APPLICABLE TO YEAR ONE ONLY OF THE WARRANTY PERIOD

A. There are certain items that Builder will warrant ONLY during the FIRST YEAR of the WARRANTY PERIOD of the LIMITED WARRANTY. The PERFORMANCE STANDARDS listed in the following pages are intended to provide you with an understanding of the warranted items (“Fit and Finish Warranted Items”) and of Builder’s obligation for the correction of Fit and Finish Warranted Item CONSTRUCTION DEFECTS.

B. Following the end of the first year of the WARRANTY PERIOD of the LIMITED WARRANTY, Builder will no longer warrant the Fit and Finish Warranted Items, the PERFORMANCE STANDARDS will NOT apply and Builder will utilize the factors contained in Section I(C)(3) of the LIMITED WARRANTY to determine whether a CONSTRUCTION DEFECT exists at your Home.

“WE”, “US”, and “OUR” refer to the Builder/Seller and “YOU” and “YOUR” refer to the Buyer/Homeowner.

FOR EASY COMPREHENSION, THE FORMAT IS DESIGNED AS FOLLOWS:

DEFICIENCY: A brief statement, in simple terms, of problems that may be encountered.

CONSTRUCTION STANDARD: A performance standard relating to a specific deficiency. The warranty covers only non-compliance with this performance standard

SELLER CORRECTION: A statement of the corrective action required of the Seller to repair the deficiency; or a statement of Buyer’s maintenance responsibility.
1. SITE WORK

1.1 EXCAVATING AND BACKFILLING

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

CONSTRUCTION STANDARD:  
Ground should not settle more than six (6") inches around utility trenches or other filled areas. Settling of backfill around foundation shall not cause significant pooling of water adjacent to foundation.

SELLER CORRECTION:  
Upon request by the Buyer, the Seller shall fill excessively settled areas one time only during the first year of warranty. The Buyer shall be responsible for any grass, shrubs or other landscaping affected by placement of such fill.

1.2 SITE DRAINAGE

DEFICIENCY:  
Site does not drain adequately.

CONSTRUCTION STANDARD:  
The necessary grades and swales should be established to provide reasonable drainage away from the house. Site drainage is limited to the immediate grades and swales affecting the structure. No standing or ponding of water should remain in the immediate area (within 5-feet) 48 hours after a rain, except swales, which may drain longer than other areas after a rain or sump pump discharge. No grading determination shall be made while there is frost or snow on the ground, or while the ground is saturated.

SELLER CORRECTION:  
The Seller is responsible only for establishing the proper grades and swales. The Buyer is responsible for maintaining such grades, swales, and catch basins once they have been properly established and stabilized by the Seller. Buyer to rake and maintain beauty bark or drain rock in the swale and to periodically clean the catch basin (if / when one is installed) of silt and debris.
1.3 CRAWL SPACE

DEFICIENCY: Water in crawl space.

CONSTRUCTION STANDARD: Crawl spaces should be graded and drained properly to prevent water from accumulating and remaining in the crawl space area. Some accumulation of water in the crawl space area is common immediately after completion of construction of the home or after prolonged periods of rain.

SELLER CORRECTION: The Seller is responsible for providing proper grading and drainage of crawl space areas. Buyer to maintain the positive drain, keeping it free from silt debris and varmints.

DEFICIENCY: Inadequate ventilation of crawl spaces

CONSTRUCTION STANDARD: Crawl spaces should be properly ventilated in conformance with the local building code at the time the home was built.

SELLER CORRECTION: Seller will repair the louvers and vents so that they provide proper ventilation as required by code. Seller will not be responsible for problems caused by Buyer changes made to the original ventilation system or condensation caused by reasons other than in adequate code required ventilation.

1.4 ROCKERIES/BLOCK RETAINING WALLS

DEFICIENCY: Rock or block displacement within the retaining wall causing instability.

CONSTRUCTION STANDARD: Retaining wall is installed to provide retention of soil and stability of bank. Retaining wall should be structurally stable.

SELLER CORRECTION: The Seller is responsible to restore retaining wall to a stable position, but Buyer is responsible for maintaining the smaller units not necessary for stability.

1.5 CONCRETE RETAINING WALL

(See Section 2.1 Concrete, all deficiencies pertaining to foundation walls.)
1.7 LANDSCAPING

DEFFICIENCY: Dead plants, shrubs, trees, or lawn

CONSTRUCTION STANDARD: Seller is responsible for providing healthy plants, shrubs, trees, and lawn installed with proper drainage.

SELLER CORRECTION: Replace plants, shrubs, and trees which die in the first 90 days due to being diseased upon installation. Replacement does not include dead branches, limbs, or foliage if the majority of the plant, shrub or tree is healthy. Grass is very hearty. Buyer to maintain thorough proper lawn care, particularly new sod and ESPECIALLY newly planted hydroseeding (watering, weed control, fertilizing). Seller correction limited to no more than over seeding. Seller is not responsible for dead material due to infestations, blight, freezing, or other acts of nature. Seller is not responsible for failure of the Buyer to water, trim, or take proper care of plants or lawn. Further, Seller is not responsible for any landscaping installed by agreement between subcontractor and Buyer, even if landscaping is done by an allowance and part of the purchase price.

DEFFICIENCY: Frozen landscape irrigation pipes.

CONSTRUCTION STANDARD: The responsibility to flush the sprinkler system for winter is considered a Buyer’s maintenance item.

SELLER CORRECTION: None

DEFFICIENCY: Poor coverage from landscape irrigation.

CONSTRUCTION STANDARD: The responsibility to reorient landscape irrigation sprinkler heads for proper coverage is considered a Buyer’s maintenance item.

SELLER CORRECTION: None
2. CONCRETE

2.1 FOUNDATION WALLS

DEFCIENCY: Basement or foundation wall cracks.

