

Express Warranties (One Year)

Between



And

Homeowner's name:

Commencement date:

01/05/07

Exhibit "A"

BUILDER'S EXPRESS WARRANTIES

COVERAGE TERMS

The Express Warranties commences on the date of first occupancy. This Express Warranties terminates one (1) year after its commencement.

EXPRESS WARRANTIES COVERAGE

The Builder warrants that for one (1) year, beginning on the Express Warranties Commencement Date the home will be free from defects due to noncompliance with the Performance Standards attached to and incorporated onto this Express Warranties. This written Warranty is the only warranty by the Builder. No expressed or implied warranty verbal or otherwise exists. Any representations made by salespersons, company employees or others than the following Express Warranties is null and void.

CONSEQUENTIAL DAMAGES

Consequential damages are not covered by this Express Warranties.

REMEDY

If a defect occurs in an item which is covered by this Express Warranties, the Builder will repair or replace defective item(s). If a major structural defect first occurs during the one year term of this Express Warranties the Builder will repair or replace the major structural defect. Repair of a major structural defect under this Express Warranties is limited to the repair of damage to the load-bearing portion(s) of the home which is necessary to restore their load-bearing function; and (2) to the repair of those items of the home damaged by the major structural defect which made the home unsafe, unsanitary or otherwise unlivable. The Builder's total liability for deficiencies under this Express Warranties is limited to the original purchase price of the home. The choice among repair or replacement is solely that of the Builder.

OTHER INSURANCE OR WARRANTIES

In the event the Builder repairs or replaces any defect covered by this Express Warranties which is covered by other insurance or warranties, the homeowner must, upon request by the Builder, assign the proceeds of such insurance or warranties to the Builder to the extent of the cost to the Builder of such repair, replacement or payment.

OTHER RIGHTS

The Express Warranties gives specific legal rights to the homeowner. Other legal rights may also be available.

WARRANTY SERVICE

REQUEST FOR WARRANTY SERVICE

The homeowner with a warranty complaint should first send a clear and specific written complaint to the Builder. The builder will supply the warranty service provided under this Express Warranties.

TIME OF NOTICE OF CLAIM

Written notice of a defect in any item under this Express Warranties must be received by the Builder no later than thirty (30) days after the Express Warranties Coverage expires.

REQUEST FOR WARRANTY PERFORMANCE

If the homeowner believes the Builder has not performed as requested in the complaint to the Builder, the homeowner should submit a Request for Warranty Performance form directly to the Builder. The Request for

Warranty Performance must be received by the Builder no later than six (6) months from the date of the initial written complaint to the Builder.

DISPUTE SETTLEMENT

Upon receiving the Request for Warranty Performance, if the Builder disagrees with the Request, Builder and homeowner will arrange for informal dispute settlement between the homeowner and the Builder by submitting this dispute to arbitration in South Bend, Indiana, under the Rules of the American Arbitration Association ("Dispute Settler"). The Builder will be bound by the Dispute Settler's decision. Under this Express Warranties, suit may not be filed against the Builder until the claim has been submitted to informal dispute settlement and a decision has been reached or a waiting period of forty (40) days has been exceeded for a decision, following the submission of a Request for Warranty Performance, whichever comes first. State or federal laws may permit filing of suit without waiting, despite this paragraph.

ACCEPTANCE OF DECISION

The homeowner must sign and return to, within forty-five (45) days after the date of the dispute settler's decision, an Acceptance of Decision form by which the homeowner agrees to accept the decision only as to those items decided IN FAVOR OF THE HOMEOWNER. The Builder must perform as required in the decision. The Builder is not responsible for damage caused or made worse by delay in returning the Acceptance of Decision form to the Builder. The time allowed by the decision for performance by the Builder will be measured from the date the Acceptance of Decision form is received by the Builder. If the Builder can not perform as required in the dispute settler's decision because of circumstances beyond the control of Builder, i.e., weather or strikes, then the Builder must provide the homeowner with notice of the delay in performance. Then the Builder's time for performance may be extended. Acceptance of the dispute settler's decision in no way alters the homeowner's legal rights against the Builder.

