

GRANT & CO.

BUILDERS • REALTORS

New Home Limited Warranty



THE BUILDER IS THE SOLE WARRANTOR OF THE HOME AND IS SOLELY RESPONSIBLE FOR CONSTRUCTION AND INSPECTION. THE MEMPHIS AREA HOME BUILDERS ASSOCIATION SHALL

NOT BE CONSIDERED A WARRANTOR OF THE HOME AND IS NOT RESPONSIBLE OR LIABLE FOR THE CORRECTION OF ANY DEFECTS IN WORKMANSHIP OR MATERIALS. THE SOLE

RESPONSIBILITY OF THE MEMPHIS AREA HOME BUILDERS ASSOCIATION IS TO ADMINISTER THE REGISTERED BUILDER PROGRAM.

The Memphis Area Home Builders Association
776 Germantown Parkway North ♦ Cordova, TN 38018
901-756-4500 ♦ Fax: 901-755-1650

www.mahba.com



**THIS WARRANTY IS NOT VALID WITHOUT A REGISTRATION
NUMBER**

**REGISTERED BUILDER
NEW HOME LIMITED WARRANTY**

The recipient of this Warranty is the undersigned homeowner. The warrantor is the undersigned Registered Builder. As to home sales, the term of this Warranty is for one (1) year. The commencement date of this Warranty is the date of property transfer or the date of first occupancy, whichever occurs first. Any work performed pursuant to the terms of this Warranty shall not extend the term of the Warranty. This Warranty is not transferable.

In the event that this warranty is issued pursuant to a construction contract, (rather than a sales contract) then the following provisions apply. The parties understand that this warranty is only effective in the event that the Owner makes all scheduled payments as set forth in this agreement and otherwise performs all duties and obligations under the terms of this construction contract. In the event that the Owner fails to fully perform, Registered Builder is relieved of any further obligations under the terms of any stated or implied warranty or contract. Failure to make any contract payment by Owner shall in every case be deemed to be material regardless of amount. Owner and Registered Builder agree to the terms and conditions of this warranty and agree that this limited warranty is the Registered Builders sole warranty and that it limits the liability of Registered Builder. This warranty commences upon substantial project completion. (Substantial Project completion occurs when the work is suitable for its intended use. In the event the Building Department issues an occupancy permit, the Project is occupied, or a lender is prepared to make a payment loan, the Project shall be deemed substantially complete. Owner understands that the final payment may fall due prior to all work and punchlist items being complete. Acceptance by Registered Builder of final payment does not excuse Registered Builder from the duties otherwise set forth herein.)

Owner acknowledges the terms and conditions of this warranty which is incorporated herein and agree to follow the procedures enumerated therein. In addition to the terms contained in such warranty, Owner agrees that Registered Builder shall have the right to be given reasonable written notice of any warranty claim, an opportunity to inspect the claimed defect, and an opportunity to repair the defective condition. Registered Builder may use the methods, materials, laborers and subcontractors of Registered Builder's choosing, so long as the repairs result in the condition being brought within the standards set forth in the said warranty.

- ✓ Standards: A list of acceptable performance standards and recommended remedies for deficiencies in this Warranty is attached and made a part of this Warranty (refer to pages 3-16).
- ✓ Exclusions: A list of items which are not covered by this Warranty (refer to pages 17-18).
- ✓ Procedure: The procedure for complaint review (refer to page 1).

Name of Registered Builder: _____

Address: _____ Zip: _____

Phone: _____

Buyer's Name: _____

Address of this Home: _____ Zip: _____

Mailing Address if Different: _____ Zip: _____

Date Warranty is to Begin _____

Are there any items not covered by the Warranty because they were not provided or installed by the Registered Builder, or by agreement are excluded? YES NO (If YES, attach list.)

LIMITED WARRANTY

PURCHASER AGREES THAT THIS REGISTERED BUILDER WARRANTY IS IN LIEU OF ALL OTHER WARRANTIES, STATUTORY OR OTHERWISE, EXPRESSED OR IMPLIED, ALL OTHER REPRESENTATIONS MADE BY THE BUILDER, AND ALL OTHER OBLIGATIONS OR LIABILITIES WITH RESPECT TO SAID PROPERTY. IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS AND HABITABILITY, ARE SPECIFICALLY EXCLUDED, AND THE BUILDER'S OBLIGATION SHALL NOT EXCEED ITS OBLIGATION SET FORTH IN SAID REGISTERED BUILDER WARRANTY.

THIS WARRANTY DOES NOT APPLY TO MANUFACTURED ITEMS, SUCH AS APPLIANCES, FIXTURES, EQUIPMENT (EXCEPT AS SPECIFICALLY DEFINED IN THE CONSTRUCTION QUALITY STANDARDS), OR ANY OTHER ITEM WHICH IS COVERED BY A MANUFACTURER'S WARRANTY, NOR DOES IT COVER SYSTEMS DEFECTS THAT ARE CAUSED BY FAILURE OF ANY SUCH MANUFACTURER-WARRANTED ITEM. THE BUILDER IS THE SOLE WARRANTOR OF THE HOME AND IS SOLELY RESPONSIBLE FOR ITS CONSTRUCTION AND INSPECTION. THE MEMPHIS AREA HOME BUILDERS ASSOCIATION SHALL IN NO WAY BE CONSIDERED A WARRANTOR OF THE HOME AND IS NOT RESPONSIBLE OR LIABLE FOR THE CORRECTION OF ANY DEFECTS IN WORKMANSHIP OR MATERIALS. THE SOLE RESPONSIBILITY OF THE MEMPHIS AREA HOME BUILDERS ASSOCIATION IS TO ADMINISTER THE REGISTERED BUILDER WARRANTY PROGRAM.

MEDIATION AND ARBITRATION

THE PARTIES AGREE THAT A FINAL AND BINDING DETERMINATION OF ANY AND ALL DISPUTES SHALL BE MADE BY REFERENCE TO THE REGISTERED BUILDER COMMITTEE OF THE MEMPHIS AREA HOME BUILDERS ASSOCIATION AND THEREAFTER TO RESOLUTE SYSTEMS, INC., OR TO THEIR SUCCESSOR, FOR MEDIATION AND BINDING ARBITRATION. THE PARTIES FURTHER AGREE THAT SUCH AGGRIEVED PARTY MUST EXHAUST ALL SUCH REMEDIES PRIOR TO FILING SUIT IN ANY COURT. (Buyers Initials) _ _ (Builders Initials) _____

Signature of Buyer

Signature of Buyer

Signature of Builder

Date

Signature of Closing Attorney

CLOSING ATTORNEY: Please see that the Buyer receives a complete Warranty document. A copy of this page **must** be sent to the Registered Builder Program, at 776 Germantown Pkwy. N., Cordova, TN. 38018. A copy should be given to Buyer and a copy should be given to the Builder. In the event that this warranty is issued pursuant to a construction contract, (rather than a sales contract), then the builder shall remit a copy to the Registered Builder program with the appropriate enrollment fee.