CONSTRUCTION STANDARD: Non-structural cracks are not unusual in concrete foundation walls. Such cracks greater than 1/8 inch in width are considered excessive.

SELLER CORRECTION: The Seller shall repair any structural crack and any non-structural cracks in excess of 1/8 inch. Surface patching is acceptable for non-structural cracks.

DEFCIENCY: Spalling of foundation walls.

CONSTRUCTION STANDARD: Non-structural spalling is not unusual in concrete foundation walls particularly around exposed foundation hardware such as hold down straps.

SELLER CORRECTION: The Seller shall repair any spalling that affects the structural integrity of the foundation.

2.2 SLABS

DEFCIENCY: Uneven concrete floors.

CONSTRUCTION STANDARD: Concrete floors in basements or rooms designed for habitability should not have material pits, depressions or areas of unevenness greater than ¼” in 32” that would prevent its reasonable use as a finished floor. The floor slope, unless designed for specific drainage purposes, shall not exceed 1/120 of the room width. Structural slab foundation systems that have experienced some settling but are within the foundation’s design performance criteria are excluded from this standard.

SELLER CORRECTION: Seller to correct or repair to meet the above standard.
DEFICIENCY: Standing water on stoops, steps, patios, or drives.

CONSTRUCTION STANDARD: Water should drain from outdoor stoops, steps, patios and drives.

SELLER CORRECTION: The Seller shall take corrective action to assure drainage of stoops, steps, patios and drives. However it is normal for small amounts of water to stand on stoops, steps, patios and drives for a short period after it rains. The Seller will correct any improper drainage. If the driveway is part of the storm drain, water will stand at times.

DEFICIENCY: Cracking of basement floor.

CONSTRUCTION STANDARD: Minor cracks in concrete basement floors are normal. Cracks exceeding 3/16 inch in width or ¼ inch in vertical displacement are considered excessive.

SELLER CORRECTION: Seller shall repair cracks exceeding maximum tolerances by surface patching or other methods as required.

DEFICIENCY: Cracking of drive, garage slab, or patio.

CONSTRUCTION STANDARD: Minor cracks in these areas are common and should be anticipated. Cracks in garage slabs in excess of ¼ inch in width or ¼ inch in depth are considered excessive. Settling of the same, greater than 1 inch in relation to the structure is excessive.

SELLER CORRECTION: Seller shall repair excessive cracks as required to bring separation within acceptable standards.

DEFICIENCY: Cracking, settling, heaving or separating of structurally attached stoops or steps.

CONSTRUCTION STANDARD: Stoops or steps should not settle, heave or separate in excess of 1 inch in relation to the house structure.

SELLER CORRECTION: Seller shall take corrective action as required to bring separation within acceptable standards.
DEFICIENCY: Pitting, scaling or spalling (flaking, chipping) of concrete surfaces

CONSTRUCTION STANDARD: It is normal for some minor chipping of the surface to occur. Concrete surfaces should not disintegrate so that the aggregate is loosened under normal use and weather conditions.

SELLER CORRECTION: Seller will repair concrete surfaces. Seller is not responsible for deterioration caused by salt, chemicals, mechanical implements or other factors beyond Seller’s control.

3.1 UNIT MASONRY

DEFICIENCY: Cracks in masonry walls or veneer.

CONSTRUCTION STANDARD: Small cracks are common in mortar joints, masonry brick, and cultured stone construction. Cracks greater than 3/8 inch in width are considered excessive.

SELLER CORRECTION: Repair cracks in excess of 3/8 inch by pointing or patching. These repairs should be made toward the end of the first year of warranty period to permit normal movement of the home to stabilize.

DEFICIENCY: Water absorption and / or efflorescence evident in masonry.

CONSTRUCTION STANDARD: Water absorption varies and cannot be controlled by the Builder. Because of this, discoloration caused by the lime content in the masonry will most likely occur.

SELLER CORRECTION: None.
4. WOOD AND PLASTICS

4.1 ROUGH CARPENTRY

**DEFICIENCY:**
Floor noise

**CONSTRUCTION STANDARD:**
A “noise proof floor” cannot be guaranteed. Floor noises are often temporary conditions common to new home construction. Framing related floor noises typically cannot be entirely eliminated due to the deflective nature of wood.

**SELLER CORRECTION:**
The seller will correct only if condition exists due to underlying defects in construction. After one (1) time attempt at reasonable corrective measures are taken, remaining minor squeaks or pops may not be eliminated.

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**DEFICIENCY:**
Uneven wood floors.

**CONSTRUCTION STANDARD:**
Floors should not be more than 1/4 inch out of level within any 32 inch horizontal measurement. Floor slope within any room shall not exceed 1/120 of the room width. Allowable floor and ceiling joist deflections are governed by the approved building code.

**SELLER CORRECTION:**
Seller to correct or repair to meet the above standard.

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**DEFICIENCY:**
Bowed or out of plumb walls or wavy ceilings.

**CONSTRUCTION STANDARD:**
All interior and exterior walls and ceilings have slight variances on their finished surfaces. Walls should not bow, be out of plumb nor ceiling be wavy more than 3/8 inch in 32 inches in any vertical or horizontal measurement.

**SELLER CORRECTION:**
Repair to meet above standard.
### 4.2 Finish Carpentry - Interior

**Deficiency:** Quality of interior trim workmanship.

**Construction Standard:** Joints in moldings or joints between moldings and adjacent surfaces should not result in joints exceeding 1/8 inch in width.

**Seller Correction:** Repair defective joints, as defined above, unless separation caused by owner’s lack of control of indoor relative humidity. Caulking is acceptable repair.

**Deficiency:** Medium Density Overlay (MDO) wood products.

**Construction Standard:** MDO wood products such as doors and trims are very resilient under normal care. However, if MDO products get wet or are abused, they will deteriorate.