RIGHT OF ACCESS

The homeowner must provide the Builder with reasonable workday access to the property in order to perform the warranty service required under this Express Warranties.

RELEASE

When the Builder finishes repairing or replacing the defect, a full release of all legal obligations with respect to the defect must be signed and delivered to the Builder by the homeowner. Homeowner shall have no obligation to release Builder until homeowner is completely satisfied that the defect has been totally corrected.

OTHER CLAIMANTS

Any other person to whom this Express Warranties is extended shall submit and pursue by the procedures above, any claims that they may have.

DEFINITIONS

Except as otherwise provided, the term used in this Express Warranties shall have the meanings assigned below:

A. *"APPLIANCES, FIXTURES AND ITEMS OF EQUIPMENT"* – includes but is not limited to: furnaces, air purifiers, air-handling equipment, ventilating fans, air conditioning equipment, water heaters, pumps, stoves, refrigerators, garbage disposals, compactors, dishwashers, automatic door openers, washers and dryers, bathtubs, sinks, toilets, faucets and fittings, lighting fixtures and circuit breakers.

B. *"BUILDER"* – The Corporation, which provides this Express Warranties.

C. *"HOME"* – A single family house, or Unit in a for sale multi – unit residential building of four (4) units or less in which title to the individual units is transferred to owners under a condominium or cooperative regime.

D. "HOMEOWNER" – The first person to whom the home is sold by the Buyer.

E. "MAJOR STRUCTURAL DEFECT" – Actual physical damage to any of the following designated load bearing portions of the home caused by failure of such load bearing portions which affects their load bearing functions to the extent that the home becomes unsafe, unsanitary or otherwise unlivable:

- | | |
|----------------------------------|-------------------------|
| 1. Foundation systems & footings | 5. Columns |
| 2. Beams | 6. Walls & partitions |
| 3. Girders | 7. Floor systems |
| 4. Lintels | 8. Roof framing systems |

F. "PERFORMANCE STANDARDS" – The locally applicable building codes, locally accepted building practices and performance standards which describe the Builder's obligation for specific defects under the Express Warranties.

G. "SYSTEMS" – Exclusive of appliances, fixtures and items of equipment, including the following:

1. "PLUMBING SYSTEM": - Gas supply lines and fittings; water supply, waste and vent pipes and their fittings; septic tanks and their drain field; water, gas and sewer service piping and their extensions to the tie-in of a public utility connection, or on-site well and sewage disposal system.
2. "ELECTRICAL SYSTEM" – All wiring, electrical boxes, switches, outlets and connections up to the public utility connections.
3. "HEATING, COOLING AND VENTILATION SYSTEMS" – All ductwork, water and refrigerant lines, registers, connectors, radiation elements and dampers.

OTHER CONDITIONS

NOTICE

All notices to the Builder or the homeowner must be sent by mail, postage prepaid, to the recipient(s) at the address(s) shown on the Contract to Purchase or to whatever other address the recipient(s) may designate in writing.

GENERAL PROVISIONS

- A. Should any provision of this Express Warranties be deemed unenforceable by a court of competent jurisdiction, that determination will not affect the enforceability of the remaining provisions.
 - B. This Express Warranties is to be binding on the Builder and the homeowner, their heirs, executors, administrators, successors and assigns.
 - C. Use of one gender in this Express Warranties includes all other genders and use of the plural includes the singular, as may be appropriate.
 - D. This Express Warranties is to be covered by and construed in accordance with the laws of the state in which the home is located.
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AMENDMENTS

The Scope of the coverage of this Express Warranties can only be changed or altered by use of an addendum signed by both Builder and homeowner.

I. INTRODUCTION

PLEASE READ THIS CAREFULLY – The following is intended to acquaint you with the responsibilities of the Builder under this Express Warranties. If a defect that results in actual physical damage to the home occurs,

the Performance Standards will be used to determine the Builder's obligation under this Express Warranties. If a specific defect is not addressed in the Performance Standards, one of the following standards will be used to determine the Builder's obligation under this Express Warranties:

- (a) Locally adopted codes; or
- (b) Model codes covering building, mechanical, plumbing and electrical systems.