HOUSES BUILT OUTSIDE OF SHELBY, TIPTON AND FAYETTE COUNTIES ARE NOT COVERED BY THIS WARRANTY.

Congratulations on your new home! We know you are happy about home ownership, and we hope that your new home brings you many years of satisfaction and enjoyment. This booklet is designed to provide information to you and explain the Registered Builder New Home Limited Warranty in its entirety. PLEASE READ THIS BOOKLET THOROUGHLY, and follow the procedures set forth herein if a problem arises.

Please understand that a new home is not a manufactured product, but rather the unique result of hand craftsmanship. Homes are made with natural materials, and many such materials normally have imperfections. This booklet provides tolerance standards for home construction.

Proper maintenance of your home will extend its life and reduce the expense of home ownership. From reading the details of this document, you will find that there are numerous specific standards regarding defects covered in the first year. These standards generally relate to defects in materials and construction, but defects can arise from lack of maintenance even in the first year, and these defects are not generally covered by this Warranty. It is strongly recommended that you familiarize yourself with the fundamentals of home maintenance.

Work closely with your Builder to allow for ample opportunity to make adjustments and repair defects. As to non-emergency items, please make every attempt to identify any and all defects and submit a single comprehensive list, to the extent possible, to facilitate repair.

The Builder identified on the Warranty document that accompanies this is the warrantor. The Memphis Area Home Builders Association (MAHBA) administers the program under which this Limited Warranty is issued on behalf of the Builder. MAHBA and its affiliates are not warrantors of this Limited Warranty or insurers of the Builder's performance pursuant to the Limited Warranty. This Warranty cannot be transferred.

The MAHBA shall not be liable for the correction of claimed defects at issue in a complaint. In the event the committee's decisions are not respected by a Builder, the ability of the MAHBA to enforce the findings of the Registered Builder Committee is limited to action against the Builder's membership in the MAHBA. The MAHBA cannot be held liable if it is unable to force the Builder to comply with the decisions of the Registered Builder Committee.

Notice to Builder: The Builder must be given written notice of a claimed defect within one (1) year from the date of closing or first occupancy, whichever occurs first. The said notice shall contain a detailed description of the defect claimed and the Performance Standards section that covers the claimed defect. The Builder shall be allowed ten (10) working days to respond to said notice.

Access to Your Home: Access to the home for which a defect is claimed is necessary for the Builder to carry out his/her responsibilities under this agreement. In addition, the Builder, at his/her discretion, may contract with contractors, subcontractors, or other laborers or materialmen to repair a claimed defect, and such agents or employees of Builder may require access to the home for which a defect is claimed in order to facilitate repair.

Right to Cure: After providing written notice of a claimed defect to the Builder, the Homeowner shall provide the Builder with a reasonable period of time to cure the claimed defect. The reasonableness of the cure period to effectuate repair of a claimed defect shall be determined based on all of the circumstances surrounding such defect. Correct diagnosis of the cause or source of a claimed defect may involve a level of trial-and-error, which may extend the length of the cure period necessary to effectuate repair. The Builder shall not be deemed to be in violation of this Limited Warranty as long as, upon receiving written notice from the Homeowner of a claimed defect, Builder proceeds diligently in attempting to locate the source of and cure the claimed defect. All work, methods and materials necessary to repair a defect shall be performed or supplied by laborers and materialmen chosen solely at the Builder's discretion, as long as the resulting repair is within the appropriate Performance Standards as determined by the Registered Builder Committee. The direction and supervision of the Builder's laborers and materialmen rests exclusively with the Builder. If the Homeowner issues any instruction to these laborers or materialmen, or otherwise interferes with the Builder's efforts to repair the claimed defect, this Warranty's coverage of the claimed defect is void.

Notice of Claim to MAHBA: If the Homeowner believes the Builder has not performed as requested in the complaint submitted to the Builder, then the Homeowner should submit a registered letter, stating the complaint, directly to the Registered Builder Committee at 776 Germantown Pkwy. N., Cordova, TN 38018, along with copies of the original complaint submitted to the Builder. Written notice of a defect in any item under this Limited Warranty must be received by the Memphis Area Home Builders Association no later than thirty (30) days after the Limited Warranty expires. If such notice is not received by MAHBA by that deadline, any request for Warranty performance review for that defect may be rejected.

Procedure for Review by the Registered Builder Committee: It is highly recommended that the Homeowner and the Registered Builder make every effort to resolve any disputes on warranted items between themselves. When the Registered Builder and Homeowner cannot come to an agreement, then both parties agree to follow the recommendations of the Registered Builder Committee.

The Registered Builder Program has no legal authority to force a Builder make repairs to warranted items, or to take corrective actions itself; however, the established procedure for an impartial review of Warranty problems by the Registered Builder Committee is as follows:

If necessary, an appointment will be arranged for the Registered Builder Committee to review your complaint. The Builder will immediately be notified. The committee will make a written response to the complaint, containing the committee's opinion regarding what, if any corrective measures should be taken, and will send copies of such response to both the homeowner and the Registered Builder.

Investigation of Claimed Defects: The Registered Builder Committee is the sole determiner of this Limited Warranty. The Registered Builder Committee's determination regarding the interpretation of the Performance Standards and the scope of the Builder's responsibility for a claimed defect under this Limited Warranty shall be final with regard to the extent of performance required hereunder, and all parties shall be bound by such final determination in the event that litigation ensues over a claimed defect.

With regard to claims involving drainage issues covered by this Limited Warranty, the Registered Builder Committee has the sole discretion to determine when such investigation shall take place.

BY SIGNING THE APPLICATION FOR THIS WARRANTY COVERAGE, YOU HEREBY AGREE TO GRANT ACCESS TO YOUR BUILDER AND/OR YOUR BUILDER'S AGENTS, EMPLOYEES, CONTRACTORS, AND SUBCONTRACTORS DURING NORMAL BUSINESS HOURS TO INSPECT, REPAIR, AND CONDUCT TESTS IN YOUR HOME AS IN THEIR JUDGEMENT MAY BE REQUIRED. FAILURE TO ALLOW ACCESS TO YOUR HOME WILL VOID THE WARRANTY.

**REGISTERED BUILDER
NEW HOME LIMITED WARRANTY**

The Performance Standards list specific items within each separate area of coverage. The standards are expressed in terms of performance criteria. For easy comprehension, the format is designed as follows:

Possible Deficiency - a 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 deficiency or a statement of the Homeowner's maintenance responsibilities.

