

NEW HOME LIMITED ONE YEAR WARRANTY

Smithbilt, LLC 4907 Ball Road Knoxville, TN 37931 Phone (865) 694-8582 Fax (865) 694-0992

REGISTERED BUILDER NEW HOME LIMITED WARRANTY

I. Performance Standards - Topic Index

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:

- 1. **Possible Deficiency** a brief statement, in simple terms, of problems that may be encountered.
- 2. **Performance Standard** a performance standard relating to a specific deficiency.
- 3. **Responsibility** a statement of the corrective action required of the Builder to repair the deficiency or a statement of the Home Owner's maintenance responsibilities.

Workmanship and Materials (First Year Only)		Page
1.	Site Work	1
2.	Concrete	1 - 3
3.	Masonry	3
4.	Wood and Plastic	3 - 4
5.	Thermal and Moisture	4 - 6
6.	Doors and Windows	6 - 8
7.	Finishes	6 - 11
8.	Specialties	11
9.	Equipment	12
10.	Plumbing	12-13
11.	Heating and Cooling	13
12.	Ventilation	14
13.	Electrical	14
Systems (First Year Only)		
14.	Plumbing System	15-16
15.	Ventilation System	16
16.	Electrical System	16

II. Items Not Covered by the Warranty

17-18

WORKMANSHIP AND MATERIALS FIRST YEAR ONLY

1. Site Work

A. Site Grading

1. <u>Possible Deficiency</u> – Settling of ground around foundation, utility trenches or other areas.

<u>Performance Standard</u> – Settling of ground around foundation walls, utility trenches or other filled areas shall not interfere with water drainage away from the Home.

Responsibility – If the Builder has provided final grading: upon request by the Home Owner, Builder shall fill settled areas affecting proper drainage, one time only, during first year of the Limited Warranty period. Home Owner shall be responsibility for removal and replacement of shrubs or other landscaping affected by placement of such fill.

B. Site Drainage

1. <u>Possible Deficiency</u> – Improper drainage of the site.

Performance Standard – The necessary grades and swales shall have been established by the Builder to insure proper drainage away from the Home. Standing or ponding water shall not remain for extended periods in the immediate area after a rain (generally no more than 24 hours), except that in swales that drain other areas, or in areas where sump pumps discharge, a longer period can be anticipated (generally no more than 48 hours). 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.

<u>Responsibility</u> – The Builder is responsible only for initially establishing the proper grades and swales. The Home Owner is responsible for maintaining such grades and swales once they have been properly established.

2. Concrete

A. Cast-in Place Concrete

Possible Deficiency – Cracking of slab in attached garage.
 Performance Standard – Cracks in garage slabs in excess of 1/4 inch in width or 1/4 inch in vertical displacement shall be repaired.
 Responsibility – Builder will repair cracks exceeding maximum tolerances by surface patching or other methods as required.

2. <u>Possible Deficiency</u> – Uneven concrete floors/slabs.

<u>Performance Standard</u> – 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 – Builder will correct or repair to meet the Performance Standard.

3. <u>Possible Deficiency</u> – Cracks in concrete slab-on-grade floors with finish flooring.

<u>Performance Standard</u> – Cracks which rupture the finish flooring material shall be repaired.

<u>Responsibility</u> – Builder will repair cracks, as necessary, so as not to be readily apparent when the finish flooring material is in place.

4. <u>Possible Deficiency</u> – Pitting, scaling or spalling of concrete work covered by this Limited Warranty.

<u>Performance Standard</u> – Concrete surfaces shall not disintegrate to the extent that the aggregate is exposed and loosened under normal conditions of weathering and use.

<u>Responsibility</u> – Builder will take whatever corrective action necessary to repair or replace defective concrete surfaces. Builder is not responsible for deterioration caused by salt, chemicals, mechanical implements and other factors beyond its control.

5. <u>Possible Deficiency</u> – Settling, heaving, or separating of stoops, steps or garage floors.

<u>Performance Standard</u> – Stoops, steps or garage floors shall not settle, heave or separate in excess of 1 inch from the house structures.