Also note that coverage on certain items varies within the one (1) year Express Warranties period and some items rely on proper maintenance by the homeowner.

II. HOME OWNER RESPONSIBILITIES

The home requires an active maintenance effort on the homeowner's part to reduce the likelihood of damage due to neglect, improper maintenance, or abnormal use.

NOTE: Damage caused or made worse by homeowner negligence, improper maintenance or improper operation is expressly excluded under this Builder's Express Warranties.

III. PERFORMANCE STANDARDS

The Performance Standards lists 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 homeowners maintenance responsibilities.

WORKMANSHIP AND MATERIALS:

SITE WORK

Site Grading

Possible Deficiency	Settling of ground around foundation, utility trenches or other areas.
Performance Standard	Settling of ground around foundation walls, utility trenches or other filled areas shall not interfere with water drainage away from home.
Responsibility	Builder shall fill settled areas affecting proper drainage, one time only, during the year of the Express Warranties period.

Site Drainage

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 for extended periods in the immediate area after a rain (generally no more than 48 hours). The possibility of standing water after an unusually heavy rainfall should be anticipated. No grading determinations shall be made while there is frost or snow on the ground, or while the ground is saturated.
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.

CONCRETE

Expansion and Contraction Joints

Possible Deficiency	Separation or movement of concrete slabs within the structure at expansion and contraction joints.
Performance Standard	Concrete slabs within the structure are designed to move at expansion and contraction joints.
Responsibility	None

Cast – In – Place Concrete

Possible Deficiency	Basement or foundation wall cracks
Performance Standard	Shrinkage cracks are not unusual in concrete foundation walls. Such cracks greater than 1/8 inch in width shall be repaired.
Responsibility	Builder will repair cracks in excess of 1/8-inch width. Repair will be a different color.

Possible Deficiency	Cracking of basement floor.
Performance Standard	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.
Responsibility	Builder will repair cracks exceeding maximum tolerances by surface patching or other methods as required. Patching will be a different color.

Possible Deficiency	Cracking of slab in garage.
Performance Standard	Cracks in garage slabs in excess of 3/16 inch in width or 1/8 inch in vertical displacement shall be repaired
Responsibility	Builder will repair cracks exceeding maximum tolerances by surface patching or other methods as required. Repair will be a different color.

Possible Deficiency	Uneven concrete floors / slabs.
Performance Standard	Except for basement floors or where a floor or portion of floor has been designed for specific drainage purposes, concrete floors in rooms designed for habitability shall not have pits, depressions or areas of unevenness exceeding ¼ inch in a 32-inch measurement.
Responsibility	Builder will correct or repair to meet the Performance Standard.

Possible Deficiency	Pitting, scaling or spalling of concrete work covered by this Express Warranties.
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	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.

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 1 inch from the house structure.
Responsibility	Builder will take whatever corrective action is required to meet the Performance Standard.

Possible Deficiency	Standing water on stoops.
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Performance Standard	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.
Responsibility	Builder shall take corrective action to assure drainage of steps and stoops.
Possible Deficiency	Exterior concrete cracking, heaving or separation.
Performance Standard	Minor cracks in exterior concrete are not unusual. Such cracks greater than ¼ inch in width or ¼ inch in vertical displacement shall be repaired.
Responsibility	Builder will repair cracks exceeding maximum tolerances by surface patching or other methods as required. Repair will be a different color.

MASONRY

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 1/8 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 the Express Warranties period. Builder will not be responsible for color variation between old and new mortar.

