

**2-10 HOME BUYERS WARRANTY**



**TEXAS**



Structural

**NEW HOME WARRANTY PROGRAM**



# Quality built by your builder

Backed by the industry-leading  
warranty program



# Congratulations

on your new home and the warranty provided by your builder.

**6 Million+**  
homes covered

**40+ Years**  
in the industry

**1 in 5**  
**New Homes**  
enrolled in the  
2-10 HBW New Home  
Warranty Program

## 2-10 HBW is here to enhance your homeownership journey

Purchasing a home is a big accomplishment. And it gets even better because your builder chose to provide you with the industry-leading new home express warranty.

In addition to being your warranty administrator, 2-10 Home Buyers Warranty (2-10 HBW) offers valuable tips and advice, alongside optional products and services, to homeowners like you. Our goal is to provide you with greater peace of mind about the experience of owning your home.

## Expanded protection from the name you can trust

2-10 HBW wants to help you reduce the overall cost of owning a home. Expensive system and appliance breakdowns that occur from normal wear and tear are not covered by this new home express warranty or homeowners insurance. An optional 2-10 HBW Home Service Plan\* protects against unexpected breakdowns, such as to your air conditioner, washer and dryer, or water heater.

## Benefits from your builder and 2-10 HBW WELCOME TO THE 2-10 FAMILY!



New Home  
Warranty Program



Homeowner Portal Access



Maintenance Tips & Tricks



Systems & Appliances  
Home Service Plan



Appliance Discounts

Because your builder provided you with this industry-leading warranty, you now have access to these exclusive benefits.

\*Home Service Plans are provided by an affiliate of your warranty administrator, and may not be available in all states or locations. Images shown for illustration purposes only.

[2-10.com/protect](https://2-10.com/protect)

# Getting started

## This booklet will help:

- 1** Present the types of coverage
- 2** Provide simple language to understand what's covered
- 3** Explain how to report a claim



## Words with special meaning

Words in this booklet that have specific and consistent meanings, which may not reflect everyday use, are defined in Section VI. For readability purposes we have not bolded, capitalized, or otherwise denoted these words. Nevertheless, when a word with a special meaning appears in this booklet, that word will have the meaning assigned to it in Section VI, unless the booklet expressly indicates a different or generic meaning for the word in a specific sentence or paragraph.

## This booklet and your Certificate of Warranty Coverage

This booklet and the Certificate of Warranty Coverage are legal documents that define all procedures, terms, conditions, and remedies for the express, limited warranties your builder/seller is providing you.

The effective date of warranty and each warranty term are identified on the Certificate of Warranty Coverage. Please keep this booklet and the Certificate of Warranty Coverage with other legal documents that are important to you.

**Important provisions concerning your legal rights and remedies are contained in Section VIII, and for the use of final and binding arbitration to resolve disputes are contained in Section V.E.**

## Register your home

Register your home with 2-10 HBW. When you register, you can view and review your coverage details; confirm your contact info; and get access to additional troubleshooting advice, exclusive appliance discounts, and home maintenance tips through our newsletters and blogs. Register at [2-10.com/homeowner](https://www.2-10.com/homeowner).

## 2-10 HBW is your warranty administrator

The warranty administrator is available to provide guidance and assistance for the 2-10 HBW New Home Warranty Program.

Contact the warranty administrator for questions about this booklet or if you have lost your Certificate of Warranty Coverage.



855.429.2109



[warrantyadministration@2-10.com](mailto:warrantyadministration@2-10.com)



[2-10.com/homeowner](https://www.2-10.com/homeowner)

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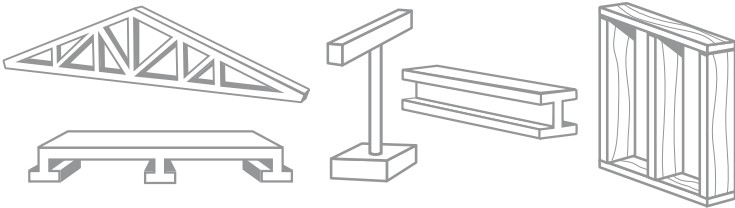
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# SECTION I. OVERVIEW OF YOUR WARRANTY\*



## STRUCTURAL WARRANTY

While your home was carefully constructed and inspected, unforeseen problems occasionally arise, even in the best-built homes. Your structural warranty addresses the major structural elements of your home. For more information about your structural warranty, please review Section III.



### STRUCTURAL ITEMS COVERED\*

Roof framing systems, load-bearing walls and partitions, beams, columns, footings and foundation systems, floor framing systems, girders, lintels, and masonry arches



Your structural warranty addresses structural defects, including those caused by certain types of soil movement. A structural defect is the failure of major structural components to meet the Construction Performance Standards.

\*Images and items are for illustrative purposes only.

## SECTION II.

# IMPORTANT NEW HOME MAINTENANCE

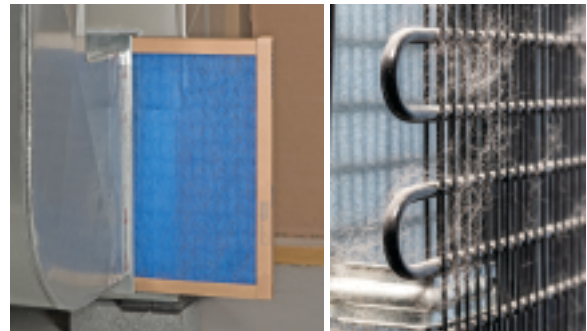
Maintenance is a key part of homeownership and can reduce defects and breakdowns, which can help you avoid unexpected costs.

This guide will give you a baseline for some of the most common and important home maintenance tasks you'll need to tackle. However, this list is not fully inclusive and may vary based on your geography and manufacturer recommendations.

It's important to remember that you are responsible for proper maintenance of your home. Your builder/seller and the warranty insurer (as applicable) are not responsible for problems that arise from or relate to the failure to perform normal maintenance on your home.

### A few of the most important maintenance tips

- **HVAC filters:** Change them according to the manufacturer's recommended schedule.
- **HVAC system:** Have it inspected annually, either in spring or fall.
- **Windows and doors:** Inspect for cracks and gaps in summer and winter.
- **Grading:** Maintain the grading your builder/seller established to ensure water drains away from the foundation of the home.
- **Toilets, sinks, dishwashers, and tubs:** Check for leaks. Caulk or repair as needed.
- **Wood floors and wall finishes:** Clean and preserve.
- **Irrigation systems:** In cold climates, drain, blow out, and disconnect all hoses before the first freeze.
- **Landscape:** Plant trees and shrubs at the proper distance from your home and conform to generally accepted landscape practice for your region.