**Seller Correction:** There is NO corrective action to be taken by the Seller. Buyer should use care and caution ESPECIALLY in areas more moisture prone such as bathrooms.

### 4.3 Kitchen Cabinets and Countertops

**Deficiency:** Cabinet door or drawer is warped.

**Construction Standard:** Cabinet door or drawer warpage shall not exceed ¼ inch as measured from the face frame to the point of furthermost warpage, with the door or drawer front in closed position.

**Seller Correction:** Seller will correct or replace door(s) or drawer front(s) as necessary to meet the construction standard.

**Deficiency:** Cabinet stain colors do not match.

**Construction Standard:** Wood is a natural product and can vary causing variations in the final color once stained. Color matching stain is not guaranteed.

**Seller Correction:** Seller shall use reasonable efforts to match cabinet stain colors using the same or similar wood and stain. However, color matching is not warranted or guaranteed.
<table>
<thead>
<tr>
<th>DEFICIENCY</th>
<th>CONSTRUCTION STANDARD</th>
<th>SELLER CORRECTION</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cabinet door or drawer binds or fails to open with reasonable ease.</td>
<td>Cabinet doors and drawers shall open and close with reasonable ease.</td>
<td>Seller will adjust or replace doors and drawers as necessary to meet the construction standard.</td>
</tr>
<tr>
<td>Cabinet door will not stay closed.</td>
<td>The catches or closing mechanisms for cabinet doors shall be adequate to hold the doors in a closed position.</td>
<td>Seller will adjust or replace the door catches or closing mechanisms as necessary to meet the construction standard.</td>
</tr>
<tr>
<td>Scratches on solid surface countertops.</td>
<td>Solid surface countertops shall be free of scratches at time of acceptance of the project.</td>
<td>Seller shall repair to meet the construction standard prior to closing. Scratches noted after closing are not warranted.</td>
</tr>
<tr>
<td>Countertop is not level.</td>
<td>Countertop shall be no more than 3/8 inch in 10 feet out of parallel with the floor.</td>
<td>Seller will make necessary adjustments to meet the construction standard.</td>
</tr>
<tr>
<td>Split panels of a cabinet door.</td>
<td>Light should not be visible through a split in the panel.</td>
<td>Seller will repair or replace the panel.</td>
</tr>
<tr>
<td>Separation from wall.</td>
<td>Countertops should not separate from the wall.</td>
<td></td>
</tr>
</tbody>
</table>
SELLER CORRECTION: Seller will repair the crack. Caulking is acceptable. Seller will repair only once after closing or first occupancy, whichever occurs first.

### 4.4 FINISH CARPENTRY - EXTERIOR

**DEFICIENCY:** Quality of exterior trim workmanship.

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

**SELLER CORRECTION:** Seller to repair open joints in excess of above standard. Caulking is acceptable. Seller will repair only once after closing or first occupancy, whichever occurs first.

### 4.5 WOOD TREATMENT

**DEFICIENCY:** Deterioration of decking.

**CONSTRUCTION STANDARD:** Due to the extremes which decks endure, checking, warping, and fading are not warranty items.

**SELLER CORRECTION:** No corrective action will be taken unless the basic structural integrity has been breached. If the Buyer fails to refinish the deck annually, structural damage can occur.

**DEFICIENCY:** Deterioration of fencing.

**CONSTRUCTION STANDARD:** Due to the extremes which fences endure, fences are not warranted.

**SELLER CORRECTION:** No corrective action by the Seller will be taken.
**DEFICIENCY:**
Cracking, checking or bleeding of siding products and trims including barge boards, fascia and garage door wraps.

**CONSTRUCTION STANDARD:**
Due to the nature of siding products and trims, minor cracking, checking, bowing, warping and bleeding are not defects.

**SELLER CORRECTION:**
Cracks, checks, bows and warps in excess of 1/8 inch in width and/or greater than 32 inches in length shall be repaired. Bleeding is acceptable.

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### 5. THERMAL AND MOISTURE PROTECTION

#### 5.1 WATERPROOFING

**DEFICIENCY:**
Leaks in basement concrete walls.

**CONSTRUCTION STANDARD:**
Leaks resulting in actual trickling of water are unacceptable. However, leaks caused by improper landscaping installed by Buyer, or failure of Buyer to maintain proper grades that have been stabilized by the Seller are not covered by the warranty. Dampness of the walls may occur in new construction and is not considered a deficiency.

**SELLER CORRECTION:**
The Seller shall take such action as necessary to correct basement leaks except where the cause is determined to result from Buyer as described above.

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#### 5.2 INSULATION

**DEFICIENCY:**
Insufficient insulation.

**CONSTRUCTION STANDARD:**
Insulation should be installed in accordance with applicable energy and building code requirements in effect at the time the home was constructed.

**SELLER CORRECTION:**
Install insulation in sufficient amounts to meet above standards.
5.3 SHINGLES AND ROOFING TILES

**DEFICIENCY:** Leaks due to snow or rain being driven into the attic through vents or louvers.

**CONSTRUCTION STANDARD:** Attic vents and/or louvers must be provided in order to properly ventilate your home. Infiltration of rain or snow depends on the force and direction of wind.

**SELLER CORRECTION:** Seller is not responsible for force and direction of driving rain or snow. Therefore, we cannot warrant against this condition.

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5.4 ROOFING AND SIDING

**DEFICIENCY:** Ice build-up on roof (Ice dams).

**CONSTRUCTION STANDARD:** During prolonged cold spells, ice build-up is likely to occur at the eaves of a roof. This condition occurs when snow and ice accumulate, and gutters and downspouts freeze up.

**SELLER CORRECTION:** This is a homeowner maintenance item, and is not warrantable, unless the vents are improperly installed.