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CONSTRUCTION QUALITY STANDARDS

The following Construction Quality Standards are standards that have been developed and accepted by the residential construction industry in general. **THEY APPLY ONLY TO THE ONE-YEAR WORKMANSHIP WARRANTY.** While it is virtually impossible to develop a construction quality standard for each possible deficiency, the construction industry has attempted to isolate the most common actual physical damage deficiencies that occur and in so doing, has defined the extent of your Builder's and your responsibility. **WHERE A PARTICULAR CONSTRUCTION QUALITY STANDARD HAS NOT BEEN SPECIFIED, THE STANDARD PRACTICE AS DETERMINED BY THE REGISTERED BUILDER COMMITTEE OF THE MEMPHIS AREA HOME BUILDERS ASSOCIATION WILL APPLY.**

You should be aware that all new homes go through a period of settlement and movement. During this period, your home may experience some minor material shrinkage, cracking and other events, which are unavoidable and considered normal. You should also be aware that you are responsible for proper home maintenance. Changes, alterations or additions performed by anyone other than the Builder, his/her employees, agents, subcontractors, or materialmen are excluded from this Limited Warranty.

The Construction Quality Standards are expressed in terms of required standards that your Builder's construction should meet. Non-compliance with these required construction standards calls for corrective action by your Builder. Refer to other parts of this booklet for specific terms, definitions, exclusions and conditions that apply to this Limited Warranty.

WORKMANSHIP AND MATERIALS
FIRST YEAR ONLY

I. Site Work

A. Site Grading

1. **Possible Deficiency** - The ground has settled around the foundation, over utility trenches, or in other areas.
Performance Standard - Settling of the ground around the foundation wall, over utility trenches, or in other filled areas shall not interfere with proper water drainage away from the home.
Responsibility - If the Builder has provided final grading, upon request by the Homeowner the Builder will fill settled areas affecting proper drainage, where water accumulates in excess of six inches (6") deep. Such work shall be performed one (1) time only during the Warranty period. The Homeowner will be responsible for the removal and replacement of shrubs and any other landscaping affected by the placement of such fill.

B. Site Drainage

1. **Possible Deficiency** - 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 in the immediate area around the home for extended periods after a rain (generally no more than twenty-four (24) hours), except in swales which drain other areas or in areas where sump pumps discharge, a longer period can be anticipated (generally no more than forty-eight (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. Driveways, sidewalks or other finished surfaces maybe part of the swale.
Responsibility - The Builder is responsible only for initially establishing the proper grades and swales. The Homeowner is responsible for maintaining such grades and swales once they have been properly established.
2. **Possible Deficiency** - The site has soil erosion.
Performance Standard - The Builder is not responsible for soil erosion due to acts of God, or other conditions beyond the Builder's control.
Responsibility - No action required.

II. Concrete

A. Cast-in Place Concrete

1. **Possible Deficiency** - Cracking of the slab in an attached garage.
Performance Standard - Cracks in garage slabs in excess of one-fourth of an inch (1/4") in width or one-fourth of an inch (1/4") in vertical displacement shall be repaired.
Responsibility - The Builder will repair cracks that exceed the maximum tolerances by surface patching.
2. **Possible Deficiency** - Uneven concrete floors or slabs.
Performance Standard - Except for basement floors and floors, or portions of floors, designed for specific drainage purposes, concrete floors in rooms designed for habitability shall not have pits, depressions or areas of unevenness exceeding three-eighths of an inch (3/8") in a thirty-two inch (32") measurement.
Responsibility - The Builder will correct or repair uneven concrete floors and/or slabs exceeding the maximum tolerance to meet the Performance Standard.
3. **Possible Deficiency** - Cracks in concrete slab-on-grade floors with finish flooring.
Performance Standard - Cracks which rupture the finish flooring material shall be repaired.
Responsibility - The Builder will repair cracks in concrete slab-on-grade floors which rupture the finish flooring material.

4. **Possible Deficiency**- Scored and stamped concrete pitting, scaling, or spalling.
Performance Standard- Concrete Floors are expected to crack. Cracks that display a variance of ¼” in displacement will be repaired. Concrete will not disintegrate to the extent that the aggregate is exposed.
Responsibility- The builder will take the necessary steps to make the repair but the repaired area is not expected to match the original finish.
5. **Possible Deficiency** - Pitting, scaling, or spalling of concrete work covered by this Limited Warranty.
Performance Standard - Concrete surfaces shall not disintegrate to the extent that the aggregate is exposed and loosened under normal conditions of weathering and use.
Responsibility - The Builder will take whatever corrective action is necessary to repair or replace defective concrete surfaces covered by this Limited Warranty to meet the Performance Standard. The Builder is not responsible for deterioration caused by salt, chemicals, mechanical implements, or other factors beyond the Builder's control.
6. **Possible Deficiency** - Settling, heaving, or separating of stoops, steps, or garage floors.
Performance Standard - Stoops, steps, or garage floors shall not settle, heave, or separate in excess of one inch (1") from the house structures.
Responsibility - No measurement will be taken until the ground has had adequate opportunity to thaw. The Builder will take whatever corrective action is required to meet the Performance Standard.
7. **Possible Deficiency** - Standing water on stoops.
Performance Standard - Water should drain from outdoor stoops and steps. The possibility of minor water standing on stoops for a short period after rain should be anticipated.
Responsibility - The Builder shall take whatever corrective action is necessary to ensure proper drainage of steps and stoops.
8. **Possible Deficiency** - Basement or foundation wall cracks.
Performance Standard - Shrinkage cracks are not unusual in concrete foundation walls.
Responsibility - The Builder will repair cracks in concrete foundation walls that are leaking.
9. **Possible Deficiency** - Cracking of basement floor.
Performance Standard - Minor cracks in concrete basement floors are normal. Cracks exceeding one-fourth of an inch (1/4") in width or three-sixteenths of an inch (3/16") in vertical displacement shall be repaired.
Responsibility - The Builder will repair cracks in concrete basement floors that exceed the maximum tolerances. Repair by caulking or patching is acceptable.
10. **Possible Deficiency** - Flowing or trickling water appears on interior crawl space surfaces.
Performance Standard - Crawl spaces should be graded and drained properly to prevent water from accumulating in excess of three-fourths of an inch (3/4") deep and larger than thirty-six inches (36") in diameter in the crawl space area.
Responsibility - The Builder will take the necessary corrective measures to create positive flow within the crawl space and to discharge water to the exterior of the structure.

11. **Possible Deficiency** - Condensation is evident on the walls, earth, or floor insulation in the crawl space.
Performance Standard - Condensation in the crawl space shall not result from lack of adequate ventilation as required by local code. Condensation resulting from other causes is not the responsibility of the Builder.
Responsibility - The Builder will ensure that ventilation meets the local code requirements. Further reduction of condensation is a Homeowner maintenance responsibility.
12. **Possible Deficiency** - Wood columns are bowed or out of plumb.
Performance Standard - Wood columns shall not bow in excess of one inch (1") in an eight foot (8') measurement. Wood columns shall not be out of plumb in excess of one-fourth of an inch (1/4") in a twelve inch (12") measurement when measuring from the base to the top of the column, not to exceed one and one-half inches (1 1/2") in an eight foot (8') measurement.
Responsibility - The Builder shall repair any deficiencies in excess of the maximum tolerances provided in the Performance Standard.

