracks are a normal expectation and are best left alone. If cracks exceeding established performance standards occur, we will inspect them.

Salt and other de-icing chemicals used to melt snow and ice cause pitting and discoloration of the concrete. Even if you do not use salt, it can be tracked on to concrete surfaces from the street on feet or tires. In order to protect concrete from surface deterioration, we recommend the application of a concrete sealant available at most hardware or masonry supply houses which will help retard the deterioration of concrete surfaces.

Low spots in concrete drives are normal and can be broom swept after rain. For asphalt drives, we suggest that you apply a driveway sealer to help improve the durability and appearance of the driveway. Sealers should be applied every three (3) years. Asphalt driveways may be damaged by gasoline or oil spills or by sharp items, such as outdoor furniture legs, bicycle kickstands, etc. Vehicles parked in one position over a long period of time may cause wheel depressions. Similar damage may also be made by turning the wheels of an automobile while it is standing still during hot weather.

On asphalt drives, we will patch/fill sunken spots due to settlement of 2 inches or greater on a one-time basis during the first year of occupancy. We will not resurface the entire driveway because of sunken spots. Areas which are patched or filled may not match the existing driveway.

On a stone driveway, we will supply extra stone for sunken sewer line areas only in the first year after closing. We will not refill ruts resulting from the use of vehicles.

On driveways and garage slabs where Fiber-Mesh concrete is used, fibers may be seen on the surface of the concrete. This is an acceptable condition and we will take no action.

b. Standards

1. Possible Condition

Pitting, scaling or spalling of concrete work.

Performance Standard

Concrete surfaces should not disintegrate to the extent that the aggregate is exposed and loosened under normal conditions or weathering and use. However, surface spalling may occur during exceptionally cold conditions due to moisture saturation and freezing.

Responsibility

We will repair or replace defective concrete surfaces. We are not responsible for deterioration caused by salt, chemicals, implements used, and other factors beyond our control, including moisture saturation and freezing due to exceptional cold weather. Where a repair is made to the concrete surface, color and finish of the repaired area may not match the adjacent surface.

2. Possible Condition

Cracking, settling, or heaving of stoops, steps, nonstructural patios, driveways, and leadwalks.

Performance Standard

Stoops, steps, driveways and leadwalks are not to settle or heave permanently in excess of one inch in relation to the house structure. Cracks in steps and driveways which exceed 1/4 inch in displacement between sections will be replaced. A separation of up to 1/2 inch is permitted where the stoop or steps abut the house or where an expansion joint has been installed.

Responsibility

We will repair or replace concrete (at our option) to meet standard. Where a repair is made to the concrete surface, matching the color and finish of the adjacent surface cannot be expected.

3. Possible Condition

Surface cracks.

Performance Standard

Surface cracks in driveways and leadwalks no greater than 1/4 inch in displacement and/or separation.

Responsibility

We will repair or replace concrete (at our option) to meet standard. Where a repair is made to the concrete surface, matching the color and finish of the adjacent surface cannot be expected.

4. Possible Condition

Standing water on stoops.

Performance Standard

Water should drain from outdoor stoops and steps. However, it is acceptable for some water to stand as it dissipates.

Responsibility

We will repair or replace concrete (at our option) to assure drainage of steps and stoops. Where a repair is made to the concrete surface, matching the color and finish of the adjacent surface cannot be expected.

5. Possible Condition

Cracks in structurally attached patios with footing or foundation systems.

Performance Standard

Cracks in excess of 1/4 inch in width or 1/4 inch in vertical displacement are considered excessive and unacceptable in structurally attached patios.

Responsibility

We will repair as required. Where cracks are caused by settlement or improper installation, we will replace that portion which has settled. Matching the color and finish of the adjacent surfaces cannot be expected.

6. Possible Condition

Stains on concrete caused by curing/sealing agents, lawn fertilizer or other chemicals.

Performance Standard

These products can stain concrete, but usually fade with exposure to sunlight and weather.

Responsibility

None.

3.2 Pervious Concrete & Asphalt Leadwalks and Driveways (refer to 3.1 for Impervious Concrete & Asphalt)**a. Service & Maintenance Tips**

Most exterior concrete cracking is caused by uneven sub-grade settlement at sewers, drains, and utility line crossings. Minor cracks are a normal expectation and are best left alone. If cracks exceeding established performance standards occur, we will inspect them.

Salt and other de-icing chemicals used to melt snow and ice cause pitting and discoloration of the concrete. Any damage due to use of these products will not be covered under the warranty. Even if you do not use salt, it can be tracked on to concrete surfaces from the street on feet or tires.

Low spots in concrete drives are normal, and as water drains through the driveway and leadwalks during the rain there should not be any water standing in low spots unless the system has become clogged. As regular maintenance, debris such as leaves or mulch should be removed from the driveway surface.

Concrete and asphalt driveways may be damaged by gasoline or oil spills or by sharp items, such as outdoor furniture legs, bicycle kickstands, etc. Vehicles parked in one position over a long period of time may cause wheel depressions. Similar damage may also be made by turning the wheels of an automobile while it is parked.

On drives, we will patch/fill sunken spots due to settlement of 2 inches or greater on a one-time

basis during the first year of occupancy. We will not resurface the entire driveway because of sunken spots. Areas which are patched or filled may not match the existing driveway.

b. Standards

1. Possible Condition

Pitting, scaling or spalling of concrete work.

Performance Standard

Concrete surfaces should not disintegrate to the extent that the aggregate is exposed and loosened under normal conditions or weathering and use.

Responsibility

We will repair or replace defective concrete surfaces. We are not responsible for deterioration caused by salt, chemicals, implements used, and other factors beyond our control. Where a repair is made to the concrete surface, color and finish of the repaired area may not match the adjacent surface.

2. Possible Condition

Cracking, settling, or heaving of driveways, and leadwalks.

Performance Standard

Driveways and leadwalks are not to settle or heave permanently in excess of one inch in relation to the house structure. Cracks in driveways which exceed 1/4 inch in displacement between sections will be replaced. A separation of up to 1/2 inch is permitted where an expansion joint has been installed.

Responsibility

We will repair or replace concrete (at our option) to meet standard. Where a repair is made to the concrete surface, matching the color and finish of the adjacent surface cannot be expected.

3. Possible Condition

Surface cracks.

Performance Standard

Surface cracks in driveways and leadwalks no greater than 1/4 inch in displacement and/or separation.

Responsibility

We will repair or replace concrete (at our option) to meet standard. Where a repair is made to the concrete surface, matching the color and finish of the adjacent surface cannot be expected.

4. Possible Condition

Stains on concrete caused by lawn fertilizer or other chemicals.

Performance Standard

These products can stain concrete, but usually fade with exposure to sunlight and weather.

Responsibility

None.

5. Possible Condition

Water is not draining on walks or driveway.

Performance Standard

Drainage system may be clogged, and should be cleared using a shop vacuum as a part of regular maintenance of the driveway and leadwalks.

Responsibility

None.

3.3 Foundation Walls

a. Service & Maintenance Tips

Our homes have poured concrete.

The foundation walls are subject to a wide variety of stresses and strains. The base of the wall, being in the ground, maintains a fairly constant temperature; while the top portion extending out of the ground is subject to extreme temperature changes from summer heat to winter cold causing concrete and masonry to expand and contract.

The soil on which the foundation rests may settle slightly creating stress. Don't be alarmed if you see cracks in your foundation walls. Minor cracks normally require no action. If a large crack appears, please contact a Lakeside Homes representative and we will inspect it.

For additional information on foundation care see the sections on grading and waterproofing.

b. Standards

1. Possible Condition

Basement or foundation wall cracks.

Performance Standard

Shrinkage cracks are not unusual in concrete foundation walls. Such cracks greater than 1/8 inch in width are to be repaired.

Responsibility

We will repair cracks in excess of 1/8 inch width by pointing, patching or other method we determine.

3.4 Basement and Garage Floors

a. Service & Maintenance Tips

Concrete will contract and expand due to changing temperatures. Cracks are normal and are best left alone. Because of the nature of the concrete materials, some minor low spots may occur on your basement floor. Therefore, some sections of the floor may have to be broom swept to remove water during cleaning. Cracks or low spots will not affect the overall strength of the floor. Color variation of concrete is normal. Color will become more uniform with age.

Occasionally, basement floors will collect water as a result of condensation of warm, moist air on the cold basement floor. For an explanation of this condition, see “Condensation”. Mildew may also result from this condition. You should be selective about what you store on a basement floor. Items that are susceptible to moisture should not be stored on concrete floors. Also, dehumidifiers can help maintain moisture at the desired level.

b. Standards

1. Possible Condition

Separation or movement of concrete slabs within the structure at joints.

Performance Standard

Concrete slabs within the structure are designed to move at joints.

Responsibility

None

2. Possible Condition

Cracking of basement floor and house slab.

Performance Standard

Minor cracks in concrete basement floors are normal. Cracks which exceed 3/16 inch in width or 1/8 inch in vertical displacement shall be repaired.

Responsibility

We will repair cracks exceeding maximum tolerances by surface patching or other methods as we determine.

3. Possible Condition

Cracking of slab in attached garage.

Performance Standard

Cracks in garage slabs in excess of 3/16 inch in width or 1/8 inch in vertical displacement shall be repaired.

Responsibility

We will repair cracks exceeding maximum tolerances by surface patching or other methods as determined by us.

4. Possible Condition

Uneven concrete floors/slabs.

Performance Standard

Except for basement floors or where a floor or portion of floor has been designed for specific drainage purposes, concrete floors in rooms designed for habitability shall not have pits, depressions or areas of unevenness exceeding 1/4 inch in 32 inches.

Responsibility

We will correct or repair to meet the performance standard. When applicable, surface patching is an accepted method of repair. We will re-install or replace any finish flooring materials originally

provided by us as necessary.