<u>Responsibility</u> – Builder will take whatever corrective action is required to meet the Performance Standard.

6. <u>Possible Deficiency</u> – Standing water on stoops.

<u>Performance Standard</u> – Water should drain from outdoor stoops and steps. The possibility of minor water standing on stoops for a short period after rain can be anticipated.

<u>Responsibility</u> – Builder shall take corrective action to assure drainage of steps and stoops.

7. <u>Possible Deficiency</u> – Basement or foundation wall cracks.

<u>Performance Standard</u> – Shrinkage cracks are not unusual in concrete foundation walls. Such cracks greater than 1/8 inch in width shall be repaired.

Responsibility – Builder will repair cracks in excess of 1/8-inch width.

8. <u>Possible Deficiency</u> – Cracking of basement floor. <u>Performance Standard</u> – Minor cracks in concrete basement floors are normal. Cracks exceeding 3/16 inch in width or 1/8 inch in vertical displacement shall be repaired.

3. Masonry

A. Unit Masonry

- 1. Possible Deficiency 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 Builder 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 Limited Warranty period.
- Possible Deficiency Cracks in masonry walls or veneer.
 Performance Standard Small hairline cracks due to shrinkage are common in mortar joints in masonry construction. Cracks greater than 3/8 inch in width are considered excessive.
 Responsibility Builder will repair cracks in excess of Performance Standard by pointing or patching. These repairs shall be made during the first year of Limited Warranty period. Builder will not be responsible for color variation between old and new mortar.

4. Wood and Plastic

A. Rough Carpentry 1. Po

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

Responsibility – Builder will correct the problem only if caused by an underlying construction defect.

Possible Deficiency – Floors squeak or subfloor appears loose.

- Possible Deficiency Uneven wood floors.
 Performance Standard Floors shall not have more than 1/4-inch ridge or depression within any 48-inch measurement when measured parallel to the joists. Allowable floor and ceiling joist deflections are governed by the applicable building code.
 Responsibility Builder will correct or repair to meet Performance Standard.
- 3. Possible Deficiency Bowed walls.

 Performance Standard All interior and exterior walls have slight variances on their finished surfaces. Bowing of walls should not detract from or blemish the wall's finished surface. Walls should not bow more than 1/4 inch out of line within any 48-inch horizontal or vertical measurement.

Possible Deficiency – 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 – Builder will repair to meet the Performance Standard.

B. Finish Carpentry (Interior)

Possible Deficiency – Poor quality of interior trim workmanship.
 Performance Standard – Joints in moldings or joints between moldings and adjacent surface shall not result in open joints exceeding 1/8 inch in width.
 Responsibility – Builder will repair defective joints, as defined. Caulking is acceptable.

C. Finish Carpentry (Exterior)

1. Possible Deficiency – Poor quality of exterior trim workmanship.

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

<u>Responsibility</u> – Builder will repair open joints, as defined. Caulking is acceptable.

5. Thermal and Moisture

A. Insulation

Possible Deficiency – Insufficient insulation.
 Performance Standard – Insulation shall be installed in accordance with applicable energy and building code requirements.
 Responsibility – Builder will install insulation in sufficient amounts to meet Performance Standard.

B. Louvers and Vents

Possible Deficiency – 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. Responsibility – None

C. Roofing and Siding

1. Possible Deficiency – Ice build-up on roof.

Performance Standard – During prolonged cold spells, ice 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 up.

<u>Responsibility</u> – Prevention of ice build-up on the roof is a Home Owner maintenance item.

- Possible Deficiency 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 or Home Owner action or negligence.
 Responsibility Builder will repair any verified roof or flashing leaks not caused by ice build-up or Home Owner action or negligence.
- 3. Possible Deficiency Standing water on flat roof.

 Performance Standard Water shall drain from flat roof except for minor ponding immediately following rainfall or when the roof is specifically designed for water retention.

 Responsibility Builder will take corrective action to assure proper drainage of roof.
- 4. Possible Deficiency Delamination of veneer siding or joint separation.