Get additional maintenance tips, checklists, and troubleshooting advice by visiting:

**[2-10.com/maintain-my-home](https://www.2-10.com/maintain-my-home)**



### Protect More, Pay Less with 2-10 HBW

An optional Home Service Plan\* could help you reduce the overall cost of owning a home. This optional coverage provides protection against unexpected system and appliance breakdowns, such as to your air conditioner or water heater.

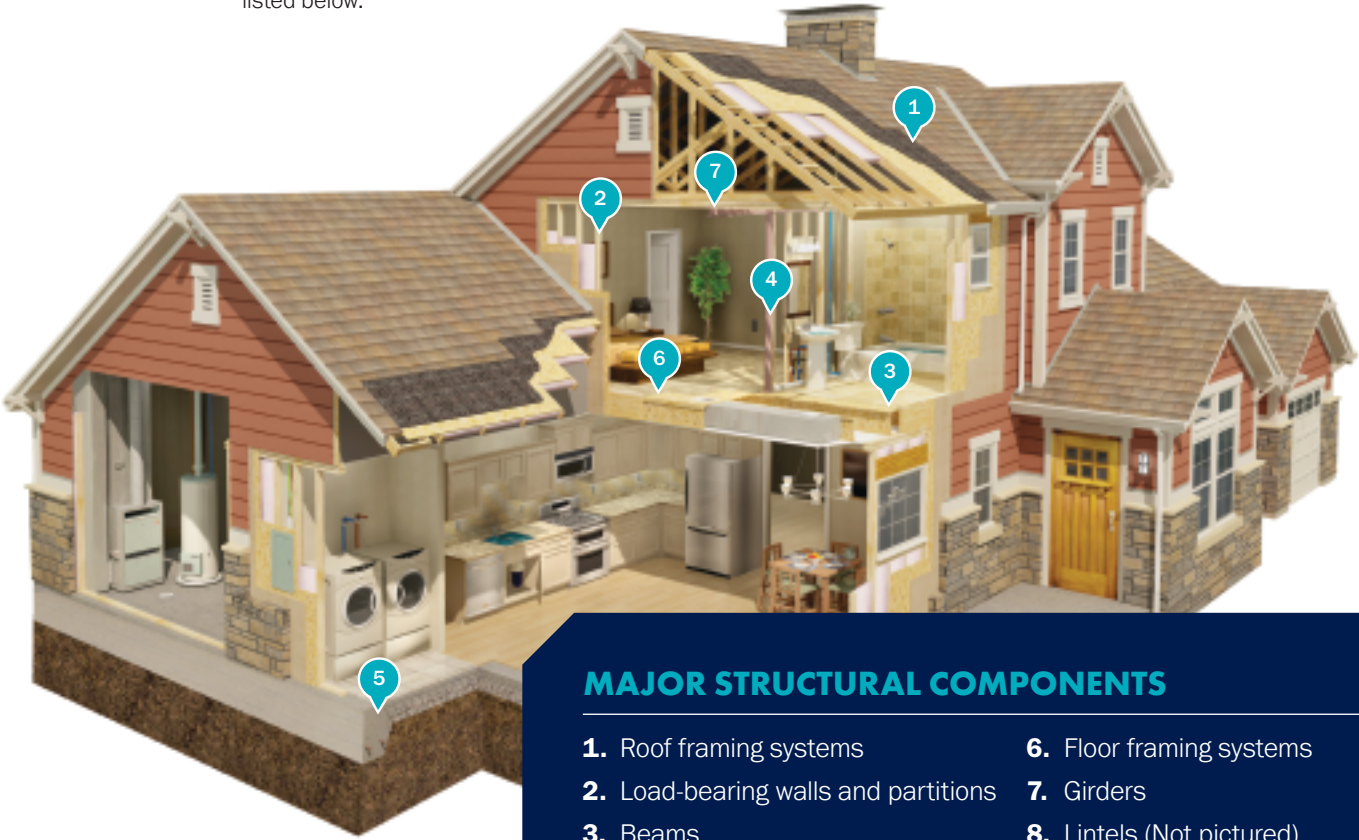
For more information, please visit **[2-10.com/protect](https://www.2-10.com/protect)**

\*Home Service Plans are provided by an affiliate of your warranty administrator, and may not be available in all states or locations.

# SECTION III. YOUR STRUCTURAL WARRANTY



Your structural warranty provides protection during the warranty term against structural defects to the major structural components of your home. The major structural components that are covered under this warranty are limited to the items identified in this Section III. Damage to the non-major structural components of your home is not a structural defect. A non-exclusive list of non-major structural components that are not covered under this warranty is listed below.



### MAJOR STRUCTURAL COMPONENTS

- |                                      |                                  |
|--------------------------------------|----------------------------------|
| 1. Roof framing systems              | 6. Floor framing systems         |
| 2. Load-bearing walls and partitions | 7. Girders                       |
| 3. Beams                             | 8. Lintels (Not pictured)        |
| 4. Columns                           | 9. Masonry arches (Not pictured) |
| 5. Footings and foundation systems   |                                  |

### EXAMPLES OF NON-MAJOR STRUCTURAL COMPONENTS

Damage to these items is not considered a qualifying structural defect.

- Roof shingles, roof tiles, sheathing, and underlayment
- Non-load-bearing walls, drywall, and plaster
- Flooring and underlayment material
- Plumbing, electrical, and mechanical systems
- Any type of exterior siding, stucco, brick, and stone veneer, including but not limited to veneer attached to arches supported by internal framework
- Basement, garage, and other interior floating ground-supported concrete slabs

Your structural warranty is for catastrophic failure of the major structural components. Your structural warranty addresses structural defects caused by soil movement to the extent not otherwise excluded in this booklet. Failure of major structural components to meet the Construction Performance Standards is defined in Section VII.

## REPORTING A STRUCTURAL DEFECT CLAIM



All structural defects must be reported to the warranty administrator as soon as possible, but no later than the expiration of the warranty term for your structural warranty. To report a structural defect, email [warrantyadministration@2-10.com](mailto:warrantyadministration@2-10.com) or call the warranty administrator at 855.429.2109. In addition, you must submit a \$250 investigation fee (payable to the warranty insurer) to the warranty administrator. After you provide the warranty administrator with notice of your claim and the investigation fee, the warranty administrator will submit the claim to the warranty insurer. The investigation fee will be refunded to

you if the warranty insurer determines you have a covered structural defect.