---

**DEFICIENCY:** Roof or flashing leaks.

**CONSTRUCTION STANDARD:** Roofs and flashing should not leak under normally anticipated conditions, except where cause is determined to result from severe weather conditions, such as ice build-up.

**SELLER CORRECTION:** Seller shall correct or repair any roof leaks determined to be due to improper materials or workmanship. Leaks determined to be caused by Buyer’s failure to maintain or severe weather conditions as described above are not covered under this warranty.

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**DEFICIENCY:** Manufactured horizontal lapped siding has manufacture or installation irregularities.

**CONSTRUCTION STANDARD:** Siding shall be installed in accordance with manufacture’s requirements. While certain manufacture’s may have recommendations, only the manufacturer requirements apply.
Due to exterior exposure, siding will expand and contract, which will cause some irregularities.

**SELLER CORRECTION:** Builder shall correct irregularities only if they were caused by the Builder not following the manufacture’s requirements. Siding requires routine maintenance by the Buyer.

### 5.5 FLASHING AND SHEET METAL

**DEFICIENCY:** Flashing, valleys, gutters and/or downspouts leak.

**CONSTRUCTION STANDARD:** Flashing, valleys, gutters and downspouts should not leak but gutters may overflow during heavy rain. It shall be the Buyer’s responsibility to keep valleys, gutters and downspouts free of leaves and debris which could cause excessive overflow and water impediment and backup.

**SELLER CORRECTION:** Repair leaks not caused by Buyer’s lack of maintenance.

**DEFICIENCY:** Standing water in gutters.

**CONSTRUCTION STANDARD:** When gutter is unobstructed by debris, the water level may not exceed 1 inch in depth. Industry practice is to install gutters approximately level without pitch. Consequently, it is entirely possible that small amounts of water will stand in certain sections of the gutter immediately after a rain.

**SELLER CORRECTION:** Repair to industry standard.

### 5.6 SEALANT

**DEFICIENCY:** Shrinking and cracking caulking.

**CONSTRUCTION STANDARD:** Joints and cracks in exterior wall surfaces and around openings should be properly caulked to exclude the entry of water. Properly installed caulking will shrink and must be maintained by the Buyer during the life of the home.

**SELLER CORRECTION:** Seller shall repair and/or caulk joints only if the caulking was inadequate or missing. Routine caulking maintenance to be provided by the Buyer.
## 6. DOORS AND WINDOWS

### 6.1 DOORS, WOOD AND MAN MADE

<table>
<thead>
<tr>
<th>DEFICIENCY:</th>
<th>Warping of exterior doors.</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>CONSTRUCTION STANDARD:</strong></td>
<td>Exterior doors will warp to some degree due to temperature differential on inside and outside surfaces. However, they should not warp to the extent that they become inoperable or cease to be weather resistant or warp more than ¼ “ measured diagonally from corner to corner.</td>
</tr>
<tr>
<td><strong>SELLER CORRECTION:</strong></td>
<td>Correct or replace and refinish defective door to match existing doors as nearly as practical. There may be, and the Seller is not responsible for, color variation in paint or variation in texture.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>DEFICIENCY:</th>
<th>Warping of interior passage and closet doors.</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>CONSTRUCTION STANDARD:</strong></td>
<td>Interior doors (full opening) should not warp more than ¼ “ measured diagonally from corner to corner, provided the proper levels of humidity have been maintained in the home.</td>
</tr>
<tr>
<td><strong>SELLER CORRECTION:</strong></td>
<td>Correct or replace and refinish defective doors to match existing doors as nearly as practical. Seller is not responsible for color variation in paint or variation in texture.</td>
</tr>
</tbody>
</table>

### 6.2 GARAGE DOORS ON ATTACHED GARAGE

<table>
<thead>
<tr>
<th>DEFICIENCY:</th>
<th>Garage door fails to operate properly.</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>CONSTRUCTION STANDARD:</strong></td>
<td>Garage door should operate properly. Buyer to lubricate and maintain. (Garage doors with electric opener are sometimes opened and closed with excessive force, requiring adjustments, this is not warranty item.)</td>
</tr>
<tr>
<td><strong>SELLER CORRECTION:</strong></td>
<td>The Seller shall correct or adjust garage doors as required, except where the cause is determined to result from the owner installing an electric garage door opener or excessive force has been used to manually close the door.</td>
</tr>
<tr>
<td>DEFICIENCY:</td>
<td>Garage door allows entrance of snow or water.</td>
</tr>
<tr>
<td>---------------------------------------------------------------------------</td>
<td>-----------------------------------------------</td>
</tr>
<tr>
<td><strong>CONSTRUCTION STANDARD:</strong></td>
<td>Garage door should seal properly under normal conditions. Some moisture may enter due to strong winds or other abnormal conditions.</td>
</tr>
<tr>
<td><strong>SELLER CORRECTION:</strong></td>
<td>Seller shall adjust or correct garage doors to meet normal conditions. Seller does not install weather-stripping on garage doors.</td>
</tr>
</tbody>
</table>

### 6.3 WINDOWS

<table>
<thead>
<tr>
<th>DEFICIENCY:</th>
<th>Malfunction of window operation.</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>CONSTRUCTION STANDARD:</strong></td>
<td>Windows should operate with reasonable ease as designed.</td>
</tr>
<tr>
<td><strong>SELLER CORRECTION:</strong></td>
<td>Seller to correct or repair as required.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>DEFICIENCY:</th>
<th>Window out of square.</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>CONSTRUCTION STANDARD:</strong></td>
<td>Windows should not be out of square in excess of ½” inch per 48” Inches.</td>
</tr>
<tr>
<td><strong>SELLER CORRECTION:</strong></td>
<td>Seller to correct if window exceeds the standard or the window becomes inoperable.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>DEFICIENCY:</th>
<th>Condensation and/or frost on windows.</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>CONSTRUCTION STANDARD:</strong></td>
<td>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.</td>
</tr>
<tr>
<td><strong>SELLER CORRECTION:</strong></td>
<td>Unless directly attributed to faulty installation, window condensation is a result of conditions beyond the Seller’s control. No corrective action required, unless condensation occurs between dual pane glass, in which case Seller shall replace.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>DEFICIENCY:</th>
<th>Broken / cracked or scratched glass.</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>CONSTRUCTION STANDARD:</strong></td>
<td>Glass shall be deficiency free as of the date of closing.</td>
</tr>
</tbody>
</table>
SELLER CORRECTION: None, unless defect is noted on the Possession Agreement. Broken and / or scratched glass is not warranted if noted after the Possession Agreement.