 Performance Standard All siding shall be installed according to the manufacturer's and industry's accepted standards. Separations and delaminations shall be repaired or replaced.

Responsibility – Builder will repair or replace siding as needed unless caused by Home Owner's neglect to maintain siding properly. Repaired area may not match in color and/or texture. For surfaces requiring paint, Builder will paint only the new materials. The Home Owner can expect that the newly painted surface may not match original surface in color.

D. Sheet Metal (if provided for houses equipped with gutters)

- 1. Possible Deficiency Gutters and/or downspouts leak.

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

 Responsibility Builder will repair leaks. It is a Home Owner responsibility to keep gutters and downspouts free of leaves and debris which could cause overflow.
- Possible Deficiency Water standing in gutters.
 Performance Standards When gutter is unobstructed by debris, the water level shall not exceed on (1) inch 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 Builder will correct to meet Performance Standard.

E. Sealants

Possible Deficiency – Leaks in exterior walls due to inadequate caulking.

<u>Performance Standards</u> – Joints and cracks in exterior wall surfaces and around openings shall be properly caulked to exclude the entry of water.

Responsibility – Builder will repair and/or caulk joints or cracks in exterior wall surfaces as required to correct deficiencies once, during the first year of the Limited Warranty period. Even properly installed caulking will shrink and must be maintained during the life of the Home.

F. Waterproofing

1. <u>Possible Deficiency</u> – Leaks in basement.

<u>Performance Standard</u> – 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.

<u>Responsibility</u> – Builder will take such action as necessary to correct basement leaks except where the cause is determined to result from Home Owner action or negligence.

6. Doors and Windows

A. Wood and Plastic Doors

1. Possible Deficiency – Warpage of exterior doors.

<u>Performance Standards</u> – Exterior doors will warp to some degree due to temperature differential on inside and outside surfaces. However, they shall not warp to the extent that they become inoperable or cease to be weather resistant or exceed National Woodwork Manufacturers Association Standards (1/4 inch, measured diagonally from corner to corner).

<u>Responsibility</u> – Builder will correct or replace and refinish defective doors, during the first year of the Limited Warranty period.

2. <u>Possible Deficiency</u> – Warpage of interior passage and closet doors.

<u>Performance Standard</u> — Interior doors (full openings) shall not warp in excess of National Woodwork Manufacturers Association Standards (1/4 inch, measured diagonally from corner to corner). <u>Responsibility</u> — Builder will correct or replace and refinish defective doors to match existing doors as nearly as possible, during the first year of the Limited Warranty period.

3. <u>Possible Deficiency</u> – Shrinkage of insert panels show raw wood edges.

<u>Performance Standard</u> – Panels will shrink and expand and may expose unpainted surface.

Responsibility - None.

4. <u>Possible Deficiency</u> – Split in door panel.

<u>Performance Standard</u> – Split panels shall not allow light to be visible through the door.

<u>Responsibility</u> – Builder will, if light is visible, fill split and match paint or stain as closely as possible, one time in first year of the Limited Warranty period.

B. Glass

1. <u>Possible Deficiency</u> – Broken glass.

Performance Standard - None.

<u>Responsibility</u> – Broken glass not reported to the Builder prior to closing is the Home Owner's responsibility.

C. Garage Doors on Attached Garages

 Possible Deficiency – Garage doors fail to operate properly, under normal use.

<u>Performance Standard</u> – Garage doors shall operate properly.

<u>Responsibility</u> – Builder will correct or adjust garage doors as required, except where the cause is determined to result form Home Owner action or negligence.

Possible Deficiency – Garage doors allow entrance of snow or water.

<u>Performance Standard</u> – Garage doors shall be installed as recommended by the manufacturer. Some entrance of the elements can be expected under abnormal conditions.

<u>Responsibility</u> – Builder will adjust or correct garage doors to meet manufacturer's recommendations.

D. Wood, Plastic and Metal Windows

1. Possible Deficiency – Malfunction of windows.

<u>Performance Standard</u> – Windows shall operate with reasonable ease, as designed.