III. 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 one-fourth of an inch (1/4") in width shall be repaired.
Responsibility - The Builder shall repair basement or foundation wall cracks in excess of one-fourth of an inch (1/4") in width by pointing or patching.
2. **Possible Deficiency** - Cracks in masonry walls or veneer.
Performance Standard - Small hairline cracks caused by shrinkage are common in mortar joints in masonry construction. Cracks greater than three-eighths of an inch (3/8") in width are considered excessive.
Responsibility - The Builder shall repair cracks in masonry walls or veneer that exceed the maximum tolerance by pointing or patching. Such repairs shall only be made during the Limited Warranty period. The Builder will not be responsible for color variation between old and new mortar.
3. **Possible Deficiency** - Mortar stains on exterior brick or stone.
Performance Standard - Exterior brick and stone shall be free from mortar stains that detract from the appearance of the finished wall when viewed from a distance of twenty feet (20').
Responsibility - The Builder will clean the mortar stains to meet the Performance Standard.

IV. Wood and Plastic

A. Rough Carpentry

1. **Possible Deficiency** - Floors squeak.
Performance Standard - Floor squeaks and loose sub floors are often temporary conditions which are common in new construction, and a squeak-proof floor cannot be guaranteed.
Responsibility - No action required.
2. **Possible Deficiency** - Uneven wood floors.
Performance Standard - Floors shall not have a ridge or depression in excess of one-fourth of an inch (1/4") within any thirty-two inch (32") measurement when measured parallel to the joists. Where the floor joists in a room are perpendicular, a ridge or depression shall not be considered defective unless it is accompanied by a deflection in the flooring in excess of one-fourth of an inch (1/4"). Allowable floor and ceiling joist deflections are governed by the applicable building code.
Responsibility - The Builder will correct or repair ridges or depressions in wood floors to meet the 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 one-half of an inch (1/2") out of line within any thirty-two inch (32") horizontal or vertical measurement.
Responsibility - The Builder will repair bowed walls to meet the Performance Standard.
4. **Possible Deficiency** - Out-of-plumb walls.
Performance Standard - Walls should not be more than three-eighths of an inch (3/8") out-of-plumb in any thirty-two inch (32") vertical measurement.
Responsibility - The Builder will repair out-of-plumb walls to meet the Performance Standard.
5. **Possible Deficiency** - Springiness, bounce, shaking, or visible sag is observed in floor.
Performance Standard - All beams, joists, rafters, headers, and other structural members shall be sized, and fasteners spaced, according to the National Forest Products Association span tables, or applicable local building codes.
Responsibility - The Builder will reinforce or modify, as necessary, any floor, wall, ceiling, or roof not meeting the Performance Standard.

B. Finish Carpentry (Interior)

1. **Possible Deficiency** - Shrinkage or fit of interior trim.
Performance Standard - Joints in moldings, or joints between moldings and adjacent surfaces, shall not result in open joints in excess of one-eighth of an inch (1/8") in width.
Responsibility - The Builder will repair defective joints, as defined by the Performance Standard. Such repairs shall be made one (1) time only during the Limited Warranty period. Repair by caulking is acceptable.
2. **Possible Deficiency** - Interior trim is split.
Performance Standard - Splits, cracks, and checking are inherent characteristics of all wood products, and are not a defect.
Responsibility - No action required.

C. Finish Carpentry (Exterior)

1. **Possible Deficiency** - Shrinkage or fit of exterior trim.
Performance Standard - Joints between exterior trim elements, including siding and masonry, shall not result in open joints in excess of three-eighths of an inch (3/8"). In all cases, the exterior trim, masonry, and siding shall be capable of performing its function of excluding the elements.
Responsibility - The Builder will repair open joints, as defined by the Performance Standard. Repair by caulking is acceptable.
2. **Possible Deficiency** - Exterior door hardware and kick plates have tarnished.
Performance Standard - Finishes on door hardware installed by the Builder are covered by manufacturer's warranty.
Responsibility - No action required. It is the Homeowner's responsibility to contact the manufacturer.

V. Thermal and Moisture

A. Insulation

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

B. Louvers and Vents

1. **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 - No action required.

C. Roofing and Siding

1. **Possible Deficiency** - Ice build-up on the 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 the gutters and downspout freeze up.
Responsibility - Prevention of ice build-up on the roof is a Homeowner maintenance responsibility.
2. **Possible Deficiency** - Roof or flashing leaks.
Performance Standard - Roofs or flashing shall not leak under normal conditions. Roof or flashing leaks caused by ice build-up or by Homeowner action and/or negligence is not a deficiency covered by this Limited Warranty.
Responsibility - The Builder will repair any verified roof or flashing leak that is not caused by ice build-up or by Homeowner action or negligence.
3. **Possible Deficiency** - Standing water on built up roofs.
Performance Standard - A properly pitched built up roof should drain water, except for minor ponding. Dead flat roofs will retain a certain amount of water. Leaking of a built up roof caused by excessive ponding of water is a deficiency.
Responsibility - The Builder will repair all leaks due to or caused by standing water. Standing or ponding water itself is not a deficiency.
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. Proper maintenance of siding is a Homeowner maintenance responsibility.
Responsibility - The Builder will repair or replace siding separation and delamination as needed to meet the Performance Standard, unless caused by the Homeowner's failure to maintain the siding properly. The Builder will not be responsible for variations in the color and/or texture of the repaired area. For surfaces requiring paint, the Builder will paint only the new materials. The Homeowner can expect that the newly painted surface may not match original surface in color.
5. **Possible Deficiency** - Siding is bowed or wavy.
Performance Standard - Some waviness in lap siding caused by bows in studs should be expected. Thermal expansion waves or distortions in aluminum or vinyl lap siding, sometimes called oil canning, are unacceptable if they exceed one-fourth of an inch (1/4") in a sixteen inch (16") measurement.
Responsibility - The Builder will reinstall or replace siding as necessary to correct any thermal expansion waves or distortions to comply with the Performance Standard.
6. **Possible Deficiency** - Aluminum or vinyl lap siding trim is loose from the house.
Performance Standard - Trim shall not separate more than one-fourth of an inch (1/4") from the house.
Responsibility - The Builder will reinstall trim or caulk separations as necessary to comply with the Performance Standard.