WOOD

Rough Carpentry

Possible Deficiency	Floors squeak or subfloor appears loose.
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	Uneven wood floors.
Performance Standard	Floor shall not have more than a ¼ inch ridge or depression within any 32 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
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 ¼ inch out of line within any 32-inch horizontal or vertical measurement.
Responsibility	Builder will repair to meet Performance Standard.
Possible Deficiency	Out of plumb walls.
Performance Standard	Walls should not be more than ½ inch out of plumb for any 8 ft. vertical measurement.
Responsibility	Builder will repair to meet the Performance

FINISH CARPENTRY (Interior)

Possible Deficiency	Poor quality of interior trim workmanship.
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Performance Standard	Joints in moldings or joint between moldings and adjacent surface shall not result in open joints exceeding 1/16 inch in width.
Responsibility	Builder will repair defective joints, as defined. Caulking is acceptable.

FINISH CARPENTRY (Exterior)

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 ¼ inch. In all cases the exterior trim, masonry and siding shall be capable of performing its function to exclude the elements.
Responsibility	Builder will repair open joints, as defined. Caulking is acceptable.

THERMAL AND MOISTURE PROTECTION

Waterproofing

Possible Deficiency	Leaks in basement walls.
Performance Standard	Leaks resulting in actual trickling of water shall be repaired. Leaks caused by failure to maintain proper grades are not covered by this Express Warranties. Dampness of the walls or floors may occur in new construction and is not considered a deficiency.
Responsibility	Builder will take such action necessary to correct basement leaks except where the cause is determined to result from homeowner action or negligence.

BUILDER IS NOT RESPONSIBLE FOR ANY LEAKAGE CAUSED BY HYDROSTATIC WATER PRESSURE.

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 Standards.

Louvers and Vents

Possible Deficiency	Leaks due to snow or rain driven into 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.

Roofing and Siding

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 down spouts freeze up.
Responsibility	Prevention of ice build-up on the roof is a homeowner 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 homeowner action or negligence.

Responsibility Builder will repair any verified roof or flashing leaks not caused by ice build-up or homeowner action or negligence.

Possible Deficiency Standing water on a flat roof.

Performance Standard Water shall drain from a 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.

Possible Deficiency Cedar siding splits and knot holes.

Performance Standard Knots over 1 inch in diameter should be tight and not fall out. Splits completely through boards shall not be longer than 1 foot.

Responsibility Builder will repair or replace siding as needed unless caused by homeowner'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 homeowner can expect that the newly painted surface may not match original surface in color.

Sheet Metal

Possible Deficiency Gutters and or down spouts leak.

Performance Standard Gutters and down spouts shall not leak, however, gutters may overflow during heavy rains.

Responsibility Builder will repair leaks. It is a homeowner's responsibility to keep gutters and down spouts free of leaves and debris which could cause overflow.

Possible Deficiency Water standing in gutters.

Performance Standard When gutter is unobstructed by debris, the water level shall not exceed 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.

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 Builder will repair and/or caulk joints or cracks in exterior wall surfaces as required to correct deficiencies once. Even properly installed caulking will shrink and must be maintained during the life of the home.

DOORS AND WINDOWS

Possible Deficiency Warpage of exterior doors.

Performance Standard 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).

Responsibility Builder will correct or replace and refinish defective doors, during the year of the Express Warranties period.

Possible Deficiency Warpage of Interior passage and closet doors.

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

Possible Deficiency	Shrinkage of insert panels shows raw wood edges.
Performance Standard	Panels will shrink and expand and may expose unpainted surfaces.
Responsibility	None.

Possible Deficiency	Split in door panel.
Performance Standard	Split panels shall not allow light to be visible through the door.
Responsibility	Builder will, if light is visible, fill split and match paint or stain as closely as possible, one time in year of the Express Warranties.

Glass

Possible Deficiency	Broken or scratched glass.
Performance Standard	None.
Responsibility	Broken or scratched glass not reported to the Builder prior to closing is the homeowner's responsibility.

Garage Doors

Possible Deficiency	Garage doors fail to operate properly, under normal use.
Performance Standard	Garage doors shall operate properly.
Responsibility	Builder will correct or adjust garage doors as required, except where the cause is determined to result from homeowner action or negligence.