5. Possible Condition

Cracks in concrete slab-on-grade floors with vinyl “sheet goods” finish flooring.

Performance Standard

Cracks which rupture the finish flooring material shall be repaired.

Responsibility

We will repair cracks, as necessary, so as not to be readily apparent when the finished flooring material is in place. We will, at our option, repair, reinstall, or replace any finished flooring materials originally provided by us as necessary. We do not guarantee color matches of repaired floors due to die lots, age and normal wear and tear.

3.5 Welled Exits and Areaways

a. Service and Maintenance Tips

Welld exits or area drains must be kept clear of debris and periodically cleared to avoid water migration into the basement.

Your home is equipped with a sump pump, the welld exit will be connected to the floor crock. (see additional information regarding sump pumps in Section 2.1a.)

b. Standards

1. Possible Condition

Welld exit floods.

Performance Standard

Welld exits should not flood if kept clear of debris.

Responsibility

We are not responsible for flooding if the welld exit is not kept clear of debris.

4.0 MASONRY: Coverage: 1st Year Only, Workmanship and Materials As Stated

4.1 Foundation Walls

a. Service & Maintenance Tips

The grade adjacent to foundation walls has a tendency to settle and expose some portion of the wall. (See Surface Drainage)

b. Standards

1. Possible Condition

Basement or foundation wall cracks.

Performance Standard

Small cracks not affecting structural stability are not unusual in mortar joints of masonry

foundation walls. Cracks greater than 1/8 inch in width shall be repaired.

Responsibility

We will repair cracks in excess of 1/8 inch by pointing or patching.

These deficiencies shall be reported and repairs made during the first year of the warranty period.

4.2 Brick Veneer

a. Service & Maintenance Tips

The brick selected for your home has been professionally color coordinated with your exterior siding package to provide a visually pleasing exterior scheme as integrated with your surrounding neighborhood.

Please refrain from planting ground cover or ivy which could creep up the foundation wall, and as a result, dilute the strength of the mortar. We cannot be held responsible for the appearance of cracks resulting from vegetation, efflorescence (i.e., a white film which forms on brick in cold weather and disappears as warm weather returns) or other Homeowner maintenance items.

b. Standards

1. Possible Condition

Cracks in masonry walls, veneer, brick steps, or stoops.

Performance Standard

Small hairline cracks due to shrinkage are common in mortar joints in masonry construction.

Cracks greater than 1/8 inch in width are considered excessive.

Responsibility

We will repair cracks in excess of performance standard by pointing or patching. We will not be responsible for color variation between old and new mortar. These repairs should be made toward the end of the first year warranty period to permit the home to stabilize and for normal settlement to occur.

5.0 METALS: Coverage: 1st Year Only, Workmanship and Materials As Stated

5.1 Porch/Areaway Rails

a. Service & Maintenance Tips

Ornamental iron rails, due to their location, are often exposed to severe climate conditions which can cause rusting. Inspection of railings should be made annually (in the Spring) to identify potential rust

problems and repair as part of a normal maintenance schedule. Extended periods of rust on these rails, when left untended, often lead to unsightly rust wash/drip down on concrete and masonry surfaces.

b. Standards

1. Possible Condition

Rust shows through exterior areaway or porch rails.

Performance Standard

No rust should be visible at the final service inspection.

Responsibility

We will spot sand unacceptable rust areas only, seal with red oxide metal primer, and paint to match one time only during the first year warranty period. Rust stains are not covered by this Warranty beyond that stated above.

6.0 WOOD AND PLASTICS: Coverage: 1st Year Only, Workmanship and Materials As Stated**6.1 Rough Carpentry****a. Service & Maintenance Tips**

Like other building materials, wood is affected by heat and cold. It may contract or expand with weather changes. It may shrink under extreme dryness or swell under extreme humidity. Your new home has been built with top quality lumber, which has been dried in a kiln to help restrict the wood's movement. However, some shrinkage and swelling is unavoidable. The areas that are primarily affected by lumber movement will be floors, ceilings, moldings, doors, baseboards, resilient floors, hardwood, ceramic tile, and drywall (see Section 9.4 for warranty coverage for resilient floors).

b. Standards**1. Possible Condition**

Floor squeak or subfloor appears loose.

Performance Standard

Floor squeak and loose subfloor are often temporary conditions common to new home construction, and a squeak-proof floor cannot be guaranteed.

Responsibility

We will correct the problem if caused by faulty construction within reasonable repair capability. The method of corrective action to be taken shall be at our discretion.

Where necessary, we will remove the finished floor materials to make the repair and re-install or replace if damaged.

2. Possible Condition

Wood floor is uneven.

Performance Standard

Floors shall not have more than a 1/4 inch ridge or depression within any 32 inch measurement. Allowable floor and ceiling deflections are governed by the local building codes.

Responsibility

We will correct or repair to meet performance standard.

3. Possible Condition

Wood floor is out of level

Performance Standard

No point on the surface of a wood floor shall be more than ½ inch higher or lower than any other point on the surface within 20 feet, or proportional multiples of the preceding dimensions.

Responsibility

We will make the necessary modifications to any floor which does not comply with the performance standard for levelness. Allowances should be made for shrinkage, cantilevers and concentrated loads. Excessive loads added by the Homeowner are not our responsibility and will not be covered under the Performance Standard.

4. Possible Condition

Bowed walls or ceilings.

Performance Standard

All interior and exterior walls have slight variations on their finished surfaces. Bowing of walls should not be visible so as to detract from the finished surfaces. Walls or ceilings bowed more than 1/4 inch within any 32 inch horizontal or vertical measurement is a deficiency.

Responsibility

We will repair the bowed area to meet performance standard.

5. Possible Condition

Out of plumb walls.

Performance Standard

Walls should not be more than 1/4 inch out of plumb for any 32 inch vertical measurement.

Responsibility

We will repair the area to meet performance standard.

6. Possible Condition

Floor deflection, vibration.

Performance Standard

With drywall construction, the allowable floor vibration deflection is 1/360th of the clear span between bearing points - or slightly more than 5/8 inch on a twelve (12) foot clear span.

NOTE: Floor deflection due to vibration occurs as live loads (people) move about over a wood framed floor; and some floor movement will occur.

Responsibility

None.

6.2 Trim Carpentry**a. Service & Maintenance Tips**

Possible consequences of wood shrinkage and swelling due to the settlement of the home may be seen in slight cracks around doorways or windows and nail pops around baseboards and on outside

corners.

b. Standards

1. Possible Condition

Separation of wood joints of interior trim.

Performance Standard

Joints in moldings and adjacent surface shall not result in open joints exceeding 1/8 inch in width.

Responsibility

We will repair separated joints, as defined, one time only during the first year. Caulking defective joints is an acceptable practice.

7.0 THERMAL AND MOISTURE PROTECTION: Coverage: 1st Year Only, Workmanship and Materials As Stated

7.1 Water Proofing

a. Service & Maintenance Tips

Your basement is protected against leakage (leakage is defined as: actual trickling of water through the walls and onto the basement floor or seeping through the floor) for a period of one year. Leaks caused by changes in the landscaping installed by the Homeowner, or failure of the Homeowner to maintain proper grades are not covered by this Warranty.

We suggest that you avoid planting shrubbery too close to the foundation. Soil in shrub beds should be packed and banked so that the water will drain away from your home.

b. Standards

1. Possible Condition

Leaks in basement or in foundation/crawl space.

Performance Standard

Leaks resulting in actual trickling of water shall be repaired. Leaks caused by improper landscaping or failure to maintain proper grades are not covered by this Limited Warranty. Dampness of the walls or floors may occur in new construction and is not considered a deficiency. Ground water is a naturally occurring phenomenon which may fluctuate during certain seasons and weather conditions. In crawl space construction, we will install a positive drain through the foundation or into a sump crock to help evacuate the collection of the water within the crawl space. We will also install a polyethylene vapor barrier over the ground to help prevent the development of excessive humidity in the crawl space.

Responsibility

We will take such action as necessary to correct basement and crawl space leaks, except where the cause is determined to be the result of action or Homeowner negligence. Conditions contributing to water penetration will be repaired. It is the Homeowner's responsibility to maintain the systems installed in the home to minimize water infiltration. The Homeowner should periodically inspect the positive drain in the crawl space for obstructions, such as debris. The Homeowner should do the same for the drain overflow and/or the sump pump. The Homeowner

should also inspect the vapor barrier in the crawl space to insure it is not damaged.

7.2 Insulation

a. Service & Maintenance Tips

Your home has been provided with an insulation package designed to meet or exceed applicable building codes.

Special attention has been paid to the type and size of insulation available within the construction envelope, quality of installation and perimeter seal.

b. Standards

1. Possible Condition

Insufficient insulation.

Performance Standard

Insulation shall be installed in accordance with applicable energy and building code requirements.

Responsibility

We will install insulation in sufficient amounts to meet the Performance Standard.

7.3 Roofs, Gutters and Downspouts

a. Service & Maintenance Tips

The roofing material on your new home is composition shingles, they will be a “seal down” shingle. These shingles have a mastic applied to the underside of the shingle, and once the sun hits the roof, the mastic seals the upper shingle to the one beneath it.

Special care should be taken to avoid damaging your roof when installing television or radio antennas or satellite dishes. A careless job can cause serious leaks. Excessive traffic (walking) on the roof can cause damage. If shingles become loose, consult us or the roofing contractor, provided in your phone list, to effect the repair. Also, roof trusses are not designed as storage space.

Extra weight added to the roof (such as solar panels) may disrupt the structural integrity of the truss support systems. The use of a structural engineer to determine if any additional support is required, as well as the use of a reputable installer, both are recommended when adding extra weight to the roof system.

Special care should be taken when metal standing seam roofs have been installed. A professional roofing contractor should be consulted for maintenance issues.