Responsibility – Builder will correct or repair as required.

2. Possible Deficiency – Condensation and/or frost on windows.

<u>Performance Standard</u> — 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 Home Owner.

<u>Responsibility</u> — Unless directly attributed to faulty installation, window condensation is a result of conditions beyond the Builder's control. No corrective action required.

E. Weatherstripping and Seals 1. Possible

<u>Possible Deficiency</u> – Air infiltration around doors and windows. <u>Performance Standard</u> – Some infiltration is normally noticeable around doors and windows, especially during high winds. Poorly fitted weatherstripping shall be adjusted or replaced. It may be necessary for the Home Owner to have storm doors and windows installed to provide satisfactory solutions in high wind areas. <u>Responsibility</u> – Builder will adjust or correct poorly fitted doors, windows and poorly fitted weatherstripping.

7. Finishes

A. Gypsum Wallboard

1. <u>Possible Deficiency</u> – Defects that appear during first year of the Limited Warranty such as nail pops, blisters in tape, or other blemishes.

<u>Performance Standard</u> – Slight "imperfections" such as nail pops, seam lines and cracks not exceeding 1/8 inch in width are common in gypsum wallboard installations and are considered acceptable. <u>Responsibility</u> – Builder will repair only cracks exceeding 1/8 inch in width, one time only, during the first year of the Limited Warranty period.

B. Ceramic Tile

Possible Deficiency – Ceramic tile cracks or becomes loose.
 Performance Standard – Ceramic tile shall not crack or become loose.

<u>Responsibility</u> – Builder will replace cracked tiles and re-secure loose tiles unless the defects were caused by the Home Owner action or negligence. Builder will not be responsible for discontinued patterns or color variations in ceramic tile.

2. Possible Deficiency – Cracks appear in grouting of ceramic tile joints or at junctions with other materials such as a bathtub. Performance Standard – Cracks in grouting of ceramic tile joints are commonly due to normal shrinkage conditions.

Responsibility – Builder will repair grouting if necessary one time only, during the first year of the Limited Warranty period. Builder will not be responsible for color variations or discontinued color grout. Regrouting of these cracks is a maintenance responsibility of the Home Owner within the life of the Home.

C. Finished Hard Wood Flooring

1. <u>Possible Deficiency</u> – Cracks developing between floor boards. <u>Performance Standard</u> – Cracks in excess of 1/8-inch width shall be corrected.

Responsibility – Builder will repair cracks in excess of 1/8 inch within the first year of the Limited Warranty period, by filling or replacing, at Builder's option.

D. Resilient Flooring

1. <u>Possible Deficiency</u> – Nail pops appear on the surface of resilient flooring.

<u>Performance Standard</u> – Readily apparent nail pops shall be repaired.

Responsibility – Builder will correct nail pops that have broken the surface. Builder will repair or replace, at Builder's sole option, resilient floor covering in the affected area with similar material. Builder will not be responsible for discontinued patterns or color variations in the floor covering. Spot patching is acceptable.

2. <u>Possible Deficiency</u> – Depressions or ridges appear in the resilient flooring due to subfloor irregularities.

<u>Performance Standard</u> – Readily apparent depressions or ridges exceeding 1/8 inch shall be repaired. The ridge or depression measurement is taken as 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.

<u>Responsibility</u> – Builder will take corrective action as necessary, to bring the defect within acceptable tolerance so that the affected area is not readily visible. Builder will not be responsible for discontinued patterns or color variations in floor covering.

9

3. <u>Possible Deficiency</u> – Resilient flooring loses adhesion. <u>Performance Standard</u> – Resilient flooring shall not lift, bubble or become unglued.

Responsibility – Builder will repair or replace, at Builder's sole option, the affected resilient flooring as required. Builder will not be responsible for discontinued patterns or color variations of floor covering, or for problems caused by Home Owner neglect or abuse.