DEFICIENCY: Failed Insulated Glass Unit (IGU)
CONSTRUCTION STANDARD: IGU shall not fail within the first year.
SELLER CORRECTION: Seller to replace if IGU fails within the first year of warranty. All window manufacturers have varying warranties for IGU failures.

6.4 WEATHER-STRIPPING AND SEALS

DEFICIENCY: Air infiltration around doors and windows.

CONSTRUCTION STANDARD: Some infiltration is normally noticeable around doors and windows, especially during high winds. Storm doors may need to be installed to provide a satisfactory solution in high wind areas.

SELLER CORRECTION: The Seller shall adjust or correct open cracks, poorly fitted doors or windows, or poorly fitted weather stripping.

7. FINISHES

7.1 GYPSUM WALLBOARD

DEFICIENCY: Defects caused by poor workmanship such as blisters in tape, nail heads, excess compound in joints, cracked corner beads, or trowel marks.

CONSTRUCTION STANDARD: Slight “imperfections” such as nail pops, seam lines and cracks are common in gypsum wallboard installation. However, obvious defects of poor workmanship resulting in blisters in tape or excess compound in joints, trowel marks and cracked corner beads are not acceptable.
SELLER CORRECTION: Seller to correct such defects one time only to acceptable tolerance and repaint repaired areas. Seller is not responsible for color variations in the paint, or texture variation. The Seller recommends waiting until the end of the one year warranty period.

DEFICIENCY: Hairline cracks

CONSTRUCTION STANDARD: Hairline cracks are not unusual on interior walls, ceiling surfaces and inside corners.

SELLER CORRECTION: The Seller shall repair cracks exceeding 1/8 inch in width one time only during the warranty period and repaint the repaired area. Seller is not responsible for color variations in the paint or texture variation. Cracks less than 1/8 inch, Buyer to maintain.

7.2 CERAMIC TILE, GRANITE, SLATE AND MARBLE

DEFICIENCY: Tile cracks and/or becomes loose.

CONSTRUCTION STANDARD: Tile should not break or become loose under normal household use.

SELLER CORRECTION: The Seller shall replace cracked tiles and resecure loose tiles if caused by poor workmanship. Seller is not responsible for discontinued patterns or color variations.

DEFICIENCY: Cracks appear in tile joint grouting or at junctions with other material, such as a bathtub.

CONSTRUCTION STANDARD: Cracks in grouting in tile joints are common under normal shrinkage conditions. Regrouting of these cracks is a maintenance responsibility of the Buyer within the life of the home.

SELLER CORRECTION: None. This item is to be maintained by Buyer.

DEFICIENCY: Caulking discolors or loses adhesion.

CONSTRUCTION STANDARD: Recaulking is a maintenance responsibility of the Buyer.
SELLER CORRECTION: None. This item is to be maintained by Buyer.

7.3 RESILIENT FLOORING

DEFICIENCY: Nail pops appear on the surface of resilient flooring.

CONSTRUCTION STANDARD: Readily apparent nail pops which have broken the surface should be repaired.

SELLER CORRECTION: The Seller shall correct the resilient floor covering in the affected area with a repair or an inset of similar material. Seller is not responsible for discontinued patterns or color variation in the floor covering.

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

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

SELLER CORRECTION: The Seller shall take corrective action as necessary to bring the defect within the construction standards. Seller is not responsible for discontinued patterns or color variations in floor covering if replacement or patching is necessary.

DEFICIENCY: Resilient flooring loses adhesion.

CONSTRUCTION STANDARD: Resilient flooring should not lift, bubble or become unglued under normal use.

SELLER CORRECTION: The Seller shall repair or replace resilient flooring as required. The Seller shall not be responsible for discontinued patterns or color variation of floor covering if replacing or patching is necessary, or for problems caused by Buyer neglect or abuse.
<table>
<thead>
<tr>
<th>DEFICIENCY:</th>
<th>Seams or shrinkage gaps show resilient flooring joints.</th>
</tr>
</thead>
<tbody>
<tr>
<td>CONSTRUCTION STANDARD:</td>
<td>Gaps should 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.</td>
</tr>
<tr>
<td>SELLER CORRECTION:</td>
<td>The Seller shall take action as necessary to correct the problem.</td>
</tr>
</tbody>
</table>

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### 7.4 CARPETING

<table>
<thead>
<tr>
<th>DEFICIENCY:</th>
<th>Carpeting becomes loose, seam separates, buckles or excessive stretching occurs.</th>
</tr>
</thead>
<tbody>
<tr>
<td>CONSTRUCTION STANDARD:</td>
<td>Wall-to-wall carpeting, installed as the primary floor covering, when stretched and secured properly should not come up, become loose, separate or stretch excessively at its points of attachment.</td>
</tr>
<tr>
<td>SELLER CORRECTION:</td>
<td>Seller is to restretch or resecure carpeting as needed.</td>
</tr>
</tbody>
</table>