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 conditions.
Responsibility	Builder will adjust or correct garage doors to meet manufacturer's recommendations.

Windows

Possible Deficiency	Malfunction of windows.
Performance Standard	Windows shall operate with reasonable ease, as designed.
Responsibility	Builder will correct or repair as required.

Possible Deficiency	Condensation and/or frost on windows.
Performance Standard	Windows will collect condensation on interior surfaces when extreme temperature differences and high humidity levels are present. Condensation is usually the result of climatic/humidity conditions created by the homeowner.
Responsibility	Unless directly attributed to faulty installation, window condensation is a result of conditions beyond the Builder's control. No corrective action required.

Weather-stripping and Seals

Possible Deficiency	Air infiltration around doors and windows.
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Performance Standard	Some infiltration is normally noticeable around doors and windows, especially during high winds.
Responsibility	Builder will adjust or correct poorly fitted doors, windows, and poorly fitted weather-stripping.

FINISHES

Gypsum Wallboard

Possible Deficiency	Defects which appear during the year of the Express Warranties such as nail pops, blister in tape or other blemishes.
Performance Standard	Slight "imperfections" such as nail pops, seam lines and cracks not exceeding 1/16 inch in width are common in gypsum wallboard installations and are considered acceptable.
Responsibility	Builder will repair only cracks exceeding 1/16 inch in width, one time only, during the year of the Express Warranties period. (See also Performance Standard "Painting".)

Ceramic Tile

Possible Deficiency	Ceramic tile cracks or becomes loose.
Performance Standard	Ceramic tile shall not crack or become loose.
Responsibility	Builder will replace cracked tiles and re-secure loose tiles unless the defects were caused by the homeowner's action or negligence. Builder will not be responsible for discontinued patterns or color variations in ceramic tile or grout.

Possibly 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 year of the Express Warranties period. Builder will not be responsible for color variations of discontinued colored grout. Re-grouting of these cracks is a maintenance responsibility of the homeowner within the life of the home.

Finished Wood Flooring

Possible Deficiency	Cracks developing between floor boards.
Performance Standard	Cracks in excess of 1/16 inch in width shall be corrected.
Responsibility	Builder will repair cracks in excess of 1/16 inch within the year of the Express Warranties period, by filling or replacing, at the Builder's option.

Resilient Flooring

Possible Deficiency	Nail pops appear on the surface of the resilient flooring.
Performance Standard	Readily apparent nail pops will be repaired.
Responsibility	Builder will correct nail pops which 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.

Possible Deficiency	Depressions or ridges appear in the resilient flooring due to subfloor irregularities.
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Performance Standard 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 6 inch straightedge placed over the depression or ridge with 3 inches of the straightedge on one side of the defect, held tightly to the floor.

Responsibility 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.

Possible Deficiency Resilient flooring loses adhesion.

Performance Standard 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 to floor covering, or for problems caused by homeowner neglect or abuse.

Possible Deficiency Seams or shrinkage gaps show at resilient flooring joints.

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

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 variation of floor covering, or for problems caused by homeowner neglect or abuse.

Painting

Possible Deficiency Exterior paint or stain peels, deteriorates or fades.

Performance Standard Exterior paints or stains should not fail during the year of the Express Warranties period. However, fading is normal and the degree is dependent on climatic conditions.

Responsibility If paint or stain 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.

Possible Deficiency Painting required as corollary repair because of other work.

Performance Standard Repairs required under this Express Warranties shall be finished to match surrounding areas as closely as practicable.

Responsibility Builder will finish repair areas as indicated.

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, heavy shade).

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

Wall covering

Possible Deficiency Peeling of wall covering.

Performance Standard Peeling of wall covering shall not occur.

Responsibility Builder will repair or replace defective wall covering applications.

Possible Deficiency Edge mismatching in pattern of wall covering.

Performance Standard None
Responsibility None.

Carpeting

Possible Deficiency Open carpet seams.
Performance Standard 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 point of attachment.
Responsibility Builder will re-stretch or re-secure carpeting as needed.