E. Painting

1. Possible Deficiency – Exterior paint peels, deteriorates or fades.

Performance Standard – Exterior paints should not fail during the first year of the Limited Warranty period. However, fading is normal and the degree is dependent on climatic conditions.

Responsibility – If paint is defective, Builder will properly prepare

and refinish affected areas, matching color as close as possible. Where finish deterioration affects the majority of the wall area, the whole area will be refinished.

2. <u>Possible Deficiency</u> – Painting required as corollary repair because of other work,

<u>Performance Standard</u> – Repairs required under this Limited Warranty shall be finished to match surrounding areas as closely as practicable.

Responsibility – Builder will finish repair areas as indicated.

- 3. Possible Deficiency Deterioration of varnish or lacquer finishes.

 Performance Standard Natural finishes on interior woodwork shall not deteriorate during the first year of the Limited Warranty period. However, varnish type finishes used on the exterior will deteriorate rapidly and are not covered by the Limited Warranty.

 Responsibility Builder will retouch affected areas of natural finish interior woodwork, matching the color as closely as possible.
- 4. Possible Deficiency Mildew or fungus on painted surfaces.

 Performance Standard Mildew or fungus will form on a painted surface if the structure is subject to abnormal exposures (i.e., rainfall, ocean, lake or river front).

 Responsibility Mildew or fungus formation is a condition the Builder cannot control and is a Home Owner maintenance item unless it is a result of noncompliance with other sections of the Performance Standard.

F. Wall Covering

- Possible Deficiency Peeling of wall covering.
 Performance Standard Peeling of wall covering shall not occur.
 Responsibility Builder will match existing paper to best of ability.
- Possible Deficiency Edge mismatching in pattern of wall covering.
 Performance Standard None.
 Responsibility None.

G. Carpeting

- 1. <u>Possible Deficiency</u> Open carpet seams.

 <u>Performance Standard</u> Carpet seams will show. However, no visible gap is acceptable.

 Responsibility Builder will correct.
- Possible Deficiency Carpeting becomes loose, seams separate or stretching occurs.
 Performance Standard Wall to wall carpeting, installed as the primary floor covering, when stretched and secured properly shall not come up, become loose, or separate from its points of attachment.
 Responsibility Builder will re-stretch or re-secure carpeting as needed, if original installation was performed by Builder.
- 3. <u>Possible Deficiency</u> Spots on carpet, minor fading.

 <u>Performance Standard</u> Exposure to light may cause spots on carpet and/or minor fading.

 Responsibility None.

H. Special Coatings

1. Possible Deficiency – Cracks in exterior stucco wall surfaces.

Performance Standard – Cracks are not unusual in exterior stucco wall surfaces. Cracks greater than 1/8 inch width shall be repaired.

Responsibility – Builder will repair cracks exceeding 1/8 inch in width, one time only, during the first year of the Limited Warranty period.

8. Specialties

A. Louvers and Vents

1. <u>Possible Deficiency</u> – Inadequate ventilation of attics and crawl spaces.

<u>Performance Standard</u> – Attic and crawl spaces shall be ventilated as required by the approved building code.

<u>Responsibility</u> — The Builder shall provide for adequate ventilation. Builder will not be responsible for alterations to the original system.

B. Fireplaces

1. <u>Possible Deficiency</u> – Fireplace or chimney does not draw properly.

Performance Standard – A properly designed and constructed fireplace and chimney shall function properly. 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 to close to the chimney. Some homes may need to have a window opened slightly to create an effective draft, if they have been insulated and weatherproofed to meet high energy conservation criteria.

Responsibility – Builder will determine the cause of malfunction and correct, if the problem is one of design or construction of the fireplace.

2. <u>Possible Deficiency</u> – Chimney separation from structure to which it is attached.

<u>Performance Standard</u> – Newly built fireplaces will often incur slight amounts of separation. Separation shall not exceed 1/2 inch from the main structure in any 10 foot vertical measurement.

<u>Responsibility</u> – Builder will determine the cause of separation and correct if standard is not met. Caulking is acceptable.