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<table>
<thead>
<tr>
<th>DEFICIENCY:</th>
<th>Shading as a result of carpet grain.</th>
</tr>
</thead>
<tbody>
<tr>
<td>CONSTRUCTION STANDARD:</td>
<td>Carpet may appear slightly shaded as a result of grain sections installed perpendicular to each other. This is acceptable provided the seam occurs at doorways and not in a room.</td>
</tr>
<tr>
<td>SELLER CORRECTION:</td>
<td>None.</td>
</tr>
</tbody>
</table>

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<table>
<thead>
<tr>
<th>DEFICIENCY:</th>
<th>Soil Filtration.</th>
</tr>
</thead>
<tbody>
<tr>
<td>CONSTRUCTION STANDARD:</td>
<td>Soil filtration lines are caused by air moving through the carpet, particularly under doors. The carpet fiber acts as an air filter, trapping microscopic particles until they build up enough to be visible.</td>
</tr>
<tr>
<td>SELLER CORRECTION:</td>
<td>Appearance of soil filtration lines are not a sign of poor construction, defective carpet or improper carpet installation. The Seller will take no action.</td>
</tr>
</tbody>
</table>
DEFICIENCY: Visible carpet seams.

CONSTRUCTION STANDARD: There should be no visible gaps along the seams of the carpeting

SELLER CORRECTION: Seller will repair any openings or gaps in the seams. Visible seams are not considered a defect.

DEFICIENCY: Hard spots in carpet pad.

CONSTRUCTION STANDARD: Rebond pad is a recycled product. It is normal for the pad to exhibit some hard spots

SELLER CORRECTION: None.

7.5 TACK STRIP

DEFICIENCY: Sharp points of the tack strip going through the carpeting.

CONSTRUCTION STANDARD: Tack strips are used where the carpeting terminates at walls, stair risers, and transitions to other flooring. It is common to have the sharp points of the tack strip to come through the carpet.

SELLER CORRECTION: Tack strips cannot be eliminated. All precautions are taken so the tack strip is not felt through the carpeting but there is no way to completely eliminate the possibility. Hammering down the tack strip may cause the carpet to become loose over time.

7.6 HARDWOOD FLOORING

DEFICIENCY: Joint separation or swelling.

CONSTRUCTION STANDARD: Joints may separate or swell as the floor acclimates absorbing humidity or drying out. Separation greater than 1/8 inch or swelling raising the edge higher than 1/8 inch above the center of each board is not acceptable.

SELLER CORRECTION: Seller to repair as necessary to achieve above standards. Seller to repair affected area only. Finish to be blended to
match as closely as practical with existing, but the Seller is not responsible for color variation which may occur. BUYER SHOULD CAREFULLY READ ALL PRECAUTIONS FOR ALL WOOD FLOORS.

**DEFICIENCY:** Color variation.

**CONSTRUCTION STANDARD:** Wood is a natural material and each piece will have various grains that absorb stain differently, some dark, some light. It will not have a consistent, uniform appearance. A Swedish finish is applied and should NEVER be waxed. It should only be spot cleaned with minimal cold water.

**SELLER CORRECTION:** None.

### 7.7 PAINTING

**DEFICIENCY:** Mildew or fungus on painted surfaces.

**CONSTRUCTION STANDARD:** Mildew or fungus will form on a painted surface if the structure is subject to particularly moist exposures, (i.e., rainfall, ocean, lake, river front, wet-lands, and tree shading).

**SELLER CORRECTION:** Mildew or fungus formation is a condition the builder cannot control and is a Buyer maintenance item.

**DEFICIENCY:** Exterior paint or stain peeling.

**CONSTRUCTION STANDARD:** Exterior paints or stains should not peel during the first year of ownership.

**SELLER CORRECTION:** Seller shall prepare and refinish affected areas, matching color as closely as practical. Where finish deterioration affects the majority of the wall or area, the whole area shall be refinished.

**DEFICIENCY:** Painting required as corollary repair because of other work.

**CONSTRUCTION STANDARD:** Necessary repairs required under this warranty should be refinished to match surrounding area as closely as practical.

**SELLER CORRECTION:** Refinish repaired areas as indicated.
DEFICIENCY: Siding bleed-through.

CONSTRUCTION STANDARD: Due to acid content and the pattern of cedar boards, some areas of cedar siding are smoother and some are more rough sawn. Paint is applied equally to all areas of siding. Wood fuzzing, knotted areas, tight grain and large gapped grain are painted evenly. Different wood surfaces may cause the illusion that paint is thinner in some areas. The “bleed-through” is more noticeable with colors such as whites, creams, blues, grays and greens. Tans and browns are not as noticeable. “Bleed-through” is normal and should not be confused as a problem. Seller is not responsible for cedar “bleed-through”. Unlike interior wood work, exterior siding and trim does not require setting and puttying of nails.

SELLER CORRECTION: None.

DEFICIENCY: Zebra striping.

CONSTRUCTION STANDARD: Over a period of time, siding products will shrink. There is no way to control this shrinkage. This may result in an unpainted thin line under each lap. This line is cosmetic but should not exceed 3/16 inch.

SELLER CORRECTION: Paint or stain lines in excess of 3/16 inch.

DEFICIENCY: Interior paint application and coverage.

CONSTRUCTION STANDARD: Interior paint should be applied in a manner sufficient to visually cover wall, ceiling and trim surfaces where specified. Latex flat paint is used throughout all homes unless otherwise specified. Flat latex paint is not washable. All paint, especially flat paint, ages and does not touch up perfectly. After a home has been painted and touch up is applied, there is a millage difference which tends to make colors appear different. Cooking, deodorants and household sprays also change color of paint when touched up. This is especially true for flat paint. Eg-shel is used in all wet rooms. Wet rooms consist of bathrooms, kitchens and laundry rooms only. Eg-shel paint is cleanable. Like flat latex, eg-shel paint does not touch up perfectly. It too can have a millage color difference for touch ups.
SELLER CORRECTION: The Seller shall retouch wall, ceiling or trim surfaces where inadequate paint has been applied to cover original surfaces. Seller is not responsible for perfect touch up match.

