



ADDENDUM F - LIMITED WARRANTY

1. DESCRIPTION OF WARRANTY

(a) This is the sole warranty offered by Seventy West Builders, Inc. (hereinafter referred to as "Seller") for the new residence (the "Home"). This Limited Warranty does not cover consequential or incidental damages. Seller's total aggregate liability of this Limited Warranty is limited to the final Contract Price.

(b) Seller makes no housing warranty of habitability or workmanship, nor any other warranties, expressed or implied, in connection with the attached sales contract for the warranted home, and all such warranties are excluded, except as expressly provided in this Limited Warranty. There are no warranties which extend beyond the face of this Limited Warranty, and you agree that you waive the right to assert any implied warranty in exchange for the expressed warranty described herein.

(c) Some capitalized terms contained in this Limited Warranty are defined in the Offer to Purchase and Contract of which this document is a part. In the event of a conflict between this Addendum and the Offer to Purchase and Contract, this Addendum shall control.

2. INTRODUCTION TO THE LIMITED WARRANTY

(a) This document provides specific details, conditions and limitations of the Limited Warranty including procedures for requesting warranty performance dispute mediation. Any dispute arising under the Seventy West Builders, Inc. Limited Warranty shall be resolved pursuant to the provisions of contained in the Offer to Purchase and Contract. Read this document in its entirety to understand the protection it affords, the exclusions applicable to it, the Warranty Standards which determine its interpretations and operation and your responsibilities.

(b) **This is not a maintenance agreement or a service contract.** It is an explanation of what you, the Buyer, can expect from this Limited Warranty.

(c) You are responsible for maintenance of your new Home. General and preventative maintenance is required to prolong the life of your new Home. In addition, you, the Buyer, are responsible for inspecting your Home regularly to identify defects in a timely manner to help mitigate their effects. An example of this responsibility is monthly inspections of the crawlspace and attic areas to identify any water leaks from plumbing systems, or water infiltration from any other source

(d) Actions taken to cure defects do not extend the periods of original coverages in this Limited Warranty.

(e) Only warranted elements which are specifically designated in the document described hereinbelow are covered by this Limited Warranty.

(f) Seller has, at its sole discretion, the choice to repair or replace warranted items which do not meet warranty standards as described hereinbelow and are not excluded in the Limited Warranty.

3. WARRANTY COVERAGE

(a) Seller warrants that for a period of one (1) year after the Closing Date (the "Effective Date of Warranty"), warranted items will function and operate according to industry standards and all applicable building codes. During this warranted period, Seller will make all necessary repairs and corrections to the dwelling, either interior or exterior, structural or non-structural and to the other improvements on the property that were constructed by Seller that shall become necessary by reason of defects in materials or workmanship (provided such materials were selected by the Seller), or non-conformity of construction to the Plans and Specifications, subject to the Exclusions below. Coverage is ONLY available where specified observations and actions required are represented in this Limited Warranty and in accordance with the following conditions:

(i) This Limited Warranty is binding on Seller and Buyer, his/her heirs, executors, administrators, successors and assigns.



(ii) This Limited Warranty shall be interpreted and enforced in accordance with the laws of the state of North Carolina.

(iii) This Limited Warranty is separate and apart from your contract and/or other sales agreements with Seller. It cannot be affected, altered or amended in any way by any other agreement which you may have.

(iv) This Limited Warranty cannot be modified, altered or amended in any way except by a formal written instrument signed by you and Seller.

(v) If any provision of this Limited Warranty is determined by a court of competent jurisdiction to be unenforceable, that determination will not affect the validity of the remaining provisions.

(vi) All notices required under this Limited Warranty must be in writing and mailed to the following address:

Buyer	Seventy West Builders, Inc.
_____	PO Box 1270
_____	Jacksonville NC 28541

(vii) If actions by Seller on any obligations under this Limited Warranty are delayed by an event beyond its control, such performance will be excused until the delaying effects of the event are remedied. Such events include, but are not limited to, acts of God, acts of the common enemy, war, riot, civil commotion or sovereign conduct, or acts or omissions by you or any other person not a party of this Limited Warranty.

(viii) Costs incurred for unauthorized repairs to warrant items are not reimbursable. Written authorization prior to incurring expenses must be obtained from Seller.

(ix) Under this Limited Warranty, Seller will use its best efforts to match materials and colors in situations where materials are replaced or repaired, however, there is no guarantee that an exact match of color and texture can be accomplished on areas which are repaired or when original materials have been discontinued or are no longer available. Examples are stains, flooring finishes, brick, mortar, concrete, etc.