Possible Deficiency – Firebox paint changed by fire.
 Performance Standard – None.
 Responsibility – None. Heat and flames from "roaring" fires will cause cracking.

9. Equipment

A. Residential Equipment

1. <u>Possible Deficiency</u> – Surface cracks, joint delaminations and chips in high pressure laminates on vanity and kitchen cabinet countertops.

<u>Performance Standard</u> – Countertops fabricated with high pressure laminate coverings shall not delaminate.

<u>Responsibility</u> – Builder will replace delaminated coverings to meet specified criteria. Builder will not be responsible for chips and cracks noted following first occupancy.

2. <u>Possible Deficiency</u> – Kitchen Cabinet malfunctions.

<u>Performance Standard</u> — Warpage not to exceed 1/4 inch as measured from face frame to point of furthermost warpage with door or drawer front in closed position.

<u>Responsibility</u> – Builder will correct or replace doors or drawer fronts.

3. <u>Possible Deficiency</u> – Gaps between cabinets, ceiling or walls. <u>Performance Standard</u> – Acceptable tolerance 1/4 inch in width. <u>Responsibility</u> – Builder will correct to meet Performance Standard.

10. Plumbing

A. Water Supply System

1. <u>Possible Deficiency</u> – Plumbing pipes freeze and burst.

<u>Performance Standard</u> – Drain, waste and vent, and water pipes shall be adequately protected, as required by applicable code, during normally anticipated cold weather, and as defined in accordance with ASHRAE design temperatures, to prevent freezing.

Responsibility – Builder will correct situations not meeting the code. It is the Home Owner's responsibility to drain or otherwise protect lines and exterior faucets exposed to freezing temperatures.

B. Plumbing System

1. <u>Possible Deficiency</u> – Faucets or valve leak.

<u>Performance Standard</u> – No valve or faucet shall leak due to defects in workmanship or materials.

<u>Responsibility</u> – Builder will repair or replace the leaking faucet or valve.

2. <u>Possible Deficiency</u> – Defective plumbing fixtures, appliances or trim fittings.

<u>Performance Standard</u> – Fixtures, appliances or fittings shall comply with their manufacturer's standards.

<u>Responsibility</u> – Builder will replace any defective fixture or fitting that does not meet acceptable standards, as defined by the manufacturer.

3. Possible Deficiency – Noisy water pipes.

<u>Performance Standard</u> – There will be some noise emitting from the water pipe system, due to the flow of water. However, water hammer shall be eliminated.

<u>Responsibility</u> – Builder cannot remove all noises due to water flow and pipe expansion. Builder will correct to eliminate "water hammer."

 Possible Deficiency – Cracking or chipping of porcelain or fiberglass surfaces.

<u>Performance Standard</u> – Chips and cracks on surfaces of bathtubs and kitchen sinks can occur when surface is hit with sharp or heavy objects.

<u>Responsibility</u> – Builder will not be responsible for repairs unless damage has been reported to Builder prior to first occupancy.

11. Heating and Cooling

A. Heating

Possible Deficiency – Inadequate heating.

<u>Performance Standard</u> – 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.

<u>Responsibility</u> – Builder will correct heating system to provide the

required temperatures. However, the Home Owner shall be responsible for balancing dampers, registers and other minor adjustments.

B. Refrigeration

1. <u>Possible Deficiency</u> – Inadequate cooling.

<u>Performance Standard</u> — 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 a height of 5 feet above the floor. In the case of outside temperatures exceeding 95 degrees F, a differential of 18 degrees F from the outside temperature will be maintained.

<u>Responsibility</u> – Builder will correct cooling system to meet temperature conditions, in accordance with specifications.

C. Condensation Lines

1. <u>Possible Deficiency</u> – Condensation lines clog up.

Performance Standard – None.

Responsibility – Condensation lines will clog eventually under normal use. This is a Home Owner maintenance item. Builder shall provide unobstructed condensation lines at time of first occupancy.

12. Ventilation

A. Air Distribution

Possible Deficiency – Noisy ductwork. 1.