NOTE: All roofing and flashing should be checked twice a year in order to maintain a good watertight condition. Homeowners should take care when checking flashing and vents for cracked sealant, wind damage, and protruding nails. Shingles should be checked for loose or damaged sections. It is especially important to maintain sealant where flashing meets the brick.

b. Standards

1. Possible Condition

Roof or flashing leaks.

Performance Standard

Roofs or flashing shall not leak under normally anticipated conditions, except where cause is determined to result from ice build-up, high winds, or Homeowner action or negligence.

Responsibility

We will repair any verified roof or flashing leaks not caused by ice build-up or Homeowner action or negligence.

2. Possible Condition

Standing water on roof.

Performance Standard

A properly pitched roof is to drain water except for minor ponding. Flat roofs will retain a certain amount of water. Excessive ponding of water which cause roofing material to leak is a deficiency.

Responsibility

We will take corrective action to assure proper drainage of roof and repair all leaks due to or caused by standing water.

3. Possible Condition

Water standing in gutters.

Performance Standard

When gutter is unobstructed by debris, the standing water level shall not exceed 1 1/2 inches in depth. Industry practice is to install gutters approximately level. Consequently, it is entirely possible that small amounts of water will stand in certain sections of gutter immediately after a rain.

Responsibility

We will correct to meet the Performance Standard.

4. Possible Condition

Gutters and/or downspouts leak.

Performance Standard

Gutters and downspouts shall not leak, but gutters may overflow during heavy rain.

Responsibility

We will repair leaks.

5. Possible Condition

Leaks due to snow or rain driven into the attic through louvers or vents.

Performance Standard

Attic vents and/or louvers must be provided for proper ventilation of the attic space of the structure. However, snow and rain can enter the attic through these vents and louvers when

certain negative pressure conditions exist.

Responsibility

None.

7.4 Louvers & Vents

a. Service and Maintenance Tips

Soffit and ridge vents must be kept clear/open to minimize humidity which could cause movement of certain framing members within the structure.

b. Standards

1. Possible Condition

Inadequate ventilation of attics and unconditioned crawl spaces.

Performance Standard

Attic and crawl spaces shall be ventilated as required by the approved building code.

Responsibility

We shall provide for adequate ventilation. We will not be responsible for alterations to the original system.

7.5 Siding & Trim

a. Service & Maintenance Tips

All exterior materials on your home require periodic maintenance. Some materials such as prefinished siding should be washed to maintain their appearance and remove airborne materials that can damage the finish. Other materials such as fiber cement siding and all trim must be maintained (repainted and/or re-stained) periodically. The durability of paint finishes will vary depending upon climate, exposure, and other factors. Paints or stains extend the life of the surfaces, reduce mildew, and help you achieve the color effect you desire from your siding and trim. Failure to maintain the painted surfaces on your home can result in stain damage from mildew.

The aluminum or vinyl siding on your home is characterized by its maintenance saving finish. The finish reduces costly priming and painting. You may occasionally want to wash your siding. If you do, use a mild detergent (no bleach) and a soft brush or cloth.

The shutters on your home may be washed in the same manner as the siding.

We will not be responsible for damage to the siding caused by high winds, severe storms, or lack of maintenance. All wood/composition exterior materials must be inspected for wear and maintained by the Homeowner.

b. Standards

1. Possible Condition

Siding is bowed

Performance Standard

Bows exceeding ½ inch in 32 inches are unacceptable.

Responsibility

We will install additional nails in siding to meet nailing schedules which are standard in the industry and will replace any siding that does not meet the standard. Note: some waviness in siding is to be expected because of bows in studs.

2. Possible Condition

Poor quality of exterior trim workmanship.

Performance Standard

Joints between exterior trim elements, including siding and masonry, should not result in open joints in excess of 3/8 inch. In all cases the exterior trim, masonry, and siding should be capable of performing its function to exclude the elements.

Responsibility

We will repair open joints and touch up finish coatings where repaired to match existing as close as possible. Caulking is acceptable for joints 3/8 inch in width or less.

7.6 Caulking

a. Service & Maintenance Tips

Caulking around all exterior openings should be inspected by the Homeowner every spring and fall. Caulking can easily be repaired with caulking compound which can be purchased from most hardware stores.

b. Standards

1. Possible Condition

Leaks in exterior walls due to caulking.

Performance Standard

Joints and cracks in exterior wall surfaces and around openings shall be properly caulked to exclude the entry of water.

Responsibility

We will repair and/or caulk joints or cracks in exterior wall surfaces as required to correct deficiencies once, during the first year of the Warranty Period. Properly installed caulking will shrink and must be maintained by the Homeowner during the life of the home.

8.0 DOORS AND WINDOWS: Coverage: 1st Year Only, Workmanship and Materials As Stated

8.1 Condensation & Humidity

a. Service & Maintenance Tips

Relative humidity is the percentage of water vapor in the air compared to the maximum amount of water vapor that could possibly be present in the air at a given temperature. As temperature increases, the capacity of air to hold moisture increases. For example, there is considerably more

actual moisture in 70 degrees air with 40% relative humidity than there is in 0 degrees air with 40% relative humidity.

In older homes, it is possible for great volumes of colder air, with lower quantities of moisture, to leak into the structure. In the winter, if moisture was not added to these older homes often, the air feels dry.

With your new home, we have attempted to prevent any significant quantity of outdoor air from entering, and therefore, the relative humidity should remain in a comfortable range.

On the other hand, although the proper humidity level will make your home comfortable, the creation of excess moisture can create problems.

The “tightness” of the home restricts outdoor air from entering and lowering the relative humidity. Because of the restriction of outside air flow, moisture introduced into the home has less chance to escape and may create a high humidity condition in the home. As moisture levels increase, condensation could form on windows, glass doors, basement walls, or pipes in the basement.

It is recommended that the windows are locked when not in use and that the Homeowner keep the window weep holes clean and open.

b. Standards

1. Possible Condition

Condensation and/or frost on windows.

Performance Standard

Windows will collect condensation on interior surfaces when extreme temperature differences and high humidity levels are present. Condensation is usually the result of climatic/humidity conditions created by the Homeowner.

Responsibility

No corrective action required.

The Homeowner can usually correct condensation by properly venting the clothes dryer to the outside, using an outside air source, such as an open window when cooking, and operating the exhaust fans when showering or bathing.

2. Possible Condition

Condensation between glass.

Performance Standard

Should not occur within manufacturer’s warranty.

Responsibility

We will replace the glass during the first year. After the first year, the Homeowner must contact the window manufacturer to obtain the replacement glass as allowed within the manufacturer’s product warranty. The Homeowner is responsible for the replacement of the glass.

8.2 Doors (Exterior & Interior)

a. Service and Maintenance Tips

Your new home is equipped with a variety of door types. These will react differently under various weather and humidity conditions. The exterior doors are equipped with a weather-stripping which provides maximum seal against air filtration.

Occasional spraying of graphite into key slots of lock sets, tightening of lock set screws, and keeper adjustment will assure you of proper operation of your door locks. The sweep weather-stripping at the bottom of the door may require periodic adjustment or replacement as the material wears.

Your sliding glass doors, if selected, will give you many years of service if you follow these suggestions: Periodic cleaning of the bottom track will allow the sliding panels to move freely. An occasional application of ordinary household “3-in-One” oil or silicone spray along the bottom track is also recommended. Be sure the drain holes are clear, so that rainwater can flow out of the track. Sliding doors are not designed to be waterproof if hosed off with direct high pressure from a hose.

On interior wood doors, a certain amount of expansion and contraction in width is normal due to the changing temperature and humidity. Doors will be wider in summer and in humid periods and narrower in dry weather conditions. Therefore, do not be hasty in adjusting, planing or cutting your door, as it will tend to correct itself.

b. Standards

1. Possible Condition

Warpage of exterior and interior doors.

Performance Standard

Doors will warp to some degree. However, they should not warp to the extent that they become inoperable or cease to be weather resistant. The maximum allowable warpage is 1/4 inch when measured from top to bottom vertically and diagonally.

Responsibility

We will correct defective doors.

2. Possible Condition

Warpage of interior passage and closet doors.

Performance Standard

Interior doors (full openings) shall not warp in excess of National Woodwork Manufacturers Association Standards (1/4 inch, measured diagonally from corner to corner).

Responsibility

We will correct or replace and refinish defective doors to match existing doors as nearly as possible, during the first year of the Warranty Period.

3. Possible Condition

Sticking, binding doors.

Performance Standard

Doors should not stick or stay open due to hinge bound condition.

Responsibility

We will reset sticking/hinge bound doors one time only during the first year of the Warranty Period.

8.3 Garage Doors

a. Service and Maintenance Tips

The moving parts of garage doors should be lubricated and the torsion spring greased about once every three months. The screws that tighten the hardware to the door should be tightened about once a year, or as necessary. Garage door handles should be regularly inspected by the Homeowner as to possible jagged or sharp edges so that cuts and other injuries can be avoided.

Garage door openers added after closing may affect the operation of the garage door and may void the Warranty.

b. Standards

1. Possible Condition

Garage doors fail to operate properly under normal use.

Performance Standard

Garage doors shall operate properly.

Responsibility

We will correct or adjust garage doors as required during the first year of the Warranty Period.

2. Possible Condition

Garage doors allow entrance of snow or water.

Performance Standard

Garage doors shall be installed as recommended by the manufacturer. Some entrance of the elements can be expected under abnormal conditions.

Responsibility

We will adjust or correct garage doors to meet manufacturer's recommendations.

8.4 Windows

a. Service and Maintenance Tips

The windows should be maintained by keeping the sill and side tracks clean, and spraying any side tracks with silicone spray. Vinyl liners and jambs should not be painted.

Window Screens

WARNING: The window screens, frames, and fastening systems have been designed by the window and screen manufacturers only to keep most insects out of your home. The manufacturers have not designed the system to support any weight other than that of the screen itself, therefore, the screen system will not prevent children or pets from falling through open windows to the ground below. Parents should be careful to prevent children or pets from leaning against the screens.

b. Standards

1. Possible Condition

Malfunction of windows.