**YOU WAIVE YOUR RIGHT TO COVERAGE UNDER THE STRUCTURAL WARRANTY IF STRUCTURAL DEFECTS ARE NOT REPORTED WITHIN THE TIME LIMITATIONS. IT IS YOUR RESPONSIBILITY TO MAINTAIN ADEQUATE PROOF THAT YOU REPORTED EACH CLAIMED STRUCTURAL DEFECT WITHIN THE TIME LIMITATION.**

## SECTION IV. YOUR RESPONSIBILITIES

To ensure your builder/seller, the warranty insurer, and the warranty administrator can effectively carry out their obligations under this booklet, you must also perform all your obligations throughout this booklet. This Section IV lists requirements that you must perform in addition to your other responsibilities stated elsewhere in this booklet, for example, timely reporting of claims, performing maintenance, and adhering to the dispute resolution procedures. Your builder/seller, the warranty administrator, and/or the warranty insurer are not responsible for any claims, losses, delays, or damages that arise from or relate to your failure to fulfill any of your obligations under this booklet, and they shall have no responsibility to take any action in connection with any structural defect unless and until you have fulfilled all your relevant obligations in this booklet.

### A. ACCESS TO YOUR HOME

The builder/seller, warranty insurer, and their respective agents require access to and within your home to perform their responsibilities under this booklet. You agree, upon receipt of advance reasonable notice, to allow such access during normal business hours to inspect, repair, or conduct tests on your home as may be required to evaluate or repair a structural defect. If emergency repairs are necessary and you cannot be reached within a reasonable time, you waive such notice.

Additionally, the builder/seller, warranty insurer, and their respective agents shall have the right, in advance of any arbitration concerning your home, to re-inspect your home if the last inspection was greater than 45 days prior to the arbitration hearing.

If you do not provide access to your home as required in this Section IV.A, you hereby waive any obligations of the builder/seller and warranty insurer to proceed with any of their obligations to investigate,

repair, pay for, or otherwise address any potential structural defect under this warranty.

### B. SUCCESSIVE OWNERS OF YOUR HOME

Your obligations and rights provided in this booklet stay with your home and shall transfer to each subsequent owner of your home for the remainder of the applicable warranty term, if any. This means all of your rights and obligations under this booklet—up to the remaining amount of the warranty limit, if any—will transfer to a purchaser of your home or any person who otherwise obtains title to your home, including any mortgagee in possession.

When you transfer your home, you agree to give a copy of this booklet and the Certificate of Warranty Coverage to the acquirer of your home before the transfer of your home is completed, such that the new owner has a reasonable opportunity to understand the rights and obligations under this booklet. Each successive owner of the home is bound by all of the terms and conditions of this booklet, including but not limited to the binding arbitration agreement in Section V.E.

If you are a successive owner of the home, you will benefit from the express limited warranty set forth in this booklet, but in return, you are bound by all of the terms, conditions, and exclusions in this booklet, including but not limited to the procedures that must be followed to make a claim and the binding arbitration agreement in Section V.E of this booklet. To register the Certificate of Warranty Coverage in your name, please visit [www.2-10.com/SHRForm](http://www.2-10.com/SHRForm) to complete the Successive Homeowner Registration and Arbitration Acceptance Form, or you can request the form from the warranty administrator at [warrantyadministration@2-10.com](mailto:warrantyadministration@2-10.com).



**C. EMERGENCY REPAIRS**

For the purposes of this booklet, the need for an emergency repair exists when there is an immediate substantial risk of serious physical damage to the home or a substantial risk of bodily injury to its occupants if a structural defect is not immediately repaired. Before you attempt an emergency repair, you must make reasonable efforts to contact your builder/seller or warranty administrator immediately for authorization to make the emergency repair. If you are unable to contact these parties, you must only take the reasonable and necessary steps to mitigate the emergency until authorization for more extensive repairs has been approved by your builder/seller or warranty administrator. Reasonable and necessary action may include temporary shoring, bracing, or covering with protective material. After taking reasonable and necessary steps to mitigate the risk, report the emergency to your builder/seller or warranty administrator on the next business day.

**D. SUBROGATION RIGHTS AND RELEASE OF LEGAL OBLIGATION**

After any repair of (or before receiving any payment in lieu of repairs of) any structural defect, you must provide a full and unconditional written release of the builder/seller, warranty administrator, warranty insurer, and related parties—in recordable form—of all legal obligations with respect to the structural defect and all related conditions. Your builder/seller or warranty insurer shall have all rights of subrogation to any rights you may have against any other person with respect to a structural defect, to the full extent of all costs the builder/seller or warranty insurer incurred in addressing the structural defect, except there shall be no subrogation to or assignment of any rights that you may have against the warranty insurer and/or warranty administrator. You agree to perform any acts and execute any applicable documents that may be necessary for the builder/seller, warranty administrator, warranty insurer, and/or related parties to secure and effectively enforce these rights of subrogation. You agree to refrain from taking any action that may prejudice these rights.

## SECTION V. IMPORTANT TERMS AND CONDITIONS THAT APPLY TO YOUR WARRANTY

**A. THE LIMITS OF YOUR WARRANTY**

Your warranty limit is the combined total aggregate financial obligation and liability of the warranty insurer for all claims, warranties, and liability arising out of or otherwise relating to this booklet, including but not limited to liability related to structural defects. All costs incurred by the warranty insurer to address any structural defect will be deducted from your warranty limit.

**B. THE RIGHT TO REPAIR OR PAY FOR STRUCTURAL DEFECTS**

The warranty insurer shall have the right to repair or pay you the reasonable cost of repair of any structural defect. The design, method, and manner of such repair, and the option to repair or pay, shall be within the sole and absolute discretion the warranty insurer in respect of a structural defect.

No repair shall extend any warranty term, including without limitation the warranty term applicable to the structural defect that was the subject of the repair.

Repairs of a major structural component are generally intended to restore the home to approximately the condition just prior to the structural defect but not necessarily to a like-new condition. However, at the warranty insurer's sole discretion, repairs may include permanent alterations to architectural or design features in order to complete the repair. The repair of a structural defect is limited to:

1. The repair of damage to major structural components of the home to the extent necessary to restore their load-bearing ability.
2. The repair of major structural components, items, or systems of the home to the extent such items were damaged by the

structural defect (e.g., the repair of inoperable windows and doors and the restoration of functionality of damaged electrical, plumbing, heating, cooling, and ventilating systems).