Possible Deficiency Spots on carpeting, minor fading.
Performance Standard Exposure to light may cause spots on carpet and/or minor fading.
Responsibility None.

SPECIALTIES

Louvers and Vents

Possible Deficiency Inadequate ventilation of attic and crawl spaces.
Performance Standard Attic and crawl spaces shall be ventilated as required by the approved building code.
Responsibility The Builder shall provide for adequate ventilation. Builder will not be responsible for alterations to the original system.

Fireplaces

Possible Deficiency Fireplace 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 wind can cause temporary negative draft situations. Similar negative draft situations can also be caused by obstructions such as large branches of trees too close to the chimney. Some homes may need to have a window opened slightly to create an effective draft, if they have been insulated and weather proofed 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.

Possible Deficiency Cold air coming in around fireplace.
Performance Standard A factory built, air cooled fireplace will transfer cold air into room via metal component and reverse chimney effect.
Responsibility None.

Possible Deficiency Firebox paint changed by fire.
Performance Standard None.
Responsibility None. Heat from fires will alter finish.

Possible Deficiency Cracked firebrick and mortar joints.

Performance Standard	None.
Responsibility	None. Heat and flames from “roaring” fires will cause cracking.

EQUIPMENT

Residential Equipment

Cabinets and Counter Tops

Possible Deficiency	Wood cabinets different coloring. Small knots, sap streaks.
Performance Standard	Wood cabinets are a natural material, having different grains (causing stain to absorb at different rates, thus color variations). Small knots are typical in most woods.
Responsibility	Builder, none. Homeowner may have recourse with Manufacturer. Homeowner should assume these variations as part of the beauty of natural wood.
Possible Deficiency	Surface cracks, joint de-laminations and chips in high pressure laminates on vanity and kitchen cabinet counter tops.
Performance Standard	Counter tops fabricated with high pressure laminate coverings shall not delaminate.
Responsibility	Builder will replace de-laminated coverings to meet specified criteria. Builder will not be responsible for chips and cracks noted following first occupancy.
Possible Deficiency	Kitchen Cabinet malfunctions.
Performance Standard	Warpage not to exceed ¼ inch as measured from face frame to point of furthest warpage with door or drawer front in closed position.
Responsibility	Builder will correct or replace doors or drawer fronts.
Possible Deficiency	Gaps between cabinets, ceiling or walls.
Performance Standard	Acceptable tolerance 1/8 inch in width.
Responsibility	Builder will correct to meet Performance Standard.

PLUMBING

Water Supply System

Possible Deficiency	Plumbing pipes freeze and burst.
Performance Standard	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 homeowner's responsibility to drain or otherwise protect lines and exterior faucets exposed to freezing temperatures.

Plumbing System

Possible Deficiency	Faucet or valve leak.
Performance Standard	No valve or faucet shall leak due to defects in workmanship and materials.
Responsibility	Builder will repair or replace the leaking faucet or valve.
Possible Deficiency	Defective plumbing fixtures, appliances or trim fittings.
Performance Standard	Fixtures, appliances or fittings shall comply with their manufacturer's standards.

Responsibility	Builder will replace any defective fixture or fitting which does not meet acceptable standards, as defined by the manufacturer.
Possible Deficiency	Noisy water pipes.
Performance Standard	There will be some noise emitting from the water pipe system, due to the flow of water. However, water hammer shall be eliminated.
Responsibility	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.
Performance Standard	Chips and cracks on surfaces of bathtubs and kitchen sinks can occur when surface is hit with sharp or heavy objects.
Responsibility	Builder will not be responsible for repairs unless damage has been reported to Builder prior to first occupancy.

HEATING AND COOLING

Heating

Possible Deficiency	Inadequate heating.
Performance Standard	Heating system shall capable of producing an inside temperature of 70 degrees F, as measured in the center of each room at a height of 5 feet above the floor, under local outdoor winter design conditions as specified in ASHRAC handbook.
Responsibility	Builder will correct heating system to provide the required temperatures. However, the homeowner shall be responsible for balancing dampers, registers, and other minor adjustments.