7. **Possible Deficiency** - Aluminum or vinyl lap siding courses are not parallel with the eaves or wall openings.
Performance Standard - Any piece of aluminum or vinyl lap siding more than one inch (1") off parallel in twenty feet (20') with contiguous courses, or contiguous break such as soffit line, is unacceptable.
Responsibility - The Builder will reinstall siding to comply with the Performance Standard, and replace any siding damaged during the removal with new siding.
8. **Possible Deficiency** - Aluminum or vinyl lap siding trim accessories are loose from caulking at windows or other wall openings.
Performance Standard - Siding trim accessories shall not separate from caulking at windows or other wall openings during the Limited Warranty period.
Responsibility - The Builder will repair or recaulk aluminum or vinyl lap siding trim as necessary to eliminate the separation.
9. **Possible Deficiency** - Aluminum or vinyl lap siding is not cut tight to moldings.
Performance Standard - Gaps between siding and molding shall not exceed one-fourth of an inch (1/4").
Responsibility - The Builder will correct gaps between aluminum or vinyl lap siding and molding to meet the Performance Standard.
10. **Possible Deficiency** - Siding end gaps are visible.
Performance Standard - Siding end gaps wider than one-fourth of an inch (1/4") are unacceptable.
Responsibility - The Builder will repair siding end gaps that do not meet the Performance Standard.
11. **Possible Deficiency** - Asphalt shingles do not overhang the edges of the roof, or hang too far over the edges of the roof.
Performance Standard - Asphalt shingles shall overhang the roof edges by not less than one-fourth of an inch (1/4"), and not more than one inch (1"), unless the manufacturer's standards or specifications indicate otherwise.
Responsibility - The Builder will replace shingles that do not meet the Performance Standard.

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 the gutters may overflow during heavy rain.
Responsibility - The Builder will repair leaks in gutters and downspouts. It is a Homeowner maintenance responsibility to keep gutters and downspouts free of leaves and debris, which could cause overflow.
2. **Possible Deficiency** - Water is standing in the gutters.
Performance Standard - When gutters are unobstructed by debris, the water level shall not exceed one inch (1") in depth. The industry practice is to install gutters approximately level. Consequently, small amounts of standing water in certain sections of gutter immediately after a rain should be anticipated.
Responsibility - The Builder will correct unobstructed gutters that accumulate water in excess of the maximum tolerance to meet the Performance Standard.

E. Sealants

- Possible Deficiency** - Leaks in exterior walls due to inadequate caulking.
Performance Standard - Joints and cracks in exterior wall surfaces and around openings shall be properly caulked to exclude the entry of water.
Responsibility - The Builder will repair and/or caulk joints or cracks in exterior wall surfaces as required to correct deficiencies. Such repairs will be made one (1) time only during the Limited Warranty period. Even properly installed caulking will shrink and must be maintained during the life of the Home. Properly maintaining caulking is a Homeowner responsibility.

F. Waterproofing

- Possible Deficiency** - Leaks in basement
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 a deficiency.
Responsibility - The Builder will take whatever action is necessary to correct basement leaks to comply with the Performance Standard, except where the cause is determined to result from Homeowner action and/or negligence.

VI. Doors and Windows

A. Wood, Plastic and Metal Doors

- Possible Deficiency** - Warpage of exterior and/or attic doors.
Performance Standard - Exterior doors and/or attic doors will warp to some degree due to the temperature differential between the inside and outside surfaces. However, they shall not warp to the extent that they become inoperable, cease to be weather resistant, or exceed one-fourth of an inch (1/4") measured diagonally from corner to corner, based on National Woodwork Manufacturers Association Standards.
Responsibility - The Builder will correct or replace and refinish defective doors during the Limited Warranty period.
- Possible Deficiency** - Fit of interior passages and/or closet doors.
Performance Standard - Interior doors (full openings) shall not warp in excess of one-fourth of an inch (1/4") at the bottom and a maximum of three-eighths of an inch (3/8") on both sides and at the top when the door is closed.
Responsibility - The Builder will correct or replace and refinish defective doors to match existing doors as nearly as possible during the Limited Warranty period.
- Possible Deficiency** - Shrinkage of insert panels, exposing raw wood edges.
Performance Standard - Panels will shrink and expand, and unpainted surfaces may become exposed.
Responsibility - No action required.
- Possible Deficiency** - Split in door panel.
Performance Standard - Splits in door panels shall not allow light to be visible through the door.
Responsibility - If light is visible, the Builder will fill the split and match paint or stain as closely as possible. Such repairs will be made one (1) time only in first year of the Limited Warranty period.

B. Glass

- Possible Deficiency** - Broken glass or scratched glass.
Performance Standard - None.
Responsibility - Broken glass not reported to the Builder prior to the commencement of this Limited Warranty is the Homeowner's responsibility.

C. Garage Doors on Attached Garages

1. **Possible Deficiency** - Garage doors fail to operate properly.
Performance Standard - Garage doors shall operate properly under conditions of normal use.
Responsibility - The Builder will correct or adjust garage doors as required to meet the Performance Standard, except where the cause is determined to result from Homeowner action or negligence.
2. **Possible Deficiency** - 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 weather conditions.
Responsibility - The Builder will adjust or correct garage doors to meet the manufacturer's recommendations.

D. Wood, Plastic and Metal Windows

1. **Possible Deficiency** - Malfunction of windows.
Performance Standard - Windows shall operate with reasonable ease, as designed.
Responsibility - Builder will correct or repair malfunctioning windows as required to meet the Performance Standard.
2. **Possible Deficiency** - Condensation and/or frost on the windows.
Performance Standard - Condensation is usually the result of climatic/humidity conditions. Condensation collecting on the interior surface of windows in conditions of extreme temperature differences or high humidity levels is not unusual and is not a deficiency.
Responsibility - Unless directly attributed to faulty installation, window condensation is deemed to be a result of conditions beyond the Builder's control. No corrective action required.

E. Weather-stripping and Seals

1. **Possible Deficiency** - Air or water infiltration around doors and windows.
Performance Standard - Poorly fitted weather-stripping shall be adjusted or replaced. Some degree of infiltration around doors and windows is normal, especially during high winds. It may be necessary for the Homeowner to install storm doors and windows to provide satisfactory solutions in high wind areas.
Responsibility - Builder will correct or adjust poorly fitted doors, windows, and/or weather-stripping to meet the Performance Standard. Consequential loss or damage is not covered.

VII. Finishes

A. Gypsum Wallboard

1. **Possible Deficiency** - Nail pops, blisters, or other blemishes are visible on finished walls or ceilings.
Performance Standard - Any such blemishes that are readily visible from a distance of six feet (6'), under normal lighting conditions, are unacceptable.
Responsibility - The Builder will repair nail pops, blisters in tape, and cracks exceeding one-eighth of an inch (1/8") in width, if they are readily visible from a distance of six feet (6') under normal lighting conditions. These repairs will be made one (1) time only during the Warranty period. A perfect match between the original and new paint should not be expected and is not warranted, and the Builder is not required to paint an entire wall or room where repairs have been made.