3. The repair and cosmetic correction of only those surfaces, finishes, and coverings that are original with the home and were (a) damaged by the structural defect or (b) displaced or damaged in connection with repairs related to the major structural component.

**C. MULTI-FAMILY BUILDINGS**

If your home is located in a multi-family building, then these additional provisions apply:

1. Common elements warranty term. The common elements for your multi-family building will comply with the Construction Performance Standards and be free from structural defects for the applicable structural warranty term. Each warranty term applicable to the common elements begins on the common element effective date of warranty, and the length of each warranty term shall be the same as the warranty term stated on your Certificate of Warranty. As such, the warranty term applicable to structural defects concerning common elements may expire before the warranty term applicable to structural defects concerning your home.
2. Common element claims. Potential structural defects in common elements must be filed by the entity governing your multi-family building (e.g., a Homeowners Association). All such issues must be reported in accordance with the same procedures and timelines for the warranty described in this booklet applicable to a home, but within the warranty term that is applicable to the respective common elements. All provisions of this booklet, including without limitations the arbitration provisions agreement in Section V.E, shall apply to any common element claims.

## SECTION V. IMPORTANT TERMS AND CONDITIONS THAT APPLY TO YOUR WARRANTY

3. **Access.** You agree—upon reasonable notice from the builder/seller, warranty insurer, or their respective representatives—to allow reasonable access to or within your home during normal business hours so repairs can be made to any adjacent space, residence, or common element. If emergency repairs are necessary and you cannot be reached within a reasonable time, you waive such notice.
4. **Common element warranty limit.** The aggregate warranty limit for all common elements in a multi-family building is equal to the aggregate remaining warranty limit for all dwellings in that multi-family building with an unexpired warranty term, and shall be reduced pro-rata based upon the ratio of the aggregate original sale price of all dwellings that do not have a Certificate of Warranty Coverage with an unexpired warranty term divided by the total original sales price of all dwellings in the multi-family building. All costs incurred by the builder/seller and/or the warranty insurer to repair or replace any structural defect concerning a common element will be deducted on a pro-rata basis from the remaining warranty limit for each dwelling in the multi-family building with Certificate of Warranty Coverage with an unexpired warranty term, based upon the proportion of the original sales price of each such dwelling divided by the total aggregate original sales price of all such dwellings.
5. **Detached structures.** If your community is served by a detached structure, then your builder/seller agrees that the detached structure shall be treated as a common element under this Section V.C, but any determination of the applicable common element effective date of warranty and pro-rating of coverage shall be exercised across all dwellings in all multi-family buildings with a valid Certificate of Warranty Coverage that are served by that detached structure.

### D. EXCLUSIONS

Your builder/seller and the warranty insurer shall have no liability, obligation, or responsibility relating to, arising from, or in any way concerning any of the following items, each of which are specifically excluded under this booklet:

1. Any damage, loss, or costs incurred by you in connection with any of the following:
  - a. A structural defect that first occurs outside of the applicable warranty term, including but not limited to “walk-through” or “punch list” items that were identified prior to the effective date of warranty.
  - b. A structural defect that was not reported to the builder/seller, warranty administrator, or warranty insurer within any time limitations set forth in this booklet.
  - c. Any condition that has not resulted in observable or measurable physical damage to your home.
  - d. Any failure of your builder/seller to (i) complete the construction of your home; (ii) construct your home in a manner that is compliant with the plans and specifications for your home; or (iii) comply with all local or national building codes, ordinances, or standards applicable to the construction of your home.
  - e. The diminished market value of your home resulting from a structural defect or the repair of a structural defect.
  - f. Shelter, transportation, food, moving, storage, or any other costs due to loss of use, loss of rental income, inconvenience, or annoyance arising from any structural defect or the repair of a structural defect.
  - g. Land, personal property, additions, or alterations to your home not included with the original sale of the home to you by the builder/seller, or any real or personal property that you do not own.
2. Any damage, loss, or cost that is caused or made worse by any of the following causes (whether acting alone, or in sequence or concurrence with any other cause whatsoever):
  - a. Your failure to give any notice required in this booklet.
  - b. Your failure to minimize or mitigate any structural defect, condition, loss, or damage.
  - c. Improper maintenance, abuse, or use of your home for non-residential purposes.
  - d. Negligence, defective material, or work supplied by anyone other than your builder/seller or its employees, agents, or subcontractors.
  - e. Additions or alterations to your home not included with the original sale of your home by the builder/seller.
  - f. Change of the grading of the ground around or near your home when such change does not comply with the accepted grading practices in your area, or the failure to maintain the original grade around your home.
  - g. Any peril or occurrence for which compensation is available to you from any local, state, or federal governing body or public fund.
  - h. Earth or soil movement caused by earthquake, volcanic eruption, sinkhole, mineshaft, avalanche, landslide, plate tectonics, or mudflow.
  - i. Buried debris, underground spring, or any other subsurface anomaly in a building site you provided.
  - j. Changes in the level of the underground water table below or near your home due to aquifer depletion on a region-wide basis.
  - k. Continuous, prolonged, or repeated contact with water, moisture, or other liquids resulting in mold, mildew, fungi, rot, decay, corrosion or other gradual deterioration, delamination, adhesive or cohesive failure, or weakening or deformation of wood products or any other material.
  - l. Discharge, dispersal, seepage, migration, release, or escape of any solid, liquid, gaseous, or thermal pollutant, irritant, or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals, or waste, including any claim of health risk or inhabitability based on any of the foregoing.