DEFICIENCY: Deterioration of varnish or lacquer finishes.

CONSTRUCTION STANDARD: Natural finishes on interior woodwork should not deteriorate during the first year of ownership. However, varnish-type finishes used on the exterior will deteriorate rapidly and are not covered by the warranty.

SELLER CORRECTION: No corrective action for exterior, varnish type finishes. Chipping and flaking of interior lacquer will be repaired by Seller unless area is exposed to excessive and prolonged moisture.

DEFICIENCY: Stain color variation among stained woodwork.

CONSTRUCTION STANDARD: Interior wood products are stained the same color. Some woods are different in grain and accept stains differently, resulting in different colors. Pitch and water levels contained in wood alter the acceptance of stain, therefore these areas are lighter. Wood dyes may also appear after the wood has been stained, sealed and finished. This causes a spotted effect that cannot be controlled.

Any time stains are reapplied to a finished surface a pigment build-up will occur and make the wood darker or create uncontrolled color change. New woods may have a lighter color due to aging. Woodwork that is prefinished may take stain differently due to the difference in graining, hardness and softness of the wood.

Putty is used to fill in holes or indents in wood. The color is matched from the same stain that is used on the wood. Putty is a solid colored substance, therefore when holes are filled and the woods have accepted the stains it may appear that lighter and darker putties have been used.

SELLER CORRECTION: None.
DEFICIENCY: Delaminations and shading in high pressure laminate.

CONSTRUCTION STANDARD: Countertops fabricated with high pressure laminate coverings should not delaminate. The deck area joints may have a maximum gap of 1/16”. All other areas of the joint may have a maximum of 1/16” differential in surface alignment. There may be slight shading between pieces of laminate. Seller does not warrant against said shading. Also Seller does not warrant against cosmetic blemishes such as scratches, stains or chips unless noted on the original Possession Agreement.

SELLER CORRECTION: Repair or replace to meet the above criteria. Chips and cracks are only warrantable if noted on the Possession Agreement.

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8. SPECIALTIES

8.1 GAS FIREPLACES

DEFICIENCY: Fireplace is drafty.

CONSTRUCTION STANDARD: Gas direct vent fireplaces have a damper-less venting system which by design allows air to flow in and out of the fireplace at all times. This can be more noticeable during inclement weather conditions.

SELLER CORRECTION: None, unless the drafts are caused by an underlying construction defect.

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DEFICIENCY: Firebox and fire box glass changes color due to heat.

CONSTRUCTION STANDARD: Heat from fireplace can naturally change the color of the firebox and discolor the glass.

SELLER CORRECTION: No action taken.

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DEFICIENCY: Cracks in firebrick

CONSTRUCTION STANDARD: Fire can naturally cause firebricks to crack.

SELLER CORRECTION: No action taken.
DEFICIENCY: Water infiltration into firebox.
CONSTRUCTION STANDARD: A certain amount of water infiltration can be expected under certain weather conditions.
SELLER CORRECTION: This item is beyond the Seller’s control and not covered under this warranty.

9. EQUIPMENT

9.1 RESIDENTIAL EQUIPMENT

DEFICIENCY: Warping and operation of kitchen cabinet doors and drawers.
CONSTRUCTION STANDARD: Cabinet doors and drawers should not warp in excess of ¼ inch in any direction, provided the proper levels of humidity have been maintained. Both cabinet doors and drawers should be properly adjusted and operating in a reasonably smooth manner.
SELLER CORRECTION: Adjust, repair or replace defective cabinet doors and drawers to correct condition.

9.2 APPLIANCES

(See Manufacturer’s Warranty)

10. MECHANICAL

10.1 WATER SUPPLY SYSTEM

DEFICIENCY: Plumbing pipes freeze and burst.
CONSTRUCTION STANDARD: Drain, waste, vent or water pipes should be adequately protected by Buyer during normally anticipated cold weather to prevent freezing. Plumbing pipes are not insulated to protect from freezing. Precautionary action should be taken by the Buyer to prevent freezing.
<table>
<thead>
<tr>
<th>SELLER CORRECTION:</th>
<th>None</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>DEFICIENCY:</strong></td>
<td>Water supply system fails to deliver water.</td>
</tr>
<tr>
<td><strong>CONSTRUCTION STANDARD:</strong></td>
<td>Service connections to municipal water main and private water supply are the Seller’s responsibility. Private systems shall be designed and installed in accordance with all approved building, plumbing and health codes.</td>
</tr>
<tr>
<td><strong>SELLER CORRECTION:</strong></td>
<td>Seller to repair as necessary if failure is the result of defective workmanship or materials. If conditions beyond Seller’s control disrupt or eliminate the sources of the supply, then it is not the Seller’s responsibility.</td>
</tr>
<tr>
<td><strong>DEFICIENCY:</strong></td>
<td>Fire sprinkler pipe or head leak.</td>
</tr>
<tr>
<td><strong>CONSTRUCTION STANDARD:</strong></td>
<td>There should be no leaks caused by defective materials or workmanship.</td>
</tr>
<tr>
<td><strong>SELLER CORRECTION:</strong></td>
<td>Seller shall repair to meet the standard.</td>
</tr>
</tbody>
</table>