> Performance Standard – When metal is heated it expands and when cooled it contracts. The result is "ticking" or "cracking" which is generally to be expected.

Responsibility - None.

2. Possible Deficiency - Oilcanning.

Performance Standard - The stiffening of the ductwork and the gauge of the metal used shall be such that ducts do not "oilcan." The booming noise caused by "oilcanning" is not acceptable. Responsibility – Builder will correct to eliminate this sound.

13. Electrical

A. Electrical Conductors, Fuses and Circuit Breakers

Possible Deficiency - Fuses blow or circuit breakers (excluding 1. ground fault interrupters) "kick out."

> Performance Standard - Fuses and circuit breakers shall not activate under normal usage.

> Responsibility – Builder will check wiring circuits for conformity with local or electrical code requirements. Builder will correct circuitry not conforming to code specifications.

B. Outlets, Switches and Fixtures

Possible Deficiency – Drafts from electrical outlets. 1.

> Performance Standard – Electrical junction boxes on exterior walls may produce airflow whereby the cold air can be drawn through the outlet into a room. The problem is normal in new home construction.

Responsibility - None.

2. Possible Deficiency – Malfunction of electrical outlets.

> Performance Standard - All switches, fixtures and outlets shall operate as intended.

> Responsibility - Builder will repair or replace defective switches, fixtures and outlets.

C. Service and Distribution

1. Possible Deficiency – Ground fault interrupter trips frequently.

> Performance Standard - Ground fault interrupters are sensitive safety devices installed into the electrical system to provide protection against electrical shock. These sensitive devices can be tripped very easily.

> Responsibility - Builder shall install ground fault interrupter in accordance with approved electrical code. Tripping is to be expected and is not covered, unless due to a construction defect.

SYSTEMS FIRST YEAR ONLY

14. Plumbing System

A. Water Supply

1. <u>Possible Deficiency</u> – Water supply system fails to deliver water. <u>Performance Standard</u> – All on-site service connections to municipal water main and private water supply shall be the Builder's responsibility. Private systems shall be designed and installed in accordance with all approved building, plumbing and

health codes.

Responsibility — Builder will repair if failure is the result of defective workmanship or materials. If conditions beyond Builder's control disrupt or eliminate the sources of the supply, the Builder has no responsibility.

B. Septic Tank System

1. Possible Deficiency – Septic system fails to operate properly.

<u>Performance Standard</u> — Septic system shall function adequately during all seasons, under climatic conditions normal or reasonable anticipated (based on local records) for the location of the home. Septic system shall be designed and installed to comply with applicable, Local Health Code Requirements.

Responsibility — Builder will repair, or otherwise correct, a malfunctioning or non operating system, if failure is caused by inadequate design, faulty installation, or other cause relating to actions of the builder or contractors or subcontractors under the builder's control. Builder will not be responsible for system malfunction or damage which is caused by owner negligence, lack of system maintenance, or other causes attributable to actions of the owner or owner's contractors, not under the control of the builder; including, but not necessarily limited to; the addition of fixtures, items of equipment, appliances or other sources of waste 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.

C. Piping

1. Possible Deficiency – Leakage from any piping

<u>Performance Standard</u> – No leaks of any kind shall exist in any soil, waste, vent or water pipe. Condensation on piping does not constitute leakage, and is not covered.

Responsibility – Builder will make repairs to eliminate leakage.

Performance Standard – Sewers, fixtures and drains shall operate properly.

Responsibility – Builder will not be responsible for sewers, fixtures and drains that are clogged through the Home Owner negligence. If a problem occurs, the Home Owner should consult Builder for a proper course of action. Where defective construction is shown to be the cause, Builder will assume the cost

Possible Deficiency – Stopped up sewers, fixtures and drains.

of the repair; where Home Owner negligence is shown to be the

3. Possible Deficiency – Refrigerant lines leak.

Performance Standard – Refrigerant lines shall not develop leaks during normal operation.

Responsibility – Builder will repair leaking refrigerant lines and re-charge unit, unless damage was caused by the Home Owner.

cause, the Home Owner shall assume all repair costs.