Refrigeration

Possible Deficiency	Inadequate cooling.
Performance Standard	Where air-conditioning is provided, the cooling system shall be capable of maintaining a temperature of 78 degrees F, as measured in the center of each room at a height of 5 feet above the floor, under local outdoor summer design conditions as specified in ASHRAC handbook. In the case of outside temperatures exceeding 95 degrees F, a differential of 15 degrees F from the outside temperature will be maintained.
Responsibility	Builder will correct cooling system to meet temperature conditions, in accordance with specifications.

Condensation Lines

Possible Deficiency	Condensation line clogs up.
Performance Standard	None.
Responsibility	Condensation lines will clog eventually under normal use. This is a homeowner maintenance item. Builder shall provide unobstructed condensation lines at time of first occupancy.

VENTILATION

Air Distribution

Possible Deficiency	Noisy Ductwork.
Performance Standard	When metal is heated it expands and when cooled contracts. The result is "ticking or crackling" which is generally to be expected.

Responsibility	None.
Possible Deficiency	Oil Canning.
Performance Standard	The stiffening of the ductwork in the gauge of the metal used shall be such that ducts do not "Oil can". The booming noise caused by "oil canning" is not acceptable.
Responsibility	Builder will correct to eliminate this sound.

ELECTRICAL

Electrical Conductors and Circuit Breakers

Possible Deficiency	Circuit breakers (excluding ground fault interrupters) "kick out".
Performance Standard	Circuit breakers shall not activate under normal usage.
Responsibility	Builder will check wiring circuits for conformity with local, state or approved national electrical code requirements. Builder will correct circuitry conforming to code specifications. Outlets, Switches and Fixtures

Possible Deficiency	Drafts from electrical outlets.
Performance Standard	Electrical junction boxes on exterior walls may produce air flow where by the cold air can be drawn through the outlet into a room. This is normal in new home construction.
Responsibility	None.

Possible Deficiency	Malfunction of electrical outlets, switches or fixtures.
Performance Standard	All switches, fixtures and outlets shall operate as intended.
Responsibility	Builder will repair or replace defective switches, fixtures and outlets.

Service and Distribution

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 interrupters in accordance with approved electrical code. Tripping is to be expected and is not covered, unless due to a construction defect.

PLUMBING SYSTEM

Water Supply

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 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.

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	Builder will make repairs to eliminate leakage.

Possible Deficiency	Stopped up sewers, fixtures and drains.
Performance Standard	Sewers, fixtures and drains shall operate properly.
Responsibility	Builder will not be responsible for sewers, fixtures and drains which are clogged through the homeowner's negligence. If a problem occurs, the homeowner should consult Builder for a proper course of action. Where defective construction is shown to be the cause, Builder will assume the cost of the repair; where homeowner negligence is shown to be the case, the homeowner shall assume all repair costs.

Possible Deficiency	Refrigerant line leak.
Performance Standard	Refrigerant lines shall not develop leaks during normal operation.
Responsibility	Builder will repair leaking refrigerant lines and recharge unit, unless damage was caused by the homeowner.

VENTILATION SYSTEM

Air Distribution

Possible Deficiency	Duct work separates or becomes unattached.
Performance Standard	Duct work shall remain intact and securely fastened.
Responsibility	Builder will re-attach and re-secure all separated or unattached duct work.

ELECTRICAL SYSTEM

Wiring

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, state or approved national electrical code requirements. Builder will repair wiring not conforming to code specifications.

LANDSCAPING

Plants

Possible Deficiency	Plants die.
Performance Standard	Plants shall have a habit of growth that is normal for the species.
Responsibility	Damage to plants by human, insect, animal or lack of water is not covered by Builder's Express Warranties. Homeowner's responsibility is to inspect plants for insects and the proper amount of watering.

Lawn care

Possible Deficiency	Dead sod.
Performance Standard	Sod shall have a habit of growth that is normal for the species.

Responsibility Builder none. Homeowner shall be responsible for growth, proper amount of watering, weeding and fertilization.