### 10.3 PLUMBING

| **DEFICIENCY:**   | Faucet or valve leak. |
| **CONSTRUCTION STANDARD:** | Valves and faucets should not leak due to defects in material or workmanship. However, leakage caused by worn washers or seats is a Buyer maintenance item. |
| **SELLER CORRECTION:** | Seller shall repair or replace any faucet to correct leaks due to defect in material or workmanship. |
| **DEFICIENCY:**   | Defective plumbing fixtures, appliances or trim fittings. |
| **CONSTRUCTION STANDARD:** | Fixtures, appliances or fittings should comply with their manufacturer’s standards. |
| **SELLER CORRECTION:** | The Seller shall replace any fixture or fitting which is outside of acceptable standards as defined by the manufacturer. |
| DEFICIENCY:                              | Noisy water pipes.                                      |
| CONSTRUCTION STANDARD:                  | There will be noise emitting from the water pipe system, due to the flow of water. |
| SELLER CORRECTION:                      | Seller cannot remove all noises due to water flow and pipe expansion. The Seller shall correct any noise problems that are due to faulty workmanship or installation. Please note noisy water pipes caused by irrigation systems not installed by the Seller are not part of the Seller’s warranty. |

| DEFICIENCY:                              | Leakage from any piping.                                |
| CONSTRUCTION STANDARD:                  | No leaks of any kind should exist in any soil, waste vent or water pipe. Condensation on piping does not constitute leakage and is not covered. |
| SELLER CORRECTION:                      | Seller shall make necessary repairs to eliminate leakage. |

| DEFICIENCY:                              | Stopped up sewers, fixtures and drains.                 |
| CONSTRUCTION STANDARD:                  | Sewers, fixtures and drains should operate properly.    |
| SELLER CORRECTION:                      | Where defective construction is the cause, the Seller shall assume the cost of the repair. The Seller is not responsible for sewers, fixtures and drains which are clogged through the Buyer’s failure to operate and maintain the system properly or from causes outside the control of Seller. |

| DEFICIENCY:                              | Cracking or chipping of porcelain or fiberglass surfaces. |
| CONSTRUCTION STANDARD:                  | Chips and cracks on surfaces of bathtubs and kitchen sinks can occur when the surface is hit with sharp or heavy objects. |
| SELLER CORRECTION:                      | Not covered under warranty unless noted on possession agreement. |

| DEFICIENCY:                              | Annual testing and certification of back-flow assemblies. |
| CONSTRUCTION STANDARD:                  | Where required (fire sprinkler systems, landscape irrigation systems, etc), back-flow assemblies are used. Annual certification is required to be maintained by the Buyer. |
| SELLER CORRECTION:                      | Not covered under warranty.                            |
### 10.4 HEATING

**DEFICIENCY:** Inadequate heating.

**CONSTRUCTION STANDARD:** Heating system should be capable of producing an inside temperature of 70 degrees F., as measured in the center of each room at a height of 5 feet above the floor, under local outdoor winter design conditions as specified in ASHRAE handbook.

**SELLER CORRECTION:** The Buyer shall be responsible for balancing dampers, registers and other minor adjustments. Seller shall correct the heating system as required to provide the required temperatures if balancing as required by the Buyer is not successful.

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**DEFICIENCY:** Furnace filter needs replacing.

**CONSTRUCTION STANDARD:** Furnace filters need periodic replacement.

**SELLER CORRECTION:** The Buyer shall be responsible for all filter replacements.

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### 10.5 CENTRAL AIR-CONDITIONING SYSTEM

**DEFICIENCY:** Cooling of rooms is inadequate.

**CONSTRUCTION STANDARD:** If air-conditioning is installed by the Seller, the cooling system shall be capable of maintaining a temperature of 78 degrees Fahrenheit, 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 the ASHRAE Handbook: Fundamentals. In the case of outside temperatures exceeding 85 degrees Fahrenheit, the system shall keep the inside temperature 15 degrees Fahrenheit cooler than the outside temperature. National, state, or local codes shall supersede this guideline where such codes have been locally adopted.

**SELLER CORRECTION:** The Seller will correct the cooling system to provide the required temperature in accordance with the performance guideline or applicable code specifications.
10.6 AIR DISTRIBUTION

DEFICIENCY: Noisy ductwork.

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

SELLER CORRECTION: The stiffening of the ductwork and the gauge of the metal used shall be such that the ducts do not “oilcan”. The booming noise caused by “oil-canning” is not acceptable and the Seller shall take necessary steps to eliminate this sound.

DEFICIENCY: Ductwork separates or becomes unattached.

CONSTRUCTION STANDARD: Ductwork should remain intact and securely fastened.

SELLER CORRECTION: Reattach and resecure all separated or unattached ductwork due to poor workmanship.

11. ELECTRICAL

11.1 ELECTRICAL CONDUCTORS

DEFICIENCY: Failure of wiring to carry its designed circuit load to the electrical box.

CONSTRUCTION STANDARD: Wiring should be capable of carrying the designed load for normal residential use to electrical box.

SELLER CORRECTION: Check wiring for conformity with local and state electrical code requirements. Repair wiring if it does not conform to code specifications.
11.2 SWITCHES AND RECEPTACLE

DEFICIENCY: Circuit breakers trip.

CONSTRUCTION STANDARD: Circuit breakers should not trip under normal usage.

SELLER CORRECTION: Check wiring for conformity with local and state electrical code requirements. Repair wiring if it does not conform to code specifications.

11.3 SERVICE AND DISTRIBUTION

DEFICIENCY: Ground fault circuit interrupter (GFCI) trips frequently.

CONSTRUCTION STANDARD: Ground fault circuit interrupters are sensitive devices installed into the electrical system to provide protection against electrical shock in wet areas. These sensitive devices can be tripped very easily.

SELLER CORRECTION: Seller is to install ground fault interrupter in accordance with approved electrical code. Tripping is to be expected and is not covered, unless due to faulty installation.

DEFICIENCY: Arc fault circuit interrupter (AFCI) trips frequently.

CONSTRUCTION STANDARD: Arc fault interrupters are sensitive devices installed into the electrical system to provide protection against heated electrical overloads in all bedrooms. These sensitive devices can be tripped very easily.

SELLER CORRECTION: Seller is to install arc fault interrupter in accordance with approved electrical code. Tripping is to be expected and is not warranted, unless due to faulty installation.