Performance Standard

Windows should operate with reasonable ease, as designed.

Responsibility

We will correct or repair as required.

2. Possible Condition

Broken Glass.

Performance Standard

None.

Responsibility

Broken glass not reported to us prior to closing is the Homeowner's responsibility.

9.0 FINISHES: Coverage: 1st Year Only, Workmanship and Materials As Stated

9.1 Drywall (Walls & Ceilings)

a. Service & Maintenance Tips

Drywall is used to cover your interior walls. Drywall can take the normal hard wear of family life, but if damage occurs it can easily be repaired with spackling compound and fine sandpaper.

b. Standards

1. Possible Condition

Cracks in interior wall and ceiling surfaces.

Performance Standard

Hairline cracks are not unusual in interior wall and ceiling surfaces. Cracks greater than 1/8 inch in width are to be repaired.

Responsibility

We will repair cracks exceeding 1/8 inch in width one time only during the first year of the Warranty Period.

2. Possible Condition

Defects seen in natural light which appear during the first year of the Warranty Period such as nail pops, blisters in tape, or other blemishes.

Performance Standard

Slight "imperfections" such as nail pops, seam lines and cracks are common in gypsum wallboard installations.

Responsibility

None.

9.2 Ceramic Tile (Walls & Floors)

a. Service & Maintenance Tips

Ceramic Tile, Tub, and Shower

A separation between the tub and the wall tile and/or cracking of joints between ceramic tile and tub and shower stall corners may occur because of moisture and normal settlement in these areas. The weight of water and a bather also contribute to such separation. This is a normal homeowner's maintenance function, and you can remedy these situations by simply removing the old grouting and

filling the crack with new grouting compound available at hardware stores. This situation may develop periodically depending on living habits and maintenance. Grout should be inspected every three months.

Normally, a wipe with a damp cloth will keep the tub/shower surface clean. Heavy accumulations of film can be removed with a detergent or tile cleaner. In all cases, use a nonabrasive cleaner. An automotive pump spray wax may be used to bring out the luster in these products.

Ceramic Tile Floors

If you have chosen ceramic tile flooring in your new home, we suggest the following maintenance hints.

Some cracking or chipping of the grout is considered normal, due to shrinkage and normal deflection of the subfloor. You can repair simply by filling with a commercial grouting of the same color. Although durable, some caution must be exercised to avoid cracking tiles with heavy objects.

It is recommended that you install a "Ceramic Seal and Finish" product immediately after you move into your new home, and a minimum of every two years thereafter. This sealing will reduce stains and discoloration of the grouting.

b. Standards

1. Possible Condition

Ceramic tile cracks or becomes loose.

Performance Standard

Ceramic tile should not crack or become loose.

Responsibility

We will replace cracked tiles and re-secure loose tiles except when caused by Homeowner neglect. In addition, we will correct the cause of the loose or cracking tile condition. We will not be responsible for discontinued patterns or color variations in ceramic tile but will match as closely as possible.

2. Possible Condition

Cracks appear in grouting of ceramic tile joints.

Performance Standard

Cracks in grouting or ceramic tile joints are commonly due to shrinking condition.

Responsibility

We will repair grouting as necessary, one time only during the first year. We will match as closely as possible. Re-grouting of these cracks is a maintenance responsibility of the Homeowner after the first year of the Warranty Period.

9.3 Finished Wood Flooring

a. Service and Maintenance Tips

Because of the natural characteristics of wood products, some squeaks in the flooring can be expected. If hardwood is used as a flooring material in your home, some minor separations between the boards may occur due to shrinkage of the material which is a common occurrence and will vary with temperature and humidity levels. Some color fading or irregularities may occur due to exposure to sunlight. It is widely accepted within the industry that vertical displacement between the boards be no greater than 1/16". The hardwood finished surface can be scratched. Care must be taken to protect the surface, especially in high traffic areas. Chair and table legs and high heel shoes will cause damage to the surface. The Homeowner should take precautions to protect flooring and follow recommended cleaning procedures.

b. Standards

1. Possible Condition

Gaps developing between floor boards.

Performance Standard

Gaps in excess of 1/8 inch in width shall be corrected.

Responsibility

We will repair gaps in excess of 1/8 inch within the first year of the Warranty Period, by filling or replacing, at our option. We are not responsible for discontinued flooring or different graining or color variations in the wood. We will match the existing floor as closely as possible. Also, face nailing on wood floors is commonly used along walls and other places for repairs.

9.4 Resilient Floors

a. Service and Maintenance Tips

We have chosen these floors for their design, availability, and resistance to wear. Some items that you should be aware of are:

1. Raised nail heads are caused by movement of the floor joist because of shrinkage and deflection. We have attempted to minimize this problem by using special nails or screws and by gluing the plywood to minimize the number of fasteners required.
2. Seam separation or lifting is normally caused by water seeping between the joints during floor cleaning. Floors should be damp mopped, but not flooded with water, during cleaning.
3. Resilient flooring often separates near heat registers or at the outside walls of a room. The heat from the registers softens the glue (mastic) and causes the flooring to move when stepped on or when a chair is pushed against the tile area.

Expansion and contraction of underlayment (where used) or subflooring may also cause separation. We have sanded the underlayment joints and filled them to minimize the possible problem of ridges showing through your floor. Minor ridging may occur due to shrinkage of the underlayment. A maintenance booklet supplied with the Homeowner's Documents provides directions for proper floor care.

b. Standards

1. Possible Condition

Nail pops appear on the surface of resilient flooring.

Performance Standard

Readily apparent nail pops shall be repaired.

Responsibility

We will correct nail pops which have broken the surface. We will repair resilient floor covering in the affected area with similar material. We will not be responsible for discontinued patterns or color variations in the floor covering. Replacement of the floor will only be done in our sole discretion.

2. Possible Condition

Depressions or ridges appear in the resilient flooring due to subfloor irregularities.

Performance Standard

Readily apparent depressions or ridges exceeding 1/8 inch shall be repaired. The ridge or depression measurement is taken at the gap created at one end of a six-inch straightedge placed over the depression or ridge with three inches of the straightedge on one side of the defect, held tightly to the floor.

Responsibility

We will take corrective action as necessary to bring the defect within acceptable tolerance so that the affected area is not readily visible. We will not be responsible for discontinued patterns or color variations in floor covering. Replacement of the floor will only be done in our sole discretion.

3. Possible Condition

Resilient flooring loses adhesion.

Performance Standard

Resilient flooring shall not lift, bubble, or become unglued.

Responsibility

We will repair the affected resilient flooring as required. We will not be responsible for discontinued patterns or color variation of floor covering. Replacement of the floor will only be done in our sole discretion.

4. Possible Condition

Seams or shrinkage gaps show at resilient flooring joints.

Performance Standard

Gaps shall not exceed 1/16 inch in width at resilient floor covering joints. Where dissimilar materials abut, a gap not to exceed 1/8 inch is permissible.

Responsibility

We will repair the affected resilient flooring as required. Tears, cuts, or scrapes in the finished surface are not our responsibility unless such defects are identified prior to the Homeowner taking occupancy of the home. We will not be responsible for discontinued patterns or color variation of floor covering. Replacement of the floor will only be done in our sole discretion.

9.5 Painting

a. Service and Maintenance Tips

Maintenance of all exterior materials on the Home (wood, siding, trim, cpvc, etc.) should be done by the Homeowner as a routine program. Paints or stains extend the life of the painted components on the exterior of the Home. Your local paint or hardware store can assist you in the selection of the proper paint for your home.

Mildew or fungus will form on almost any surface if the structure is subject to high humidity and/or high moisture conditions. The formation of mildew or fungus is a condition we cannot control and is your maintenance responsibility.

b. Standards

1. Possible Condition

Exterior paint peels, deteriorates, or fades.

Performance Standard

Exterior paints should not peel during the first year of the Warranty Period. However, fading is normal and the degree is dependent on climatic conditions.

Responsibility

If paint is defective, we will refinish affected areas, matching color as close as possible, in areas where the finish deterioration affects the majority of the wall area.

2. Possible Condition

Painting required as a corollary repair because of work other than drywall nail pops, seams and corners.

Performance Standard

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

Responsibility

We will finish repair areas as indicated. We will NOT repaint any repaired drywall or interior trim areas.

3. Possible Condition

Deterioration of varnish or lacquer finish.

Performance Standard

Natural finishes on interior woodwork should not deteriorate during the first year of ownership.

Responsibility

We will refinish affected areas of natural finish interior woodwork, matching the color as closely as possible.

4. Possible Condition

Mildew or fungus on painted surfaces.

Performance Standard

Mildew or fungus will form on a painted surface if the surface is subject to excessive exposures to a food source (i.e., fabric, carpet, drywall, wood and insulation, among others) and to moisture.

Responsibility

Mildew or fungus formation is a condition the Builder cannot control and is a Homeowner maintenance item.

9.6 Carpeting

a. Service and Maintenance Tips

Carpet maintenance should be tailored to the specific fiber used in the carpet. Generally, carpet care includes vacuuming and prompt attention to spills. Our carpets were selected for their ability to withstand normal wear and tear with minimum care. When available, a booklet will be given to you at your New Home Orientation. There is no express warranty of any kind, or implied warranty which will prescribe a carpet care program for your specific carpet pile fiber.

Seams and color variations (shading) may be evident depending on the style of carpeting and the pile fiber you have chosen. Some color fading may occur due to constant exposure to direct sunlight. Closing the drapes during certain times of the day will help prevent such fading.

We will not be responsible for stains, color variation or damage due to Homeowner neglect including, but not limited to, pet stains. The Homeowner should clean these areas immediately after soiling, as required.

b. Standards

1. Possible Condition

Open carpet seams.

Performance Standard

Carpet seams will show. However, no visible gap is acceptable.

Responsibility

We will correct visible gaps only.