Lawn Sprinkler System

Possible Deficiency Low water pressure.

Performance Standard The system is designed to have a minimum of 40 P.S.I. pressure at the head of any sprinkler.

Responsibility Builder none. The Municipality controls the water pressure.

Possible Deficiency Sprinkler heads stuck or broken off.

Performance Standard All heads shall work properly

Responsibility Builder, none after first occupancy. Dirt from around the heads can impede the correct operation of heads, lawn mowers can then cut heads off that are stuck in an up position, this is a homeowner's maintenance item.

Possible Deficiency Sprinkler lines break.

Performance Standard Lines need to carry water without leakage.

Responsibility Builder to warrant for year of Express Warranties period not to leak. Unless leakage is caused by burst line from freezing. Homeowner is responsible for draining system before freezing weather.

Erosion

Possible Deficiency Landscaped areas are washing away or eroding.

Performance Standard Seeded or sodded areas such as slopes and swales will wash away, depending on the amount of rain or drainage occurring prior to grass taking root.

Responsibility The builder is responsible for providing the proper drainage around the house and maintaining the proper existing drainage swales at the time of the finish grade. After that time, the homeowner is responsible for maintaining drainage swales.

It is the homeowner's responsibility to replace seed or sod in washed areas once the finish grade has been established properly within these standards washing away or erosion occurs as a result of water run-off on the property and/or from adjacent properties. The homeowner is responsible for replacing seed and sod in washed out or eroded areas.

EXCLUSIONS

- A. Loss or damage to real property which is not part of the home which is not included in the original purchase price of the home.
- 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. Failure by the homeowner or anyone other than the Builder, its employees, agents or subcontractors to comply with the warranty requirements of manufacturers of appliances, fixtures and items or equipment; or
 - 3. Failure by the homeowner to give notice to the Builder of any defective item within a reasonable time; or

4. Changes of the grading of the lot by anyone other than the Builder, its employees, agents or subcontractors; or
 5. Changes, alterations or additions made to the home by anyone after the Express Warranties Commencement date; or
 6. Dampness of condensation due to failure of the homeowner to maintain adequate ventilation.
- C. Loss or damage which the homeowner has not taken timely action to minimize.
 - D. Any defect in, caused by, or resulting from materials or work supplied by anyone other than the Builder, its employees, agents or subcontractors.
 - E. Normal wear and tear or normal deterioration.
 - F. Loss or damage resulting from accidents, riot and civil commotion, fire, explosion, smoke, water escape, falling objects, aircraft, vehicles, Act of God, lightning, windstorm, hail, flood, mud slide, earthquake, volcanic eruption, wind-driven water and changes in the underground water table which were not reasonable or foreseeable.
 - G. Loss or damage caused by or resulting from seepage of water.
 - H. Loss or damage caused by or resulting from soil movement for which compensation is provided by legislation or which is covered by other insurance.
 - I. Insect damage, rodent damage, woodpecker damage.
 - J. Loss or damage, which arises while the home is being used primarily for nonresidential purposes.
 - K. Any condition which does not result in actual physical damage to the home, including, but not limited to, inhabitability or health risk due to the presence or consequences of unacceptable levels of radon gas, formaldehyde or other pollutants and contaminants; or the presence of hazardous or toxic on site materials.
 - L. Bodily injury or damage to personal property.
 - M. Loss or damage caused by or resulting from abnormal loading on floors by the homeowner which exceeds design loads as mandated by codes.
 - N. Costs of shelter, transportation, food, moving, storage, or other incidental expenses related to inconvenience or relocation during repairs.
 - O. Consequential damages or incidental damages will not be paid under these warranties. By this we mean any loss, expense, or damage other than the items furnished by the Builder.
 - P. Any item i.e., appliances, fixtures, items of equipment, floor coverings, cabinets, etc. that carry a Manufacturer's Warranty of any kind, are not covered by the Builder's Express Warranties. Builder will use its best efforts to help homeowner in his remedy of these warranties.

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