4. EXCLUSIONS

The following are NOT covered under this Limited Warranty:

(a) CONCRETE FOUNDATIONS, WALKS, DRIVES, AND PATIOS can develop hairline cracks not affecting the structural integrity of the house or dwelling. There is no known method of eliminating this condition, which is caused by characteristics of expansion and contraction. It does not affect the strength of the house or dwelling and is not a condition covered by any warranty. Also, the application of any foreign substance, such as de-icers, salt based mixtures, etc., has always been at best a universally known act of risk to the finished surface of concrete and can possibly cause unsightly reactions to the surface and enhancing wear and tear and is not a condition covered by any warranty.

(b) MASONRY AND MORTAR can develop cracks due to shrinkage in either the mortar or brick. This is normal and should not be considered a defect. It is not covered by any warranty.

(c) FLOORS: Your floors are not warranted for damage caused by neglect or by use. Wood, tile, and carpet all require maintenance. Floor casters are recommended to prevent scratching or chipping of wood or tile; clean stains from carpets or tile immediately to prevent discoloration. Carpet has a tendency to loosen in damp weather and will stretch tight again in dryer weather. Wood floors will expand and contract due to humidity; this is a common occurrence and can result in minor separations (cracks) or minor cupping, both of which are normally self correcting with humidity change and is not covered by any warranty.

(d) BRICK DISCOLORATION: Brick may discolor due to the elements, rain run-off, weathering, or bleaching. Thus the color of brick is not considered a warranty item.

(e) **BROKEN GLASS:** Any broken glass or mirrors that are not noted on the final inspection form will not be covered by any warranty.

(f) **FROZEN PIPES:** The homeowner must take precautions to prevent freezing during severe cold weather, such as removing outside hoses from sillcocks, leaving faucets with a slight drip, and turning off the water system if the house is to be left for extended periods during cold weather. No frozen pipes or sillcocks are covered by any warranty.

(g) **PAINT:** Good quality paint has been used internally and externally on your home. Nevertheless, exterior paint can sometimes crack, stain or speck. This is not a defect in the paint, but it is most often caused by other sources. You should avoid allowing lawn sprinklers to hit painted areas, washing down painted areas, etc. Inside, do not scrub latex-painted walls, and be aware of the newly painted wall as you are moving furniture. The paint will be stained or chip if it is not cared for properly.

(h) **COSMETIC ITEMS:** The upkeep of cosmetic aspects of your home is your responsibility. You have not contracted with Seller to cover ordinary wear and tear or other occurrences subsequent to construction that affect the condition of features in your home. Chips, scratches, or mars in tile, woodwork, walls, porcelain, brick, mirrors, marble and Formica tops, plumbing fixtures, lighting fixtures, kitchen and other appliances, doors, polished brass hardware, light bulbs, paneling, siding, screens, windows, carpet, vinyl floors, cabinets, etc., that are not due to defects in materials or workmanship are nonwarrantable conditions.

(i) **ALTERATIONS TO GRADING:** Your lot has been graded to insure proper drainage away from your house. Should you wish to change the drainage pattern due to additional landscaping, installation of patio or service walks, or other reasons, be sure a proper drainage slope is retained. We assume no responsibility for the grading, subsequent flooding, stagnant pool formation or leaking of the foundation water-proofing if the established pattern is altered and said alteration is causing the above mentioned problems. All street plan profiles, water, sewer, curbing and guttering and other utility plans, pipes and drainage plans have been engineered, designed, constructed and approved by all of the appropriate local and state agencies. Therefore we will not be responsible for any modifications or additions to any of the above. If a homeowner desires to improve on any utility of storm drainage; it would be up to the homeowner to obtain any approvals and bear any costs thereof.

(j) **LAWN TREES AND SHRUBS:** We accept no responsibility for the growth or non-growth of grass or trees. Once we grade, seed, and/or sod and fertilize, it is for the homeowner to water and spread ground cover to prevent erosion and to assist in the growing of new grass. We will not re-grade a yard, or remove, replace or compensate you for the loss of any grass, except for those which are noted as obviously diseased at final inspection prior to closing. All trees and shrubs that are natural or have been planted by Seventy West Builders, Inc. are not warranted after closing.

(k) **ROOF DAMAGE:** Warranty claims for any defects in materials will be handled with the manufacturer with our assistance. Seller is not responsible for any damage caused by wind, storm or walking on the roof for antenna, etc. installation.

(l) **MECHANICAL EQUIPMENT, APPLIANCES, LIGHTING FIXTURES, AND OTHER CONSUMER PRODUCTS:** Your mechanical equipment, including the heating and air conditioning, hot water heater, lighting fixtures and kitchen type appliances and other consumer products are covered for a period of one (1) year only. Please note it is the Buyer's responsibility to be sure that heating and air conditioning filters are kept clean and changed on a 30-day basis.