2. Possible Condition

Carpeting becomes loose, seams separate or stretching occurs.

Performance Standard

Wall to wall carpeting, installed by us as the primary floor covering, when stretched and secured properly should not come up, become loose, or separate from its point of attachment.

Responsibility

We will re-stretch or re-secure carpeting as needed one time only during the one year Warranty Period.

3. Possible Condition

Spots on carpet, minor fading.

Performance Standard

Exposure to light may cause spots on carpet and/or minor fading.

Responsibility

None.

9.7 Hardware

a. Service and Maintenance Tips

Certain types of interior and/or exterior hardware are painted or coated to take on an appearance of brass or other colors. These types of finishes are commonly used for electrical fixtures, plumbing fixtures, door knobs, kickplates, etc. and have a tendency to fade, rub off, discolor, or tarnish. Brass finishes should be wiped down with a damp sponge and care taken to avoid abrasive cleaners.

IMPORTANT NOTE REGARDING BRASS, BRONZE AND OTHER ANTIQUE FINISH PRODUCTS: The manufacturer applies a protective coating to the plated surface of , brass, bronze, and other antique finish products. In time the protective lacquer may deteriorate either from exposure to weather, extremes of climate, frequency of use or other factors. Care should be taken when cleaning these surfaces to use a nonabrasive type cleaner (soap and water) and coat with a nonabrasive polish.

Tarnishing or excessive wear of these finishes is, therefore, not a defect, but a normal process which is unavoidable. Under these circumstances, these finishes cannot be guaranteed and, therefore, products will not be repaired or replaced under this Warranty. The manufacturer's warranty may exceed this Warranty.

b. Standards

1. Possible Condition

Brass finish tarnishes during the first year.

Performance Standard

Brass finishes tarnish over time due to exposure to climatic conditions, human perspiration and frequency of use.

Responsibility

None.

10.0 SPECIALTIES: Coverage: 1st Year Only, Workmanship and Materials As Stat

10.1 Fireplaces (Wood Burning)

a. Service and Maintenance Tips

If your home is equipped with a wood burning fireplace, there are certain things that you should do to insure its proper operation. First, you should be sure before igniting a fire that the damper above the firebox has been opened. For the best burning results, we recommend that you buy a steel grate for holding the logs while burning.

When the fire is burning, the flue will be drawing not only the smoke from the fire, but the warm air from your room, and if the room is open to other rooms, it will cause much of the warm air throughout the home to be drawn up through the chimney.

Be sure to close the damper after the fire has been completely extinguished.

Avoid using manufactured paper logs in fireplaces. They may contain chemicals that can induce a flue fire.

b. Standards

1. Possible Condition

Fireplace or chimney does not draw properly.

Performance Standard

It is normal to expect that high winds can cause temporary negative draft situations. Similar negative draft situations can also be caused by obstructions such as large branches of trees too close to the chimney.

Responsibility

We will determine the cause of the malfunction and correct if the problem is one of design or construction of the fireplace.

2. Possible Condition

Chimney separation from structure to which it is attached.

Performance Standard

A newly built fireplace may incur slight amounts of separation. Separation should not exceed 1/2 inch from the main structure in any 10 foot vertical measurement.

Responsibility

We will determine the cause of separation and correct if standard has not been met. Caulking is acceptable.

3. Possible Condition

Brick firebox color changed.

Performance Standard

None.

Responsibility

None. Heat from fires as well as chemical additives will alter finish.

4. Possible Condition

Cracked firebrick and mortar joints.

Performance Standard

None.

Responsibility

None. Heat from fires may cause cracking.

10.2 Fireplaces (Direct Vent)**a. Service and Maintenance Tips**

If your home is equipped with a direct vent fireplace, there are certain things that you should do to insure its proper operation. You should insure that the pilot light is lit. Looking through the glass at the base of the logs you can see the pilot light. Instructions for lighting the pilot are provide in the area accessed through the cover below the firebox.

The homeowner will need to inspect the external vent cap on a regular basis to make sure that no debris is interfering with the airflow.

Because a Direct Vent fireplace is a sealed unit, when the fire is burning, the fire box will not be drawing heat from the inside of your home. The firebox becomes extremely hot and the homeowner should take care not to touch or have heat sensitive items next to the firebox.

There is no damper to operate with a direct vent fireplace.

When direct vent gas fireplaces are provided, improper adjustments, alterations, service or maintenance can cause injury or property damage. Refer to the manual for assistance or additional information consult a qualified installer, service agency or the gas supplier.

b. Standards**1. Possible Condition**

Vapors may condense and fog the glass.

Performance Standard

For the first few minutes after each lighting vapors may fog the glass and the flames may be blue. After a few minutes this moisture will disappear and within 10-15 minutes the flames should become yellow.

Responsibility

None.

2. Possible Condition

Fireplace may produce a (oil canning) noise.

Performance Standard

The oil canning noise is caused by the metals expansion and contraction as it heats up and cools down. This does not affect the operation or longevity of the fireplace.

Responsibility

None.

3. Possible Condition

Glass fronts may become dirty on the inside of the firebox.

Performance Standard

It is possible that a film may build up on the side of the glass which faces the firebox created by emissions from the gas or propane flames.

Responsibility

None. The Homeowner may be required to provide periodic cleaning to the glass surfaces. Refer to the manual for assistance.

WARNING: TURN OFF THE GAS VALVE LOCATED UNDER THE FIREBOX PRIOR TO ANY SERVICING.

WARNING: DO NOT OPERATE THE UNIT WITH OUT THE GLASS FRONTS PROPERLY INSTALLED AND SEALED.

11.0 KITCHEN CABINETS, VANITIES AND COUNTER TOPS: Coverage: 1st Year Only, Workmanship and Materials As Stated

11.1 Counter Tops/Surfaces

a. Service & Maintenance Tips

All laminated kitchen countertops, cultured marble vanity, ceramic tile, Corian and granite tops and walls should be wiped down with a nonabrasive cleaner and brought to “sparkle” with a cleaner and polish recommended by the manufacturer.

b. Standards

1. Possible Condition

Cultured materials (marble, granite, etc.) have sections of discoloration in areas of the stone.

Performance Standard

Cultured materials are cut from natural stone and as such may have color variances between pieces.

Responsibility

None.

2. Possible Condition

Cultured material has developed a crack or chip inside of it.

Performance Standard

Stone should be free of chips and cracks at time home is settled.

Responsibility

Cracks or chips that appear following settlement are not covered by the warranty since these were not caused by the original installation.

3. Possible Condition

Surface cracks and joint de-laminations in high pressure laminates on vanity and kitchen cabinet countertops and cabinets.

Performance Standard

Countertops fabricated with high pressure laminate coverings will not delaminate or crack. However, it is recommended that water not be allowed to stand in the seams of counter tops.

Responsibility

We will replace delaminated or cracked coverings. We will not be responsible for chips, scratches, and cracks noted after the Pre Settlement Orientation or for delamination from water which causes swelling of the base material.

4. Possible Condition

Kitchen and bath cabinet malfunctions.

Performance Standard

Warpage not to exceed 1/4 inch as measured from face frame to point of furthest warpage with door or drawer front in closed position.

Responsibility

We will correct or replace door or drawer fronts.

5. Possible Condition

Gaps between cabinets, ceilings and walls.

Performance Standard

Acceptable tolerance is 1/4 inch in width.

Responsibility

We will correct any gap over 1/4 inch by installing a trim piece.

6. Possible Condition

Variation in color between adjacent kitchen and bath cabinets of the same style.

Performance Standard

Variations of grain pattern and color are normal in wood veneer and solid wood cabinets and doors.

Responsibility

None.

7. Possible Condition

Shrinkage of insert panels show raw wood edges.

Performance Standard

Panels will shrink and expand and may expose unpainted surface.

Responsibility

None. The Homeowner is responsible to touchup and maintain these areas to match the door color and finish.

8. Possible Condition

Split in door panel.

Performance Standard

Split panels shall not allow light to be visible through the doors.

Responsibility

If light is visible, we will fill the split and the match paint or stain as closely as possible, one time only in the first year of the Warranty Period.

12.0 **PLUMBING**: Coverage: 1st AND 2ND Year Only, Workmanship and Materials As Stated

12.1 Water Supply, Sewers, Fixtures & Drains

a. Service and Maintenance Tips

In preparing your home for occupancy, the sewers have been flushed and tested to work properly. Water supply systems and fixtures have been pressure tested to eliminate leaks. If however, clogging does occur due to our negligence, it should become apparent within the first 30 days after occupancy.

Should drainage from a tub, toilet, sink, or shower clog, you may attempt to relieve it by use of a plunger (available at most hardware stores). If the plunger does not work, a plumber's snake should be used to determine if a fixture or trap is blocked versus a system failure.

Temperature fluctuations may occur with the hot and cold water when other fixtures are being used at the same time. A "ticking" sound is sometimes noticeable when water pipes expand and contract.

Water pressure often varies by individual municipalities and is not controlled by us.

A series of maintenance tips should be employed by the Homeowner to minimize costly plumbing repairs:

1. Care should be observed to avoid disposal of paper towels, heavy tissue, sanitary products, and other such materials into plumbing fixtures in order to minimize the possibility of clogging. After thirty (30) days of occupancy, we will not be responsible for sewer clogs unless it is determined that faulty materials or workmanship have been employed or the original installation was improperly completed.
2. Winterize your exterior hose bibs and plumbing lines by closing the valve to each faucet inside the house and opening the hose connections at each exterior location. The water at the bleeder

valve inside should be drained

3. Each plumbing fixture in your home has a drain “trap”, a piece of drain pipe designed to provide a water barrier between your home and the possible odor of sewer gas. This “trap” holds water which prevents the airborne bacteria and odor of the sewer gas from entering the home. If a fixture is left unused, it should be turned on at regular intervals to replace evaporating water and to ensure that the trap barrier remains intact. Periodically refill the traps of unused fixtures.
4. Welled exit or areaway drains must be kept clear of debris and periodically cleaned in order to avoid water migration into the basement. (See Section 3.4).

b. Standards

1. Possible Condition

Defective plumbing fixtures, or trim fittings.