B. Ceramic Tile

1. **Possible Deficiency** - Ceramic tile cracks or becomes loose.
Performance Standard - Ceramic tile shall not crack or become loose.
Responsibility - The Builder will replace cracked tiles and re-secure loose tiles, except where the defects result from Homeowner action or negligence. Replacement of cracked tiles will be performed one (1) time only during the Limited Warranty period. The 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 commonly result from normal shrinkage conditions. Cracks up to one-eighth of an inch (1/8") are allowed.
Responsibility - The Builder will repair grouting, if necessary, to meet the Performance Standard. Such repairs will be made one (1) time only during the Limited Warranty period. Repair by caulking is acceptable. The Builder will not be responsible for color variations or discontinued color grout. Re-grouting of cracks throughout the life of the home is a Homeowner maintenance responsibility.

C. Finished Wood Flooring

1. **Possible Deficiency** - Cracks developing between floorboards.
Performance Standard - Cracks in excess of one-eighth of an inch (1/8") in width shall be corrected.
Responsibility - Builder will repair cracks in excess of one-eighth of an inch (1/8") within the Limited Warranty period, by filling or replacing, in the Builder's discretion.
2. **Possible Deficiency** - Strip hardwood floorboards are cupped.
Performance Standard - Cups in strip hardwood floorboards shall not exceed one-sixteenth of an inch (1/16") in height in a three inch (3") maximum span measured perpendicular to the long axis of the board. Cupping caused by exposure to moisture beyond the control of the Builder is not covered.
Responsibility - The Builder will correct or repair cups in strip hardwood floorboards to meet the Performance Standard.
3. **Possible Deficiency** - Slivers or splinters appear in strip flooring.
Performance Standard - Slivers or splinters that occur during the installation of the flooring are unacceptable.
Responsibility - The Builder will repair to meet the Performance Standard.
4. **Possible Deficiency** - Hollow sound when flooring is walked on.
Performance Standard - Irregularities in slabs and wood flooring manufacturing may result in hollow sound in scattered locations.
Responsibility - No repair necessary.

D. Resilient Flooring

1. **Possible Deficiency** - Nail pops appear on the surface of resilient flooring.
Performance Standard - Readily apparent surface nail pops are deficiencies.
Responsibility - Builder will correct surface nail pops that have caused damage to the floor material and repair or replace damaged floor covering in the affected area. Builder is not responsible for discontinued patterns or color variations. All tears and gouges must be noted prior to closing on the home.
2. **Possible Deficiency** - Depressions or ridges appear in the resilient flooring due to sub floor irregularities.
Performance Standard - Readily apparent depressions or ridges exceeding one-eighth of an inch (1/8") shall be repaired. The ridge or depression measurement is taken as the gap created at one end of a six inch (6") 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 - The 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.

3. **Possible Deficiency** - Resilient flooring loses adhesion.
Performance Standard - Resilient flooring shall not lift, bubble or become unglued.
Responsibility - The Builder will repair or replace, in Builder's sole discretion, the affected resilient flooring as required. The Builder will not be responsible for discontinued patterns or color variations of floor covering, or for problems caused by Homeowner neglect and/or abuse.
4. **Possible Deficiency** - Seams or shrinkage gaps show at resilient flooring joints.
Performance Standard - Gaps in joints in resilient flooring shall not exceed one-sixteenth of an inch (1/16") in width. Where dissimilar materials abut, the gap shall not exceed one-eighth of an inch (1/8").
Responsibility - At the Builder's option, the Builder will repair or replace the resilient flooring as necessary to meet the Performance Standard. The Builder will not be responsible for discontinued patterns or color variations when replacing the floor covering.
5. **Possible Deficiency** - Bubbles appear on roll vinyl flooring.
Performance Standard - Bubbles resulting from trapped air that protrude higher than one-sixteenth of an inch (1/16") from the floor are not acceptable.
Responsibility - The Builder will repair bubbles in roll vinyl flooring to meet the Performance Standard.

E. Painting

1. **Possible Deficiency** - Exterior paint peels, deteriorates or fades.
Performance Standard - Exterior paints should not fail during the Limited Warranty period. However, fading is normal and the degree is dependent on climatic conditions.
Responsibility - If paint is defective, the Builder will properly prepare and refinish affected areas. The Builder shall not be responsible for matching colors and finishes.
2. **Possible Deficiency** - Painting required as corollary repair because of other work.
Performance Standard - Following the completion of repairs required under this Limited Warranty, the Builder shall repaint the affected area. The Builder shall not be responsible for matching colors and finishes.
Responsibility - The Builder will finish repair areas as indicated to meet the Performance Standard.
3. **Possible Deficiency** - Deterioration of varnish or lacquer finishes.
Performance Standard - Natural finishes on interior woodwork shall not deteriorate during the Limited Warranty period. However, varnish type finishes used on the exterior will deteriorate rapidly and are not covered by the Limited Warranty.
Responsibility - The Builder will retouch affected areas of natural finish interior woodwork. The Builder shall not be responsible for matching colors and finishes.
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, lake or river front).
Responsibility - Mildew or fungus formation is a condition the Builder cannot control and is a Homeowner maintenance responsibility unless it results from noncompliance with other Performance Standard sections of this Limited Warranty.
5. **Possible Deficiency** - Interior paint does not "cover" the underlying surface.
Performance Standard - The surface being painted shall not show through new paint when viewed from a distance of six feet (6') under natural lighting conditions.
Responsibility - The Builder will recoat as necessary to meet the Performance Standard and match surrounding areas as closely as practical.

F. Wall Covering

1. **Possible Deficiency** - Peeling of wall covering.
Performance Standard - Peeling of wall covering shall not occur.
Responsibility - The Builder will match the existing paper to best of the Builder's ability.
2. **Possible Deficiency** - Edge mismatching in pattern of wall covering.
Performance Standard - None.
Responsibility - No action required.

G. Carpeting

1. **Possible Deficiency** - Open carpet seams.
Performance Standard - Carpet seams will show; however, no visible gap is acceptable.
Responsibility - Builder will correct visible gaps in carpet seams.
2. **Possible Deficiency** - Carpeting becomes loose or seams separate.
Performance Standard - Wall-to-wall carpeting, installed as the primary floor covering, when secured properly shall not come up, become loose, or separate from its points of attachment.
Responsibility - Builder will re-secure wall-to-wall carpeting that has become loose or has separated if the original installation of the carpeting was performed by Builder, except where such conditions are caused by normal wear and tear or moving furniture. Such repairs will be made one (1) time only during the Limited Warranty period.
3. **Possible Deficiency** - Spots on carpet, minor fading.
Performance Standard - Exposure to light may cause spots on carpet and/or minor fading.
Responsibility - No action required.