## SECTION V. IMPORTANT TERMS AND CONDITIONS THAT APPLY TO YOUR WARRANTY

- m. War, terrorism, riot or civil commotion, vandalism, or governmental action, such as the destruction, confiscation, or seizure of covered property by any governmental or public authority.
  - n. A weather event, such as a hurricane, tornado, windstorm, rainstorm, tidal wave, flood, hail, snow, ice storm, or lightning.
  - o. Birds, vermin, rodents, animals, pets, plants, or insects, including but not limited to termites.
  - p. Fire, smoke, explosion, or blasting.
  - q. Falling trees or other falling or moving objects, including but not limited to aircraft or vehicles.
  - r. Flooding caused by sudden water escape from pipes, vessels, or fixtures.
3. Specific to your structural warranty, any damage, loss, or costs incurred by you in connection with any of the following:
- a. Boundary walls, retaining walls or bulkheads; except to the extent that repairs to such structures are necessary to remedy a structural defect but only if such structure was originally constructed by your builder/seller.
  - b. Driveways, decks or porches, detached carports, outbuildings, fences, exterior recreational facilities, such as tennis courts or swimming pools or any other appurtenant structure or attachment to your home.
4. Appliances and manufactured items—including but not limited to heating, ventilation, and mechanical equipment or any other item covered by a manufacturer's warranty, and a deficiency in any distribution system caused by the failure of any such appliance or manufactured item. Your builder/seller hereby assigns to you any rights of the builder/seller under the manufacturer's warranties provided to the builder/seller (if any), with respect to any of the appliances and items of equipment included in your home.
5. Any and all green building requirements, standards, certifications or otherwise are controlled by those written standards applicable to and agreed upon between the builder/ seller and the initial homeowner(s), if any, after which there is no warranty or guarantee related to or concerning any such green building requirements, standards, certifications or otherwise to any subsequent owner of the property and/or improvements.

### **E. ARBITRATION CONTRACT FOR RESOLUTION WITH BINDING ARBITRATION AND CLASS ACTION WAIVER**

1. Arbitration Contract Proceedings. You, the builder/seller, the warranty insurer, and the warranty administrator (each an "Arbitration Party" and collectively the "Arbitration Parties") each hereby agree that every claim, complaint, controversy, or dispute between/among two or more Arbitration Parties that arises out of, relates to, or otherwise concerns this booklet, the Certificate of Warranty Coverage, your structural warranty, an actual or alleged structural defect, the warranty insurer or its agents or employees, the warranty administrator or its agents or employees, or the 2-10 HBW New Home Warranty Program (a "Dispute") shall exclusively be resolved by binding arbitration and not by a judge or jury. Each arbitration shall be conducted by Demars & Associates or Arbitration Resolution Services, Inc., or if neither are available or not willing to provide arbitration services, another arbitration service mutually agreed to by the Arbitration Parties that are involved in the Dispute, or, if said

Arbitration Parties are unable to come to an agreement, the warranty administrator shall select the arbitration service. On your request, the warranty administrator will provide you with applicable form(s) and information for initiating arbitration. The Arbitration Parties each agree to be bound by any and all rules published by the arbitration service provider conducting the arbitration that apply to the Dispute, except where such rules conflict with this arbitration contract, in which case this arbitration contract shall control. If you are involved in the arbitration, then the arbitration hearing shall take place in your home, unless the arbitrator agrees to an alternative location or the nature of the Dispute does not necessitate the arbitration occur in your home. All administrative fees of the arbitration service and fees of the arbitrator shall be allocated equally among the arbitrating parties. The arbitrator shall have the right to reallocate such fees in accordance with the applicable rules and as warranted under the substantive law governing the parties' controversy.

The arbitration contract provision of this Section V.E covers Disputes based upon contract, tort, consumer rights, claim practices, fraud, and other intentional torts, negligence, constitution, statute, regulation, ordinance, common law, and equity. A demand for arbitration shall be made within 1 year after the structural defect was first observed but in no event after the date when institution of legal or equitable proceedings would be barred by the applicable statute of limitations. The decision of the arbitrator shall be final and binding and may be entered as a judgment in any court of competent jurisdiction. The Arbitration Parties agree that the provisions of this Section V.E involve and concern interstate commerce and that the interpretation of this Section V.E shall be governed by the Federal Arbitration Act (9 U.S.C. § 1, et seq.), to the exclusion of any different or inconsistent federal, state, or local law, ordinance, or judicial rule. In addition to rendering an award in accordance with this booklet and the applicable law, the arbitrator shall have the sole and exclusive power to rule upon (a) his or her own jurisdiction, including without limitation with respect to the existence, scope, or validity of this arbitration provision; (b) the scope of arbitral issues; and (c) any defense based upon waiver, estoppel, or laches. All arbitral proceedings and documents issued in connection therewith, including without limitation any awards, shall be strictly confidential, and shall not be disclosed by any of the Arbitration Parties, except as may be required to enforce such award, by order of a government authority, or to obtain legal or financial advice (but solely to the extent necessary to obtain such advice). Any such disclosure shall not alter the confidentiality of the disclosed materials. This arbitration contract is self-executing.

The prevailing party in any court action brought for the enforcement or interpretation of the arbitration contract provision of this Section V.E shall be entitled to receive from the losing party a reasonable sum for its attorney fees and costs, in addition to any other relief to which it may be entitled.

2. Class Action Waiver. You hereby agree that you will only bring a Dispute in your individual capacity, and not as a plaintiff or class member in any purported class, multiple plaintiff, collective, representative, or similar proceeding (each a "Class Action"). You expressly agree to not maintain any Class Action in any forum. Instead, you agree to have each and every Dispute decided individually through arbitration. Claims cannot be consolidated in arbitration unless the Arbitrating Parties agree in writing.

## SECTION VI.

# WORDS WITH SPECIAL MEANING

**ASCE Guidelines** means the Guidelines for Evaluation and Repair of Residential Foundations, Version 3, published by the Texas section of the American Society of Civil Engineers.

**Builder/seller** means the home builder or seller listed on the Certificate of Warranty Coverage, and is the person or entity providing you with the express limited warranty described in this booklet.

**Certificate of Warranty Coverage** is the document issued by the warranty administrator confirming that your builder/seller took all steps required to enroll your home into the 2-10 HBW New Home Warranty Program and confirms your eligibility to receive the benefits of the express limited warranty described in this booklet during the applicable warranty term.

**Code** means the International Residential Code, or if the context requires, the National Electric Code.

**Common element** means all parts of a condominium or common-interest building constructed by your builder/seller other than the interior of your home. Common elements may include fitness facilities; hallways; lobbies; stairways; and shared electrical, plumbing, and mechanical distribution systems.

**Common element effective date of warranty** means the earlier of the date a certificate of occupancy is issued for the multi-family building or the date a dwelling unit in the building was first occupied.

**Commercial space** means any unit constructed by your builder/seller within a multi-family building that is used primarily for a non-residential purpose.

**Construction Performance Standards** means the performance standard(s) set forth in Section VII, which the home, element, or component must satisfy.

**Detached structure** is a building constructed by your builder/seller that is not attached to the multi-family building—such as club houses, daycares, fitness centers, or parking structures—but is still owned in common by the multi-family building association or unit owners and is designated for common use by the owners of the dwellings within the multi-family building.