Performance Standard

Fixtures, appliances, or fittings will function as designed.

Responsibility

We will replace any defective fixture, fitting, or appliance which does not meet acceptable standards.

2. Possible Condition

Faucet or valve leak.

Performance Standard

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

Responsibility

We will repair or replace the leaking faucet or valve.

3. Possible Condition

Noisy water pipes.

Performance Standard

There will be some noise emitting from the water pipe system, due to the flow of water.

Responsibility

None.

4. Possible Condition

Cracking, chipping, or scratching of porcelain or fiberglass surfaces on tubs, showers lavatories, bar tops and sinks.

Performance Standard

Chips and cracks on surfaces of bathtubs and sinks can occur when surface is hit with sharp or heavy objects.

Responsibility

We will not be responsible for repairs unless damage has been reported to us prior to occupancy.

12.2 Water Heater

a. Service and Maintenance Tips

The water heater in your home, whether electric or gas, is equipped with a temperature and pressure relief valve, which is designed to open in the event excessive pressure or temperature builds up within the tank. When this happens, water is allowed to flow from the tank. As the temperature and/or pressure are reduced, the flow will stop. If a steady flow of water is coming from the pressure relief valve, the water main should be shut off.

Gas hot water tanks normally have a temperature dial (hot, warm, mild) on the outside of the tank, and the temperature can be completely controlled by adjusting the dial.

On an electric hot water heater, because of the inherent danger in resetting the temperature, we suggest that you call a serviceman.

Refer to the manual provided with the water heater from the manufacturer for suggested maintenance of your hot water tank, in all cases, before making any adjustments.

Though we warrant the operation of the water tank appliance for one year, the manufacturer's warranty may exceed our Warranty. Please refer to your Homeowner's Documents for your exact coverage.

Under no circumstances should you turn on an electric water heater without water in the tank because the element will quickly burn out. **In the case of any emergency with water or hot water heaters, be sure to familiarize yourself with where and how to turn off the water supply.**

12.3 Wells

a. Well Service and Maintenance Tips

A well water system utilizes groundwater contained in soil and rock pores and is susceptible to pollution from contaminants that move through the soil and filter down to the groundwater.

Do not store toxic or hazardous substances near your well.

Protect the well head from cars, mowers, or other traffic, which may damage it.

Have your well inspected and sampled regularly by your local health department or qualified independent lab to assure it is properly protected.

Do not overuse or abuse pesticides, herbicides and fertilizers. Follow the package directions carefully.

Do not flush toxic or hazardous substances down the toilet or pour such substances into home drains, storm drains or onto the ground surface.

Many Health Departments recommend you have your well tested after any repairs are made to your

well or if you notice a change in the taste or color of your well water. Your Health Department or independent lab can test your well for bacteriological quality and conduct chemical analysis for certain substances such as iron, acidity, or hardness.

b. Standards

1. Possible Condition

Well supply system fails to deliver water.

Performance Standard

All well systems shall be designed and installed in accordance with all approved building, plumbing, and health codes.

Responsibility

We will repair if failure is the result of defective workmanship or materials during the warranty period. If conditions beyond our control disrupt or eliminate the sources of the supply, we have no responsibility.

B. TWO YEAR WARRANTY ITEMS

13.0 ELECTRICAL: Coverage: 1st AND 2ND Year Only, Workmanship and Materials As Stated

13.1 Electrical Systems

a. Service and Maintenance Tips

To provide complete safety, high-quality electrical wiring, outlets and switches have been installed in your new home to meet both local and federal standards of safety. Part of the electrical system is located in the circuit breaker terminal box. It is here that electrical power enters and is distributed throughout the home.

Large appliances or too many small appliances on one circuit may cause the circuit breaker to trip. Other causes of a breaker tripping could be:

1. Worn-out cords
2. Defective plug connections
3. Defective appliances
4. Starting of electrical motors (motors require more current to start than they use while running)

To restore electrical power to its circuit:

1. Remove plug or plugs which may be causing the overloading.
2. Reset the circuit breaker by pushing it all the way to the off position, then push the switch to the on position. If the reset switch automatically switches off again, your circuit is still overloaded, or that particular circuit has a short. If one circuit continues to break, call a qualified electrician.

Light fixtures require various wattage of bulbs. The instructions on the fixture should be followed carefully. In no event, should bulbs of higher than recommended wattage be utilized.

Problems with appliances should be directed to the appliance manufacturer involved.

Selected receptacles in kitchen, baths, garages, and outside of the home are covered by a ground fault interrupter or breaker. These GFI's sense low level ground faults and assure optimum protection for our homeowners. Due to the sensitivity of the GFI circuit, it may trip more frequently than other circuits. These receptacles are not to be used for appliances which demand high current usage; such as freezers, refrigerators, and other appliances with motors or compressors.

WARNING

“Do it yourself” electrical wiring is dangerous and may void the Warranty. The electrical circuit in your home has been designed for trouble free services and safety. If you desire additional wiring, call a qualified electrician. Don't jeopardize your home and the lives of your family and yourself by installing unauthorized circuits.

b. Standards

1. Possible Condition

Fuses blow or circuit breakers “kick out”.

Performance Standard

Fuses and circuit breakers which deactivate under normal usage when reset or replaced are deficient.

Responsibility

We will check wiring circuits for conformity with local, state, or approved National Electrical Code requirements. We will replace wiring or breakers if they do not perform adequately or are defective.

2. Possible Condition

Malfunction of electrical outlets, switches or fixtures.

Performance Standard

All switches, fixtures, and outlets should operate as intended.

Responsibility

We will repair or replace defective switches, fixtures, and outlets.

3. Possible Condition

Ground fault circuit interrupter and arc fault trips frequently.

Performance Standard

Ground fault interrupters and arc faults are sensitive safety devices installed into the electrical system to provide protection against electrical shock. These sensitive devices can be tripped very easily. Ground fault interrupters are required in outlets located in the garage, kitchen, bath, and powder room along with all exterior outlets. Ground fault interrupters should operate as intended.

Responsibility

We will install ground fault interrupters in accordance with applicable electrical codes. We will replace the device if found to be defective.

13.2 Smoke Detectors

a. Service and Maintenance Tips

Smoke detectors should be vacuum cleaned semi-annually and checked for replacement 5 years after settlement. Replace battery annually.

b. Standards

1. Possible Condition

Failure of wiring to carry its designed circuit load to switches and receptacles.

Performance Standard

Wiring should be capable of carrying the designed load for normal residential use.

Responsibility

We will check wiring for conformity with local, state, or approved national electrical code requirements.

We will replace wiring if it fails to carry the design load.

14.0 PLUMBING: Coverage: 1st AND 2ND Year Only, Workmanship and Materials As Stated

14.1 Water Supply, Sewers, Fixtures & Drains

a. Service and Maintenance Tips

All water lines have been installed in your home in accordance with applicable building and plumbing codes.

In some municipalities water pressure is abnormally high, and regulators are installed to reduce the water pressure within the home so that appliance life may be maintained. Do not adjust this regulator once it is installed.

b. Standards

1. Possible Condition

Water supply system fails to deliver water.

Performance Standard

All on-site service connections to municipal water supply shall be our responsibility. Private systems shall be designed and installed in accordance with all approved building, plumbing, and health codes.

Responsibility

We will repair if failure is the result of defective workmanship or materials. If conditions beyond our control, disrupt or eliminate the sources of the supply, we will have no responsibility.

14.2 Septic System

a. Service and Maintenance Tips

Septic systems are individual wastewater treatment systems that use the soil to treat small wastewater flows, usually from individual homes. They are typically used in rural or large lot settings where centralized wastewater treatment is impractical. There are many types of septic systems in use today. While all septic systems are individually designed for each site, most septic systems are based on the same principles.

The accumulated solids or sludge in the bottom of the septic tank should be pumped out every three to five years to prolong the life of your system. Septic systems must be maintained regularly in order to function properly.

Neglect or abuse of your septic system can cause it to fail. Failing septic systems can:

- cause a serious health threat to your family and neighbors;
- degrade the environment, especially lakes, streams, and groundwater;
- reduce the value of your property;
- be very expensive to repair;
- put thousands of water supply users at risk if you live in a public water supply watershed and fail to maintain your system.

Be alert to these warning signs of a failing system:

- sewage surfacing over the drainfield (especially after storms);
- sewage back-ups in the house;
- lush, green growth over the drainfield;
- sewage odors.

b. Standards

1. Possible Condition

Septic system fails to operate properly.

Performance Standard

Septic system will function adequately during all seasons, under climatic conditions normal or reasonably anticipated, based on local records, for the location of the home. Septic systems shall be designed and installed to comply with applicable laws.

Responsibility

We will repair, or otherwise correct, a malfunctioning or non-operating system, if failure is caused by inadequate design, faulty installation, or other causes relating to our actions or contractors or subcontractors under our control. We will not be responsible for system malfunction or damage which is caused by Homeowner negligence, lack of system maintenance, or other causes attributable to actions of the Homeowner or Homeowner's contractors, not under our control, including, but not necessarily limited to: the addition of fixtures, items of equipment appliances or other sources of water or water to the plumbing system served by the septic system; and damage, or changes to the septic system installation or surrounding soil conditions critical to the system's functioning.

14.3 Piping

a. Standard

1. Possible Condition

Leakage from any piping.

Performance Standard

No leaks of any kind are to be present in any sanitary soil, waste vent, or water piping. Condensation on piping does not constitute leakage, and is not covered.

Responsibility

We will make repairs to eliminate leakage.

14.4 Sewers, Fixtures and Drains

a. Standards

1. Possible Condition

Stopped up sewers, fixtures, and drains.