(m) **LOSS OR DAMAGE:**

- (i) to land;
- (ii) to the Home, persons or property directly or indirectly caused by insects, birds, vermin, rodents, or wild or domestic animals;
- (iii) which arises while the Home is primarily used for non-residential purposes;
- (iv) from water which backs up from sewers or drains;
- (v) from normal deterioration or wear and tear;
- (vi) caused by material or work supplied by anyone other than Seller or its employees, agents or subcontractors; and
- (vii) from the failure to perform routine maintenance annually.

(n) **LOSS OR DAMAGE** resulting from, or made worse by:

- (i) changes in the grading of the property surrounding the Home by anyone except Seller or its employees, agents or subcontractors;
- (ii) changes in grading caused by erosion;
- (iii) modifications or additions to the Home, or property under or around the Home, made after the Effective Date Of Warranty (other than changes made in order to meet the obligations of this Limited Warranty);
- (iv) the weight and/or performance of any type of waterbed or any other furnishing, which exceeds the load-bearing, design of the Home;
- (v) acts or omissions by you, your agents, employees, licensees, invitees; accidents, riots, civil commotion, nuclear hazards, acts of God or nature, fire, explosion, blasting, smoke, water escape, windstorms, hail, lightning, ice, snow, falling trees, aircraft, vehicles, flood, mud slides, sinkholes, mine subsidence, faults, crevices, earthquake, land shock waves or tremors;
- (vi) your failure to minimize or prevent such loss or damage in a timely manner;
- (vii) negligent maintenance or operation of the Home and its systems by anyone other than Seller or its agents, employees or Contractors;
- (viii) any portion of a Water Supply System, private or public, including volume and pressure of water flow;
- (ix) quality and potability of water; and
- (x) any portion of a Sewage Disposal System, private or public, including design.

(o) ANY CONSEQUENTIAL DAMAGES.

(p) ANY REQUEST FOR WARRANTY PERFORMANCE SUBMITTED TO SELLER AFTER THE EXPIRATION OF THE APPLICABLE WARRANTY PERIOD.

(q) WARRANTED DEFECTS THAT YOU REPAIR without prior written authorization of Seller.

(r) THE REMOVAL AND/OR REPLACEMENT OF ITEMS specifically excluded from coverage under this Limited Warranty, such as landscaping or personal property, items not originally installed by Seller, such as wallpaper, where removal and replacement are required to execute a repair.

(s) SOUND TRANSMISSION AND SOUNDPROOFING between rooms or floor levels.

5. LIMITATION OF LIABILITY

(a) Seller's liability and obligations are limited to the repair, replacement or the payment of the reasonable cost of repair or replacement of warranted items not to exceed an aggregate equal to the final Contract Price of the Home. The choice to repair, replace or make payment is exclusively Seller's decision.

(b) All other warranties, express or implied, including, but not limited to, all implied warranties of fitness, merchantability or habitability, are disclaimed and excluded to the extent allowed by law. Buyer agrees to accept Seller's limited warranty in lieu of all other warranties from Seller, whether expressed or implied. Buyer acknowledges and agrees that Seller is relying on this waiver as part of consideration for the property.

6. PROCEDURES

Immediately prior to closing, Buyer and Seller will perform a final walkthrough. At this time all equipment manufacturers' operating manuals and warranties will be delivered to Buyer and final explanation of the Home's system operations will be made. A final punch list of any remaining nonconforming items will be executed and a time frame for completion or corrections agreed upon. All punch list items which have been corrected will be signed off as accepted. Buyer will be given a copy of these documents for their records and they will serve as formal acceptance of the work. In the event of a warranty claim, the decision of whether to repair or replace a defective is solely the decision of the Seller. Actions taken to cure defects will not extend the warranty period.



7. REQUESTING WARRANTY SERVICE

Any emergency items will be handled as they occur. All non-emergency warranty items occurring during the first eleven (11) months of occupancy should be accumulated and submitted in writing to Seller at the end of eleven (11) months (to ensure that manufacturer's warranties are still in force). Buyer's request for warranty performance should clearly describe the defect(s) in reasonable detail and include your name, address and contact phone numbers. This notification may be emailed to info@70westbuilders.com, at www.70westbuilders.com under the warranty tab, or mailed to Seller at the address shown on Page 2 of this document. All warranty requests must be submitted in writing. **It is Buyer's responsibility to request warranty service at this time.** Seller will send a representative to your Home to verify the listed defect(s) and if correction is needed. The timing for correction of the defect will be agreed to at this time. At completion of corrective action you will be given a completed work order for your signature and records.

8. CONDITIONS OF WARRANTY PERFORMANCE

(a) When your request for warranty performance is determined to be a warranted issue, Seller, at Seller's discretion, reserves the right to repair or replace the warranted item.

(b) Any Warrantor obligation is conditioned upon your proper maintenance of the Home, common elements and grounds to prevent damage due to neglect, abnormal use or improper maintenance.

Agreed to and Accepted by:

This is the ____ day of _____, 20__.

Buyer

Printed Name

Buyer

Printed Name