H. Special Coatings

1. **Possible Deficiency** - Cracks in exterior cement stucco wall surfaces.
Performance Standard - Cracks are not unusual in exterior stucco wall surfaces. Cracks greater than one-eighth of an inch (1/8") in width shall be repaired.
Responsibility - Builder will repair cracks exceeding one-eighth of an inch (1/8") in width. Such repairs will be made only once during the Limited Warranty period.
Note - Synthetic Stucco is specifically excluded from this Warranty.

VIII. Specialties

A. Fireplaces

1. **Possible Deficiency** - 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. Negative draft situations can also be caused by obstructions, such as large tree branches situated too close to the chimney. Homes that have been insulated and weatherproofed to meet high-energy conservation criteria may require that a window be opened slightly to create an effective draft.
Responsibility - The Builder will determine the cause of the malfunction, and correct the problem if it is caused by faulty design or construction of the fireplace.
2. **Possible Deficiency** - Chimney separation from structure to which it is attached.
Performance Standard - Newly built fireplaces will often incur slight amounts of separation. Separation shall not exceed one-half of an inch (1/2") from the main structure in any ten foot (10') vertical measurement.
Responsibility - The Builder will determine the cause of separation and, if the Performance Standard is not met, correct the problem. Repair by caulking is acceptable.

- Possible Deficiency** - Firebox cracks or paint changed by fire.
Performance Standard - None.
Responsibility - No action required.

IX. Cabinets and Counter Tops

A. Tops

- Possible Deficiency** - Surface cracks, joint delaminations and chips in high-pressure laminates on vanity and kitchen cabinet countertops.
Performance Standard - Countertops fabricated with high-pressure laminate coverings shall not delaminate.
Responsibility - The Builder will replace delaminated coverings to meet the specified criteria of the Performance Standard. The Builder will not be responsible for chips, scratches or cracks noted following first occupancy or closing, whichever occurs first.
- Possible Deficiency** - Countertops are not level.
Performance Standard - Countertops shall be no more than three-eighths of an inch (3/8") out-of-level in a ten foot (10') measurement. For remodeling projects where the floor is out-of-level, the countertop may be installed proportionately out-of-level.
Responsibility - The Builder will make necessary adjustments to out-of-level countertops to meet the Performance Standard.
- Possible Deficiency**- Granite and quartz countertops seams are not level.
Performance Standard- The seam(s) of the countertop should be level from front to back and not exceed 1/8" in variation.
Responsibility- The builder will take the proper steps to make this repair if it is out of tolerance. Granite countertops are natural surfaces and may crack. The builder is not responsible for cracks or chips after the move in date.
- Possible Deficiency** - Countertops separate from the wall.
Performance Standard - Countertops shall not separate from the wall by more than one-fourth of an inch (1/4").
Responsibility - The Builder will make necessary adjustments to meet the Performance Standard. Caulking is an acceptable method of addressing this deficiency.

B. Cabinets

- Possible Deficiency** - Kitchen cabinet doors and/or drawer fronts warp.
Performance Standard - Warpage shall not exceed one-fourth of an inch (1/4") as measured from the face frame to the point of the furthest warpage, with door or drawer front in closed position.
Responsibility - The Builder will correct or replace warped kitchen cabinet doors or drawer fronts to meet the Performance Standard.
- Possible Deficiency** - Gaps between cabinets, ceilings, or walls.
Performance Standard - The acceptable tolerance for gaps between cabinets, ceilings, or walls is one-fourth of an inch (1/4") in width.
Responsibility - The Builder will correct gaps exceeding the maximum tolerance to meet the Performance Standard.
- Possible Deficiency** - Cabinet doors or drawers bind.
Performance Standard - Cabinet doors and drawers shall open and close with reasonable ease.
Responsibility - The Builder will adjust or replace doors and drawers as necessary to meet the Performance Standard.

4. **Possible Deficiency** - Cabinet doors will not stay closed.
Performance Standard - The catches or closing mechanisms for cabinet doors shall be adequate to hold the doors in a closed position.
Responsibility - The Builder will adjust or replace cabinet door catches or closing mechanisms as necessary to meet the Performance Standard.

X. Plumbing

A. Water Supply System

1. **Possible Deficiency** - Plumbing pipes freeze and burst.
Performance Standard - Drain, waste, vent, and water pipes shall be adequately protected, as required by local code.
Responsibility - The Builder will correct pipes that do not meet local code requirements. It is a Homeowner maintenance responsibility to drain or otherwise protect pipes, lines, and exterior faucets from freezing temperatures.

B. Plumbing System

1. **Possible Deficiency** - Faucet or valve leak.
Performance Standard - No valve or faucet shall leak as a result of defects in workmanship or materials.
Responsibility - The Builder will repair or replace leaking faucets or valves to meet the Performance Standard.
2. **Possible Deficiency** - Defective plumbing fixtures, appliances or trim fittings.
Performance Standard - Plumbing fixtures, appliances, and trim fittings shall comply with their manufacturer's standards.
Responsibility - The Builder will repair or replace any defective fixture, appliance or trim fitting that does not meet acceptable standards, as defined by the manufacturer.
3. **Possible Deficiency** - Noisy water pipes.
Performance Standard - Some noise emitting from the water pipe system, caused by the flow of water or pipe expansion, is normal and is not a deficiency. However, water hammer caused by improper installation shall be eliminated.
Responsibility - The Builder will correct "water hammer" that is caused by improper installation. The Builder cannot completely remove all water pipe noise, however, and noise caused by water flow and/or pipe expansion should be expected and is not a defect.
4. **Possible Deficiency** - Cracking or chipping of porcelain or fiberglass surfaces.
Performance Standard - Chips and cracks on surfaces of bathtubs and kitchen sinks can occur when surface is hit with sharp or heavy objects.
Responsibility - The Builder will not be responsible for repairs unless the damage has been reported to the Builder prior to first occupancy or closing, whichever occurs first.

C. Water Supply

1. **Possible Deficiency** - Water supply system fails to deliver water.
Performance Standard - 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 code requirements.
Responsibility - The Builder will repair system if the failure is a result of defective workmanship or materials. However, if conditions beyond the Builder's control disrupt or eliminate the sources of the water supply, the Builder has no responsibility and no action is required.

D. Septic Tank System

- Possible Deficiency** - Septic system fails to operate properly.

Performance Standard - Septic systems shall function adequately during all seasons, under normal or reasonably anticipated climatic conditions (based on local records) for the location of the home. Septic systems shall be designed and installed to comply with the applicable local health code requirements.

Responsibility - The Builder will repair or otherwise correct a malfunctioning or non-operating system, if the failure is caused by inadequate design, faulty installation, or other cause relating to the actions of the Builder or of contractors or subcontractors under the Builder's control. The Builder will not be responsible for system malfunction or damage that is a result of Homeowner action and/or negligence, lack of system maintenance, or other causes attributable to actions of the Homeowner or Homeowner'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 which are critical to the system's functioning.

E. Piping

- Possible Deficiency** - Leakage from any piping.