**Effective date of warranty** means the date the express limited warranty described in this booklet each goes into effect as indicated on the Certificate of Warranty Coverage.

**Home** means the dwelling unit and garage (if any) or the commercial space (if any) constructed by your builder/seller and located at the address shown on the Certificate of Warranty Coverage.

**Major structural components** are load-bearing walls and partitions, footings and foundation systems, headers, beams, girders, lintels, masonry arches, columns, roof framing systems, and floor framing systems.

**Multi-family building** is a building constructed by your builder/seller in a common-interest community that may consist of dwelling units, shared parking spaces, commercial space, and common elements.

**Original construction elevations** means actual elevations of the foundation taken before, on, or about the effective date of warranty of the home. To establish original construction elevations, elevations shall be taken at a rate of at least one elevation per 100 square feet showing a reference point and shall be taken at a rate of at least one elevation per 10 linear feet along the perimeter of the foundation, subject to obstructions. Each elevation shall be taken on the surface of the foundation or on the surface of the floor covering on the foundation, if any. For elevations taken on floor coverings, the type of floor covering shall be recorded at each elevation location. If no such actual elevations are taken, then the foundation for the habitable areas of the home are presumed to be level +/- 3/4 inch over the entire area of the foundation.

**Reasonable time** is the time frame that is fairly necessary to do whatever is required to be done as soon as circumstances permit. Circumstances include but are not limited to weather, material availability, nature of deficiency, and builder/seller's service policies.

**Soil movement** means subsidence or expansion of soil caused by shrinkage, swelling, or consolidation.

**Structural defect** is the failure of major structural components to meet the Construction Performance Standards defined in Section VII.

**Warranty** or collectively **Warranties** means the express limited structural warranty set forth in this booklet provided to you by the builder/seller.

**Warranty administrator** or **2-10 HBW** means Home Buyers Warranty Corporation. The warranty administrator is the creator and administrator of the 2-10 HBW New Home Warranty Program and is available to answer any questions you may have about the express limited warranty provided to you by your builder/seller under this booklet.

**Warranty insurer** provides your builder/seller with insurance coverage for its obligations under the structural warranty. Your builder/seller's warranty insurer is identified on the Certificate of Warranty Coverage.

**Warranty limit** is the dollar amount stated on your Certificate of Warranty Coverage as the warranty limit.

**Warranty term** means the time frame during which the structural warranty is effective. The warranty term starts on the effective date of warranty or common-element effective date of warranty. The duration of the warranty term for the structural warranty is indicated on your Certificate of Warranty Coverage.

**"You," "your,"** and similar words mean the person or persons who are the legal owners of the home covered by the express limited warranties described in this booklet.

## SECTION VII.

# CONSTRUCTION PERFORMANCE STANDARDS

### A. STRUCTURAL WARRANTY

The following Construction Performance Standards apply to the structural warranty and represent the standards of construction quality your home should meet. Items that fail to meet these Construction Performance Standards require corrective action by the warranty insurer.

The Construction Performance Standards in this booklet are based on and accepted by the Texas Association of Builders.





# Items covered under the Structural Warranty Coverage

## 1

### MAJOR STRUCTURAL COMPONENTS

#### 1.A

#### SLAB FOUNDATIONS

##### 1.A.1

Slab foundations should not move differentially after they are constructed such that a tilt or deflection in the slab in excess of the standards defined below arises from post-construction movement. The protocol and standards for evaluating slab foundations shall follow the ASCE Guidelines with the following modifications:

- Overall deflection from the original construction elevations shall be no greater than the overall length over which the deflection occurs divided by 360 ( $L/360$ ) and must not have more than one associated symptom of distress, as described in Section 5 of the ASCE Guidelines, that results in actual observable physical damage to the home.  $L$  shall be defined as the edge-to-edge distance across any slab cross-section for which overall deflection is calculated. Calculations of overall deflection shall be based upon the change in elevation at each point for which an original construction elevation was taken.
- The slab shall not tilt after construction in excess of 1% across any overall dimension of the home or cause structural component(s) or masonry veneer to rotate into a structurally unstable position such that the weight vector of the component part falls outside the middle third of its bearing area. Calculations of overall tilt shall be based upon the change in elevation at each point for which an original construction elevation was taken.
- If no original construction elevations were taken, then the foundation for the habitable areas of the home is presumed to be level  $\pm 3/4$  inch over the entire area of the foundation.

##### 1.A.2

If measurements and associated symptoms of distress show that a slab foundation does not meet the deflection or tilt standards stated in paragraph 1 of this subsection, a third-party inspector's recommendation shall be based on the appropriate remedial measures as described in Section 7 of the ASCE Guidelines.

#### 1.B

#### COMPONENTS OTHER THAN SLAB FOUNDATIONS

##### 1.B.1

Raised-floor foundations (pier-and-beam or elevated concrete slabs on forms)

- Raised-floor foundations should not move differentially after they are constructed such that a tilt or deflection in the floor surface in excess of the standards defined below arises from actual post-construction movement. The protocol and standards for evaluating raised-floor foundations shall follow the ASCE Guidelines with the following modifications:
1. A raised-floor foundation shall not deflect more than  $L/360$  from original construction and have that movement create actual observable physical damage to the components of the home identifiable in Section 5.3 of the ASCE Guidelines.  $L$  shall be defined as the edge-to-edge distance across any foundation cross-section for which overall deflection is calculated. Calculations of overall deflection shall be based upon the change in elevation at each point for which an original construction elevation was taken. A deflection analysis must be based upon a minimum of three co-planar relative elevation data points—two end points that form a straight reference line along the evaluated section and a third point anywhere along the deformed surface that reflects a deviation of the floor surface from the reference line. The distance from the deformed surface to the reference line shall be measured perpendicular to the reference line.
  2. A raised-floor foundation shall not tilt after construction in excess of 1% across any edge-to-edge dimension or cause structural component(s) or masonry veneer to rotate into a structurally unstable position such that the weight vector of the component part falls outside the middle third of its bearing area. Calculations of overall tilt shall be based upon the change in elevation at the respective perimeter points for which an original construction elevation was taken.
  3. If no original construction elevations were taken, the foundation for the habitable areas of the home is presumed to be level  $\pm 3/4$  of an inch over the entire area of the raised-floor foundation.
  4. If a raised-floor foundation deflects more than  $L/360$  from its original construction elevation and the movement has created actual observable physical damage to the components of a home identifiable in Section 5.3 of the ASCE Guidelines, the warranty insurer shall implement the recommendations of a Texas-licensed professional engineer, which shall be based on applicable remedial measures as described in Section 7 of the ASCE Guidelines.
- Localized measurements of deflection that are claimed to be outside of performance standards, code, or tolerances are not warranted and there is no warranty insurer responsibility for correction or otherwise. Attempted measurements of tilt in which  $L$  is not an edge-to-edge distance across the foundation cross-section are actually measurements of localized slopes, not tilt, which are not warranted, and there is no warranty insurer responsibility for correction or otherwise.