Performance Standard

Sewers, fixtures, and drains shall operate properly.

Responsibility

We will not be responsible for sewers, fixtures, and drains which are clogged due to Homeowner negligence or lack of maintenance. If a problem occurs, the Homeowner should consult with us for a proper course of action. Where defective construction is shown to be the cause, we will assume the cost of the repair; where Homeowner negligence or lack of maintenance is shown to be the cause, the Homeowner shall assume all repair cost.

2. Possible Condition

Plumbing pipes freeze and burst.

Performance Standard

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

Responsibility

We will correct conditions responsible for pipes freezing, and repair damaged piping. It is the Homeowner's responsibility to drain or otherwise protect lines and exterior faucets commonly exposed to freezing temperatures, including closing and protection of foundation vents in crawl space foundation areas, when applicable. **The Homeowner is also responsible for maintaining suitable temperatures in the home as a safeguard against freezing pipes and in no event should a Homeowner turn off the home's service of heat while vacationing or otherwise being away from the home.**

15.0 HVAC: Coverage: 1st AND 2ND Year Only, Workmanship and Materials As Stated

a. Service and Maintenance Tips

A complete and correct understanding of your heating and cooling equipment can help you minimize your energy consumption.

Your home may be equipped with a gas or electric furnace, with or without air-conditioning or an electric heat pump which provides both heating and cooling. One basic rule applies to all these systems: during the heating season the thermostat should be set to maintain the lowest temperature at which you are comfortable in your home. Each degree of higher temperature setting results in a marked increase in the fuel consumption. Likewise, during the cooling season, each degree of lower setting also increases fuel consumption by a significant amount.

All the HVAC systems utilize a furnace, ductwork, registers, filter, and a thermostat to control the temperature in the home.

Thermostat

The thermostat controls the temperature produced by the HVAC system. If your home is heated by a warm air system, your thermostat may also have controls for converting the system from heating to cooling and vice versa.

Registers

The registers in your home help to regulate the flow of air to maintain the desired temperature. Personal taste in comfort levels may require slight adjustments in the registers to keep each living area at the desired temperature.

If your lower level is too cool in the winter, start closing upper level registers until the desired results are obtained. If your upper level is too warm in the summer, close lower level registers until the desired result is obtained.

Maintenance

In all forced air heating systems, the basic requirement for maintaining economical operation of your furnace is to keep the air filter clean. Building activity in and around the home crates excessive amounts of dust and dirt, and the filter should be check and replaced monthly.

With outdoor heating/cooling units, it is important to keep leaves and snow from around the unit, and to keep the unit level for maximum efficiency. It is also recommended to have a qualified person annually clean the mildew that collects on the evaporator and condenser coils. The heat exchanger should also be checked regularly for damage or defects.

You might also notice steam rising from your outdoor heat pump unit during cold weather. This is a normal occurrence when the unit is completing its defrost cycle.

Service

There are some things that you should check prior to calling for service.

1. If your system is operating but is not providing adequate heating or cooling, check the following:
 - Filter
 - Thermostat setting.
2. If your system doesn't function at all, check circuit breakers to see if they have tripped. Circuit breakers may be reset by switching all the way to "off" and then to "on".

NOTE: Gas furnaces have a separate switch located near the furnace unit inside the home.

If the circuit breakers trip immediately after resetting, call a repairman for services. Interruptions of power (such as during electrical storms when lights blink) can cause a circuit breaker to trip. If your system malfunctions during or just after a thunderstorm, the circuit breakers would be the first item to check.

Whatever system you have in your home, it should be checked and cleaned by a professional repairman. See your instruction manual for the recommended frequency of care for your system. You may wish to contact your HVAC contractor to establish a regular maintenance program.

b. Standards

1. Possible Condition

Inadequate heating.

Performance Standard

The heating system shall be capable of producing an inside temperature of 70 degrees F, as measured in the center of each room at a height of 5 feet above the floor, under local outdoor winter design conditions. Temperature at the thermostat will be plus or minus 3° F from the set point temperature. Federal, state, or local energy codes shall supersede this standard where such codes have been adopted.

Responsibility

We will correct heating system to provide the required temperatures.

2. Possible Condition

Inadequate cooling.

Performance Standard

Where air conditioning is provided, the cooling system shall be capable of maintaining a temperature of 78 degrees F, as measured in the center of each room at the height of 5 feet above the floor, under local outdoor summer design conditions. Temperature at the thermostat will be plus or minus 3° F from the set point temperature. In the case of outside temperatures exceeding 95 degrees F, a differential of 20 degrees F from the outside temperature will be maintained. Federal, state, or local energy codes shall supersede this standard where such codes have been adopted.

Responsibility

We will correct cooling system to meet temperature conditions, in accordance with specifications.

3. Possible Condition

Condensation lines clog.

Performance Standard

None.

Responsibility

Condensation lines will clog eventually under normal use. This is a Homeowner maintenance item. We shall provide unobstructed condensation lines at the time of first occupancy.

4. Possible Condition

Improper mechanical equipment operation of evaporative cooling system.

Performance Standard

Equipment should function properly at temperature standard set without unreasonable fuel consumption.

Responsibility

We will correct and adjust so that blower and water systems operate as designed.

5. Possible Condition

Noisy ductwork.

Performance Standard

When metal is heated, it expands and when cooled, it contracts. The result is “ticking” or “crackling” which is to be expected.

Responsibility

None.

6. Possible Condition

Oil canning.

Performance Standard

The stiffening of the ductwork and the gauge of the metal used shall be such that ducts do not “oil can”. The booming noise caused by “oil canning” is not acceptable.

Responsibility

We will correct to eliminate this sound during 2 year Warranty Period.

7. Possible Condition

Ductwork separates or becomes unattached.

Performance Standard

Ductwork shall remain intact and securely fastened.

Responsibility

We will reattach and re-secure all separated or unattached ductwork.

8. Possible Deficiency

Refrigerant lines leak.

Performance Standard

Refrigerant lines shall not develop leaks during normal operation.

Responsibility

We will repair leaking refrigerant lines and recharge unit, unless damage was caused by the Homeowner.

V. APPENDIX A - DEFINITIONS

DEFINITIONS - In general - In this subtitle the following words have the meanings indicated.

- A. Appliances** - “Appliances” refers to range tops, stoves, ovens, refrigerators, dishwashers, washers and dryers, microwaves, and other similar items.
- B. Fixtures, and Items of Equipment** - “Fixtures and items of equipment” means furnaces, propane tanks and fittings, air purifiers, air handling equipment, ventilating fans, air conditioning equipment, water heaters, pumps, stoves, refrigerators, garbage disposals, compactors, dishwashers, automatic door openers, washers and dryers, bathtubs, sinks, toilets, faucets and fittings, lighting fixtures, circuit breakers, and other similar items.
- C. Builder** – Lakeside Homes, LLC, a Virginia LLC.
- D. Electrical Systems** - “Electrical Systems” means all wiring, electrical boxes, switches, outlets and connections up to the public utility connection.
- E. Heating, Cooling and Ventilating Systems** - “Heating, cooling, and ventilating systems” means all duct work, steam, water and refrigerant lines, registers, convectors, radiation elements and dampers.
- F. Load-bearing portions of the Home** - “Load-bearing portions of the home” means the load-bearing portions of the:
1. Foundation system and footings;
 2. Beams;
 3. Girders;
 4. Lintels;
 5. Structural columns;
 6. Load-bearing walls and partitions;
 7. Floor framing systems; and
 8. Roof framing system.
 9. Porches (including screened-in) and decks installed by Builder during the initial construction of the New Home, specifically the roof framing system and deck footers.
- G. Local Jurisdiction** - “Local Jurisdiction” means any local governmental entity having permit and inspection requirements for the construction of a new home.
- H. New Home**
1. “New Home” means every newly constructed private dwelling unit and the fixtures and structure that are made a part of a newly constructed private dwelling unit at the time of construction.
 2. “New Home” does not include:
 - (i) Outbuilding, including detached garages and detached carports, except outbuildings that contain plumbing, electrical, heating, cooling, or ventilation systems serving the new home;
 - (ii) Decks and/or Screened-in Porches which are not part of the original construction of the home installed by us.
 - (iii) Boundary walls;

- (iv) Retaining walls not necessary for the structural stability of the new home;
- (v) Landscaping;
- (vi) Fences;
- (vii) Off-site improvement;
- (viii) Appurtenant recreational facilities, and
- (ix) Other similar items.

I. New Home Warranty - “New Home Warranty” means a series of written promises made by a Builder that meets the requirements of this subtitle.

J. Owner - The “Owner” is defined as the original purchaser(s) who take both title and possession of the designated home within the applicable warranty periods for residential purposes.

K. Plumbing Systems - “Plumbing Systems” means:

1. Gas supply lines and fittings;
2. Water supply, waste, and vent pipes and their fittings;
3. Septic tanks and their drain fields;
4. Water, gas, and sewer service piping and their extensions to the tie-in of a public utility connection; or
5. On-site wells and sewage disposal systems.

L. Major Structural Defect

1. “Major Structural Defect” means any defect in the load-bearing portions of a new home that adversely affects its load-bearing function to the extent that the home becomes or is in serious danger of becoming unsafe, unsanitary, or otherwise uninhabitable.
2. “Structural Defect” does not include damage caused by movement of the soil:
 - (i) Resulting from a flood, earthquake, acts of God, or
 - (ii) For which compensation has been provided.
 - (iii) Accidental loss or damage from causes beyond the fault and control of us, including but not limited to the following: fire, explosion, smoke, water escape, windstorm, frost, hail, lightning, flood, blasting, mining, falling trees, changes in the underground water table not reasonably foreseeable and earth movement not attributable to negligence on the part of us or its subcontractors or employees.