Performance Standard - 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 - The Builder will make repairs to any pipes to eliminate leakage in conformance with the Performance Standard.
- Possible Deficiency** - Stopped up sewers, fixtures and/or drains.

Performance Standard - Sewers, fixtures and/or drains shall operate properly.

Responsibility - The Builder will not be responsible for sewers, fixtures, or drains which are clogged as a result of Homeowner action or negligence. If a problem occurs, the Homeowner should consult with the Builder to determine a proper course of action. Where Homeowner negligence is determined to be the cause, the Homeowner shall be responsible for all repair costs.
- Possible Deficiency** - Refrigerant lines leak.

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

Responsibility - The Builder will repair leaking refrigerant lines and re-charge units, unless it is determined that the damage was caused by the Homeowner.

XI. Heating, Cooling and Ventilation

A. Heating

- Possible Deficiency** - Inadequate heating.

Performance Standard - The heating system should be able to maintain a temperature of seventy degrees (70°), measured at five feet (5') above the center of the floor, under local outdoor ASHRAE specifications. The Homeowner is responsible for minor adjustments to the system, such as balancing dampers and registers. On extremely cold days, a five to six degree (5-6°) difference between the actual inside temperature and the thermostat setting is acceptable. The temperature in all rooms may vary by three to four degrees (3-4°), and such a variance is acceptable.

Responsibility - The Builder will correct systems that exceed the maximum tolerances to meet the Performance Standard.

B. Cooling

1. **Possible Deficiency** - Inadequate cooling.
Performance Standard - Where applicable, the cooling system should be able to maintain a temperature of seventy-eight degrees (78°), measured five feet (5') above the center of the floor, under local outdoor ASHRAE specifications. The Homeowner is responsible for minor adjustments to the system, such as balancing dampers and registers. On a day when the outside temperature is greater than ninety-five degrees (95°), a fifteen degree (15°) difference between the actual inside temperature and the thermostat setting is acceptable. The temperature in all rooms may vary by three to four degrees (3-4°), and such a variance is acceptable.
Responsibility - The Builder will correct systems that exceed the maximum tolerances to meet the Performance Standard.

C. Condensation Lines

1. **Possible Deficiency** - Condensation lines clog up.
Performance Standard - None.
Responsibility - The Builder shall provide unobstructed condensation lines at the time of first occupancy. Condensation lines will clog eventually under normal use, and it is a Homeowner maintenance responsibility to avoid clogging of condensation lines.

D. Air Distribution

1. **Possible Deficiency** - Noisy ductwork and oil canning
Performance Standard - When metal is heated, it expands, and when cooled, it contracts. The result is "ticking" or "crackling," which is generally to be expected.
Responsibility - No action required, noise is not a deficiency.

E. Ductwork

1. **Possible Deficiency** - Ductwork separates or becomes unattached.
Performance Standard - Ductwork shall remain intact and securely fastened.
Responsibility - The Builder will re-attach and secure all separated or unattached ductwork unless the defect is caused by the action or negligence of the Homeowner.

XII. Electrical

A. Electrical Conductors, Fuses and Circuit Breakers

1. **Possible Deficiency** - Circuit breakers "kick out."
Performance Standard - Fuses and circuit breakers shall not activate under normal usage.
Responsibility - The Builder will check the wiring circuits for conformity with local or electrical code requirements, and correct circuitry that does not conform to such code specifications.
Note - Ground fault interrupters are excluded from this Warranty.

B. Outlets, Switches and Fixtures

1. **Possible Deficiency** - Drafts from electrical outlets, switches, or fixtures.
Performance Standard - Electrical junction boxes on exterior walls may produce airflow, whereby cold air can be drawn through the outlet and into a room. This problem is normal in new home construction.
Responsibility - No action required.
2. **Possible Deficiency** - Malfunction of electrical outlets, switches, or fixtures.
Performance Standard - All switches, fixtures, and outlets shall operate as intended.
Responsibility - The 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 - The Builder shall install ground fault interrupters in accordance with local electrical code. Tripping is to be expected and is not covered, unless it is determined that it is caused by a construction defect.

D. Wiring

1. **Possible Deficiency** - Failure of wiring to carry its designated load.

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

Responsibility - The Builder will check wiring for conformity with local electrical code requirements, and repair wiring that does not conform to such code specifications.

EXCLUSIONS FROM NEW HOME WARRANTY

ITEMS, WHICH ARE NOT COVERED BY THIS WARRANTY

Houses built outside of Shelby, Tipton & Fayette Counties are not covered by this Warranty.

- A.** Landscaping (including sodding, seeding, shrubs, trees and planting); off-site improvements; or any other improvements not 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 subcontractors; or
 - 2.** Changes of the grading of the ground by anyone other than the Builder, its employees, agents or subcontractors; or
 - 3.** Changes, alterations or additions made to the home by anyone after the New Home Limited Warranty commencement date stated on the Certificate; or
 - 4.** Failure by the Homeowner 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 Homeowner to give notice to the Builder of any defects within a reasonable time; or
 - 6.** Dampness or condensation due to the failure of the Homeowner to maintain adequate ventilation;
- C.** Normal wear and tear or normal deterioration;
- D.** Loss or damage caused by or resulting from accidents, riots and civil commotion, fire, explosion, smoke, water escape, falling objects, aircrafts, vehicles, Acts of God, lightning, windstorm, hail, flood, mudslide, earthquake, volcanic eruption, wind-driven water, underground water, or other events which were not reasonably foreseeable;
- E.** Loss or damage caused by rotting of any kind, insect damage, vermin, living organisms, radiation, pollution, or toxic substances of any kind;
- F.** Loss or damage which 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: uninhabitableness or health risk due to the presence of or as a 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 Homeowner which 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 in excess of three-fourths of an inch (3/4") vertically, from one section to the next;
- J.** Loss or damage, which the Homeowner 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 excluded under this New Home 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;
- 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);
- Q.** Any defect pertaining to Solid Surface Countertops is not covered by this warranty. The homeowner is asked to refer to the manufacturer warranty on all solid surface countertops. The builder is not required to take any action after the move in date.
- R.** Natural wood imperfections;
- S.** Color variations in any natural products;
- T.** Color variations or discontinuations in any manufactured products;
- U.** Gloss or semi gloss wall finishes;
- V.** Any materials added to brick, including but not limited to paint, slurry, and other brick coatings;
- W.** Any conditions which are required or result from compliance with local building codes or ordinances;
- X.** Appliances and equipment included in the Home are not warranted under this Limited Warranty, but may be covered by separate warranties provided by the manufacturer; any such warranty is passed on to the Homeowner at the time this Warranty goes into effect;
- Y.** Any request for Warranty performance submitted to the Builder after an unreasonable delay or later than thirty (30) days after the expiration of the applicable Warranty period.



Memphis Area Home Builders Association