## COMPONENTS OTHER THAN SLAB FOUNDATIONS CONTINUED

1.B.2	<p>Structural components.</p> <p>A defined structural component shall not crack, bow, become distorted, or deteriorate such that it compromises the structural integrity of a home or the performance of a structural system of the home, resulting in actual observable physical damage to a component of the home.</p> <p>If a structural component of a home cracks, bows, is distorted, or deteriorates such that it results in actual observable physical damage to a component of the home, the warranty insurer shall take such action as is necessary to repair, reinforce, or replace such structural component to restore the structural integrity of the home or the performance of the affected structural system.</p>
1.B.3	<p>Deflected structural components.</p> <p>A structural component shall not deflect more than the ratios allowed by the code.</p> <p>If a structural component of the home is deflected more than the ratios allowed by the code, the warranty insurer shall take such action as is necessary to repair, reinforce, or replace such structural component to restore the structural integrity of the home or the performance of the affected structural system.</p>
1.B.4	<p>Damaged structural components.</p> <p>A structural component shall not be so damaged that it compromises the structural integrity or performance of the affected structural system.</p> <p>If a structural component is so damaged that it compromises the structural integrity or performance of a structural system of the home, the warranty insurer shall take such action as is necessary to repair, reinforce, or replace such structural component to restore the structural integrity of the home or the performance of the affected structural system.</p>
1.B.5	<p>Separated structural components.</p> <p>A structural component shall not separate from a supporting member more than 3/4 of an inch or such that it compromises the structural integrity or performance of the system.</p> <p>If a structural component is separated from a supporting member more than 3/4 of an inch or separated such that it compromises the structural integrity or performance of a structural system of the home, the warranty insurer shall take such action as necessary to repair, reinforce, or replace such structural component to reestablish the connection between the structural component and the supporting member, to restore the structural integrity of the home and the performance of the affected structural system.</p>

## SECTION VIII. YOUR LEGAL RIGHTS AND REMEDIES

**A. GENERAL LEGAL PROVISIONS:** This booklet and the Certificate of Warranty Coverage fully and exclusively define the warranty terms, limitations, rights, and obligations with respect to each and every structural defect. The language in all parts of this booklet shall be construed simply, as a whole, and in accordance with its fair meaning and, in the event of an ambiguity or dispute, shall not be construed for or against you, the builder/seller, the warranty insurer, or the warranty administrator. The captions of the articles, sections, and subsections are inserted solely for convenience and shall not be treated or construed as part of this booklet. In the event any provision, or part thereof, of this booklet is held to be invalid, illegal, or otherwise unenforceable, such holding will not affect the validity of the other provisions. Any such provision, or part thereof, shall be enforced to the extent possible consistent with the stated intention of the parties, or, if incapable of such enforcement, shall be stricken from this booklet, while the remaining provisions of this booklet remain in full force and effect to the fullest extent permitted by law. The express limited warranty set forth in this booklet shall be excess of any other valid and collectible insurance available to you (including but not limited to

your homeowners insurance) or your builder/seller, whether primary, pro-rata, or excess. If your builder/seller has provided any additional written or verbal warranty or guarantee to you, non-waivable warranty, then the builder/ seller's obligations under that additional warranty or guarantee, if any, are not covered under this booklet and are not the responsibility whatsoever of the warranty administrator or warranty insurer.

**B. CONSENT TO CONTACT AND MARKET TO YOU:** You acknowledge, agree, and consent that during the warranty term, the warranty administrator, and the warranty insurer, and their respective affiliates and agents, may call and text (including by way of automated dialing technology), email, leave pre-recorded voice messages, and otherwise contact you via any method or device you own in order to perform their respective obligations under this booklet, and to send you advertisements, telemarketing messages, and marketing materials concerning their respective products (including home warranties), services, and offerings. You may opt out of receiving marketing materials by sending a written notice to the warranty administrator withdrawing your consent to receive marketing materials.

**C. DISCLAIMER OF ALL OTHER WARRANTIES: EXCEPT FOR THE EXPRESS STRUCTURAL WARRANTY SET FORTH IN THIS BOOKLET, ALL OTHER WARRANTIES, CONDITIONS, REPRESENTATIONS, INDEMNITIES, AND GUARANTEES WITH RESPECT TO YOUR HOME AND/OR THIS BOOKLET, WHETHER EXPRESS OR IMPLIED, ARISING BY LAW, CUSTOM, ORAL OR WRITTEN STATEMENTS BY THE BUILDER/SELLER, WARRANTY INSURER, OR WARRANTY ADMINISTRATOR, OR OTHERWISE (INCLUDING BUT NOT LIMITED TO ANY IMPLIED WARRANTY OF MERCHANTABILITY, WORKMANSHIP, HABITABILITY, SATISFACTION, OR FITNESS FOR PARTICULAR PURPOSE (EACH AN "IMPLIED WARRANTY")) ARE HEREBY EXCLUDED AND DISCLAIMED AND/OR LIMITED TO THE FULLEST EXTENT PERMITTED BY LAW. TO THE EXTENT AN IMPLIED WARRANTY CANNOT BE FULLY AND COMPLETELY WAIVED, EXCLUDED, OR DISCLAIMED BY APPLICABLE LAW (EACH A "SURVIVING WARRANTY"), SUCH SURVIVING WARRANTY IS LIMITED IN DURATION TO THE SHORTEST DURATION ALLOWED BY LAW AND SHALL BE CONSTRUED NARROWLY. FURTHER, IF A SURVIVING WARRANTY ARISES OR RELATES TO FACTS OR CIRCUMSTANCES APPLICABLE TO THE STRUCTURAL WARRANTY, THEN, TO THE FULLEST EXTENT PERMITTED BY LAW, THE SURVIVING WARRANTY SHALL BE CONSTRUED TO NOT EXCEED THE SCOPE OF THE STRUCTURAL WARRANTY, AS APPLICABLE. THE WARRANTY TERM SET FORTH ON THE CERTIFICATE OF WARRANTY COVERAGE SHALL NOT BE CONSTRUED TO EXPAND, EXTEND, OR LENGTHEN ANY TIME FRAME (INCLUDING BUT NOT LIMITED TO ANY STATUTE OF LIMITATION OR STATUTE OF REPOSE) APPLICABLE TO ANY SURVIVING WARRANTY OR OTHER LEGAL CLAIM(S) YOU MAY HAVE. THE WARRANTY SET FORTH IN THIS BOOKLET GIVES YOU SPECIFIC LEGAL RIGHTS, AND YOU MAY ALSO HAVE OTHER RIGHTS WHICH VARY AMONG APPLICABLE LAW.**