M. Warranty Date - “Warranty Date” means the first day that the original Purchaser occupies the new home, settles on the new home, makes the final contract payment on the new home, or obtains an occupancy permit for the new home if the home is built on the owner’s property, whichever is earlier.

M. Warranty Period – “Warranty Period” means the period of warranty coverage (1 year, 2 year or 10 year as applicable or noted) commencing on the Warranty Date.

APPENDIX B - BUILDING CODES

BUILDING CODES

Your home will be built according to the codes in force in your particular region during the time of construction.

HOMEOWNER – LIMITED WARRANTY (pages 51-54)

Note: Special, incidental and consequential damages are excluded under paragraph 10a, and implied warranties are limited under paragraph 10b. Please be sure to read this entire Homeowner Limited Warranty (the “Warranty”), including paragraphs 10a and 10b.

SPECIAL WARNING REGARDING WINDOW SCREENS

The window and door screens, frames and fastening systems have been designed by the window, door and screen manufacturers only to keep most insects out of your Home. The manufacturers have not designed the system to support any weight other than that of the screen itself, therefore, the screen system will not prevent small children or pets from falling through open windows to the ground below. Parents should be careful to prevent children or pets from leaning against the screens.

1. PERSONS PROTECTED

This Warranty of Lakeside Homes, LLC (the “Builder”) is extended to the original purchaser(s) identified above who take both title and possession of the designated home (the “Home”) within the applicable warranty periods for residential purposes (the “Purchaser”).

2. WARRANTY DATE

The “Warranty Date” is the first day the original Purchaser occupies the new home, settles on the new home, makes the final contract payment on the new home, or obtains an occupancy permit for the new home if the new home is built on the owner’s property, whichever is earlier.

3. ONE YEAR LIMITED WARRANTY ON THE BASIC HOME

Builder warrants that the Home and driveway, walkways, steps, patios, porches, fences (if any) and decks (if any) supplied by Builder with the Home under the same purchase agreement will be free from defects in materials and workmanship of the original construction for a period of one (1) year from the Warranty Date.

4. TWO YEAR LIMITED WARRANTY ON MECHANICAL SYSTEMS

Builder warrants that the installation of the plumbing, electrical, and HVAC systems will be free from defects in workmanship of the original installation which appear at any time within two (2) years after the Warranty Date.

5. TEN YEAR LIMITED WARRANTY AGAINST MAJOR STRUCTURAL DEFECTS

Builder warrants that the Home will be free from major structural defects in the materials or workmanship of the original construction which appear any time within ten (10) years after the Warranty Date, and which significantly affect the load-bearing functions of the Home or otherwise render it unsuitable for residential purposes.

6. MANUFACTURERS' WARRANTIES

Some appliances, equipment and other components included in the Home will be covered by separate written warranties of the manufacturers or suppliers of those items. These manufacturers' warranties are hereby assigned to the Purchaser as of the Warranty Date. All of the separate manufacturers' warranties represent the obligations of the manufacturers or suppliers of those components, and they are not warranties of the Builder. If and when any item covered by such a manufacturer's warranty is defective, the Purchaser must contact the manufacturer or supplier directly to seek the performance of the applicable manufacturer's warranty.

7. EXCLUSIONS FROM WARRANTY COVERAGE

- a. Appliances, such as range tops, stoves, ovens, refrigerators, dishwashers, washers and dryers, microwaves, and other similar items. Please refer to the Manufacturer Warranties for these items.
- b. Damage to real property that is not part of the Home covered by the Warranty or that is not included in the purchase price.
- c. Bodily injury or damage to personal property.
- d. Any defect in material supplied or work performed by anyone other than the Builder or the Builder's employees, agents or subcontractors.
- e. Any damage that the Purchaser has not taken timely action to minimize or for which the Purchaser has failed to provide timely notice to the Builder.
- f. Normal wear and tear or normal deterioration.
- g. Insect damage, except where the Builder has failed to use proper materials or construction methods as required by local building codes.
- h. Any loss or damage that arises while the Home is being used for nonresidential purposes.
- i. Any damage to the extent it is caused or made worse by negligence, improper maintenance or improper operations by anyone other than the Builder or the Builder's employees, agents, or subcontractors.
- j. Any damage to the extent it is caused or made worse by changes in grading or the ground by anyone other than the Builder, the Builder's employees, agents or subcontractors.
- k. Any damage caused or made worse by the failure of the Purchaser to maintain adequate heat or air conditioning in the Home.
- l. Any damage caused or made worse by a heavy item such as a waterbed or pool table. If Purchaser desires to use such an item, Purchaser should consult a structural engineer for advice on whether the floors of the Home can withstand the weight of the particular item desired to be used in the Home.
- m. Any loss or damage caused by acts of God or natural occurrences.

- n. Any loss or damage caused by naturally occurring gases such as radon and methane.
- o. Any claim for which Purchaser files a claim under any insurance policy (including homeowners) and Purchaser fails to provide Builder the opportunity to inspect and make a determination of coverage under this Warranty.

8. REMEDIAL ACTIONS TO BE TAKEN BY BUILDER

If and when a defect for which the Builder is responsible occurs, the Purchaser must give prompt and written or email notice to the Builder or subcontractor as listed in the manual given to you at the PSO. In that event, the Builder will repair, replace, or pay the reasonable cost of repairing or replacing the defective component. We will have the right to decide in its own discretion which of those remedies it will provide. If the Builder voluntarily offers or furnishes any remedy not legally required of it in any one instance, that action will not create an obligation to do so in any other instance; nor will any remedial action taken by the Builder at any time extend the time periods or alter the scope or conditions of the Warranty relating to the Home.

9. SUBROGATION

If the Builder repairs, replaces or pays the cost of repairing or replacing under this Warranty any defect or component for which the Purchaser is covered by a manufacturer's warranty or by insurance, the Builder will be subrogated, automatically, to the rights of the Purchaser under that manufacturer's warranty or insurance coverage, to the extent of the costs paid or incurred by the Builder.

10. ADDITIONAL LIMITATIONS

- a. Under no circumstances will the Builder be liable for special, incidental or consequential damages (including, but not limited to, bodily injury, death, loss of the use of the Home, damage to property of any kind not furnished by the Builder, or attorney's / expert's / consultant's fees and costs), regardless of the form of action or legal theory under which any claim is asserted against the Builder for breach of warranty, breach of contract, negligence or strict liability.
- b. There is no express warranty of any kind, or implied warranty obligation (including, but not limited to, any implied warranty of merchantability, habitability, or fitness for a particular purpose) given or undertaken by the Builder in connection with the construction or sale of the Home, and relating to the quality or condition of any part of the Home, except for this Warranty. No officer, employee or agent of the Builder is authorized to grant any other express warranty or representation or undertake any implied warranty obligation beyond the provisions of this Warranty at any time.
- c. The repair, replacement or payment remedy selected by the Builder will be the exclusive remedy for which the Builder will be liable with respect to the pertinent defect. In no event will the Builder be liable for repair costs or other Warranty obligations amounting in the aggregate to more than the purchase price of the Home.

11. SUBMITTING A WARRANTY CLAIM

During the Warranty periods of the home, if a concern arises that you as the Purchaser believe should fall under the coverage detailed in this Limited Warranty, please submit a warranty claim by calling

or emailing the appropriate party as designated in the manual given to you at the PSO. If it is unclear as to which subcontractor to call or email, please feel free to call or email the Project Manager that provided your PSO or any other representative of Lakeside Homes.

Once you have submitted a claim, you should expect a response within 1- 3 business days depending on the day of the week. The Builder has thirty (30) days in which to address the concern. You must make yourself and your Home available to the Builder for inspection at a mutually agreeable time during normal business hours (Monday through Friday) during this thirty (30) day period.

In all communications, be sure to include your full name, lot number, community name, address and daytime telephone number and be sure to describe clearly the nature of your claim and your expected outcome.

We have the right to waive the timeframes given above and such waiver shall not diminish or affect any rights or remedies available to the Builder under this Warranty.

12. PROCEDURE FOR REQUESTING ARBITRATION

If after thirty (30) days of submitting your service request you believe you have not obtained satisfactory performance under this Warranty, your sole remaining remedy is to file for binding arbitration in accordance with the Construction Industry Arbitration Rules of the American Arbitration Association (the "AAA") unless applicable law does not permit such arbitration to be binding upon the Purchaser. Arbitration shall be commenced by Purchaser by filing an AAA Demand for Arbitration form with the AAA and the Builder. The Purchaser shall be responsible for payment of the filing (administrative) fees of the American Arbitration Association. Purchaser agrees to make the Home and premises and any alleged defects available for inspection by the Builder and its representatives during normal business hours upon reasonable notice. Purchaser must file the Demand for Arbitration within ninety (90) days after the response by the Director of Customer Relations to the Internal Appeal claim, which may be a denial of the claim, or completion of work or payment of the claim. Your right to demand arbitration of the claim expires on the 91st day following the Internal Appeal claim response.

The arbitrator shall consider only whether the Builder is responsible for correction of an alleged warranted item. The arbitrator shall not determine, or consider, any claim involving consequential damages, personal injury or death, rescission of contract or any remedy other than repair or replacement or payment of the reasonable cost of repair or replacement. The arbitrator shall give the Builder the option of satisfying an arbitration award either by performance of the required repair(s) or payment of a sum certain representing the cost of having such repair(s) performed by a third party. The arbitrator may, however, award actual, reasonable shelter expenses during the term of repair if the arbitrator makes the specific finding that repair activity renders the Home either unsafe or uninhabitable during the term of repair.

The non-prevailing party in any arbitration shall pay all costs of the arbitration and all attorneys' fees.

13. EFFECT OF OTHER LAWS ON WARRANTY PROVISIONS

Notwithstanding any other provision of this Warranty, the Purchaser's rights and the Builder's obligations hereunder shall be without any force and effect and this Warranty shall be deemed superseded by any U.S. Government required warranty or other third-party warranty provided to Purchaser as required by local jurisdictions.