15. Ventilation System

A. Air Distribution

2.

1. <u>Possible Deficiency</u> – Ductwork separates or becomes unattached. <u>Performance Standard</u> – Ductwork shall remain intact and securely fastened.

<u>Responsibility</u> – Builder will re-attach and re-secure all separated or unattached ductwork.

16. Electrical System

A. Wiring

1.

Possible Deficiency – Failure of wiring to carry its designed load.
 Performance Standard – Wiring should be capable of carrying the designed load for normal residential use.
 Responsibility – Builder will check wiring for conformity with local, electrical code requirements. Builder will repair wiring not conforming to code specification.

EXCLUSIONS FROM NEW HOME LIMITED WARRANTY

II. ITEMS THAT ARE NOT COVERED BY THIS WARRANTY.

- A. Landscaping (including sodding, seeding, shrubs, trees, and planting); offsite improvements; or any other improvements not a part of the home itself;
- B. Any damage to the extent it is caused or made worse by:
 - 1. Negligence, improper maintenance or improper operation by anyone other than the Builder, its employees, agents or subcontractor; or
 - 2. Changes of the grading of the ground by anyone other than the Builder, its employees, agents or subcontractors; or
 - Changes, alterations or additions made to the Home by anyone after the Limited Warranty Commencement Date stated on the Certificate; or
 - 4. Failure by the Home Owner or by anyone other than the Builder, its employees, agents or subcontractors to comply with the warranty requirements of manufacturers of appliances, fixtures and items of equipment; or
 - 5. Failure by the Home Owner to give notice to the Builder of any defects within a reasonable time.
- C. This Limited Warranty completely excludes coverage for losses arising from wet rot, dry rot, bacteria, fungi, or protests, categories which encompass mold and other living organisms, whether occurring naturally, as a result of negligence, improper maintenance or improper operation by the Builder, its employees, agents, or subcontractors, or as a result of any construction defects in the Premises. Coverage is excluded for personal and/or bodily injury and property damage arising from direct or indirect contact with or the ingestion or the inhalation of mold and the other listed organisms, as well as any toxic chemicals released by the organisms. Coverage for personal and/or bodily injury claims is excluded, however remote such claims may be. Also excluded are clean-up costs or costs for testing for the listed organisms or conditions and any costs due to claims by government authorities.
- D. Normal wear and tear or normal deterioration;

- E. Loss or damage caused by or resulting from accidents, riot and civil commotion, fire, explosion, smoke, water escape, falling objects, aircraft, vehicles, Acts of God, lightning, wind storm, hail, flood, mudslide, arthquake, volcanic eruption, wind-driven water and changes in the underground water table which were not reasonably foreseeable.
- F. Loss or damage that arises while the home is being used primarily for nonresidential purposes.
- G. Any condition which does not result in actual physical damage to the home, including, but not limited to: uninhabitability or health risk due to the presence or consequence of unacceptable levels of radon gas, formaldehyde or other pollutants and contaminants; or the presence of hazardous or toxic on-site materials;
- H. Loss or damage caused by or resulting from abnormal loading on floors by the Home Owner that exceeds design loads as mandated by codes.
- I. Exterior concrete such as walks, drives, and patios, except for scaling and structural failure causing movements of sections of 3/4" or more, vertically from one section to the next.
- J. Loss or damage that the Home Owner has not taken timely action to minimize;
- K. Any defect in, caused by, or resulting from materials or work supplied by anyone other than the Builder, its employees, agents or subcontractors.
- L. Loss or damage, not otherwise exclude under this Limited Warranty, which does not constitute a defect in the construction of the Home by the Builder, its employees, agents or subcontractors;
- M. Loss or damage caused by or resulting from soil movement for which compensation is provided by legislation or which is covered by other insurance;
- N. Bodily injury or damage to personal property;
- O. Costs of shelter, transportation, food, moving, storage or other incidental expenses related to inconvenience or relocation during repairs.
- P. Consequential damages (except where required by state law).