**D. EXCLUSION OF CERTAIN TYPES OF DAMAGES: IN NO EVENT SHALL THE BUILDER/SELLER (AND ITS PARENTS, SUBSIDIARIES, AND AFFILIATES), THE WARRANTY INSURER (AND ITS PARENTS, SUBSIDIARIES, AND AFFILIATES), OR THE WARRANTY ADMINISTRATOR (AND ITS PARENTS, SUBSIDIARIES, AND AFFILIATES), AND EACH OF THEIR RESPECTIVE OWNERS, MEMBERS, SHAREHOLDERS, OFFICERS, DIRECTORS, EMPLOYEES, SUBCONTRACTORS, AGENTS, AND ASSIGNS BE LIABLE FOR ANY INDIRECT, SPECIAL, PUNITIVE, OR CONSEQUENTIAL DAMAGES OF ANY KIND SUFFERED BY YOU OR ANY THIRD PARTY, FOR EXAMPLE, BUSINESS INTERRUPTIONS,**

**LOSS OF RENTS, COSTS OF REMOVAL AND/OR STORAGE OF PERSONAL PROPERTY, COSTS OF TEMPORARY HOUSING, OR OTHER ECONOMIC LOSS RELATED IN ANY WAY TO THIS BOOKLET OR ANY USE OF OR FAILURE TO BE ABLE TO USE YOUR HOME.**

**E. SINGLE RECOVERY LIMITATION: YOU ACKNOWLEDGE AND AGREE THAT A CONDITION PRECEDENT TO YOU PURSUING AND SEEKING RECOVERY FOR ANY BREACH OF A SURVIVING WARRANTY IS THAT YOU SHALL FIRST PURSUE AND SEEK RECOVERY UNDER THIS BOOKLET FOR A STRUCTURAL DEFECT, AND THAT ANY REMEDY, REPAIR, REPLACEMENT, OR PAYMENT MADE PURSUANT TO THIS BOOKLET IN CONNECTION WITH A STRUCTURAL DEFECT SHALL BE DEEMED TO BE THE FULL, COMPLETE, AND EXCLUSIVE REMEDY AND SATISFACTION FOR ANY BREACH OF A SURVIVING WARRANTY ARISING OUT OF, CAUSED BY, OR OTHERWISE RELATED TO THE FACTS AND CIRCUMSTANCES THAT GAVE RISE TO THE STRUCTURAL DEFECT.**

**F. LIMITATION OF LIABILITY: TO THE FULLEST EXTENT ALLOWED BY LAW, THE TOTAL AGGREGATE LIABILITY OF THE BUILDER/SELLER (AND ITS PARENTS, SUBSIDIARIES, AND AFFILIATES), WARRANTY INSURER (AND ITS PARENTS, SUBSIDIARIES, AND AFFILIATES), AND WARRANTY ADMINISTRATOR (AND ITS PARENTS, SUBSIDIARIES, AND AFFILIATES), AND EACH OF THEIR RESPECTIVE OWNERS, MEMBERS, SHAREHOLDERS, OFFICERS, DIRECTORS, EMPLOYEES, SUBCONTRACTORS, AGENTS, AND ASSIGNS FOR ANY AND ALL COSTS, DAMAGES, FINES, LIABILITIES, LOSSES, PENALTIES, AND OTHER EXPENSES INCURRED BY YOU ARISING OUT OF OR RELATED TO THIS BOOKLET, THE CERTIFICATE OF WARRANTY COVERAGE, THE WARRANTY, A STRUCTURAL DEFECT, A DISPUTE, AN IMPLIED WARRANTY, A SURVIVING WARRANTY, OR YOUR HOME WILL NOT EXCEED THE WARRANTY LIMIT. THE EXISTENCE OF ONE OR MORE CLAIMS OF ANY KIND(S) IN ANY FORUM(S) WILL NOT ENLARGE THE FOREGOING LIMITS. THE WAIVERS, EXCLUSIONS, AND LIMITATIONS OF DAMAGES SET FORTH IN THIS BOOKLET SHALL (I) APPLY REGARDLESS OF THE FORM OF ACTION, WHETHER IN CONTRACT, TORT, STRICT LIABILITY, OR OTHERWISE AND (II) BE INDEPENDENT OF, AND SHALL SURVIVE, ANY FAILURE OF THE ESSENTIAL PURPOSE OF ANY WARRANTY OR EXCLUSIVE OR LIMITED REMEDY STATED HEREIN, AND SHALL APPLY EVEN IF THE BUILDER/SELLER, WARRANTY INSURER, OR WARRANTY ADMINISTRATOR HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.**







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**Additional protection available  
for your systems and appliances.**

## **Enhance your home ownership experience**

The warranty your builder is providing you in this booklet cover your home for structural defects, but not for normal wear and tear that your systems and appliances will experience from everyday use.

A Home Service Plan\* can enhance your protection even more and help reduce the overall costs of owning a home. This optional service provides protection against unexpected system and appliance breakdowns, such as to your air conditioner or water heater. With a Home Service Plan, you get the peace of mind that your budget is protected against system and appliance breakdowns for many years.

**[2-10.com/protect](https://www.2-10.com/protect)**



\*Home Service Plans are provided by an affiliate of your warranty administrator, and may not be available in all states or locations.



## 2-10 HOME BUYERS WARRANTY



TEXAS



Structural

NEW HOME WARRANTY PROGRAM

## For the best experience

**REGISTER** your home via Homeowner Portal

**UPDATE** your contact information

**VIEW** your digital warranty booklet

**DOWNLOAD** your Certificate of Warranty Coverage



## Have Questions?

Please contact the warranty administrator

### 2-10 HOME BUYERS WARRANTY

Warranty Administration Office  
13900 E Harvard Ave, Aurora, CO 80014

855.429.2109

warrantyadministration@2-10.com

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