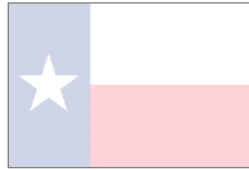




STRUCSURE
HOME WARRANTY



***One-Year Workmanship/Materials
Two-Year Delivery Portion of Systems
10-Year Major Structural Defects***

- RESIDENTIAL -



StrucSure Home Warranty, LLC

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SECTION 1: OVERVIEW OF THE STRUCSURE HOME WARRANTY EXPRESS LIMITED WARRANTY

Congratulations Homebuyer(s)! Your Builder is a member of the StrucSure Home Warranty program and sold You a Home that includes Express Limited Warranty protection. This Warranty booklet defines standards for the various components of a Home, the time periods, the scope of coverages, exclusions, homeowner responsibilities, and how to request warranty service and file a claim.

You may have been provided sample warranty booklets during the process of purchasing Your Home; however, Your actual Warranty booklet is assigned at closing. After Your Warranty goes into effect, You can access and download Your Warranty booklet and Certificate of Warranty Coverage via the Warranty Portal at <https://warranty.strucsure.com>. If You do not have Internet access, You can request Your warranty documents by mail.

Your Warranty will not go into effect until the signed Home Enrollment Application (HEA) and warranty payment have been received, processed, and approved by StrucSure Home Warranty.

Read this Warranty booklet in its entirety so that You may fully understand the terms and conditions. Please contact our customer service department at 1.877.806.8777 with questions or for more information.

This Warranty embodies the entire extent of the express Limited Warranty provided to You by Your Builder, which is insurance backed.

Under this Warranty, the coverage periods for the Home are as follows:

- (a) One (1) year for Workmanship/Materials,
 - (b) Two (2) years for Delivery Portion of Systems (plumbing, electrical, heating, and air-conditioning delivery systems),
- and**
- (c) Ten (10) years for Major Structural Components of the Home.

**Please reference the schematic at the back of this booklet to understand each of these different Home components.*

If it is determined by the Administrator that the Builder is unable to perform or is in default of the one (1) Workmanship/Materials and two (2) year Delivery Portion of Systems warranty obligations, GIC shall perform, through the use of its Administrator, the Builder's warranty obligations. For Major Structural Defects, GIC, has agreed to perform, through the Administrator, the Builder's obligation for the complete 10-year warranty period. As a precondition to coverage, Defects and/or Deficiencies must occur and be reported within the Warranty Term. StrucSure Home Warranty, LLC is the warranty Administrator and not a warrantor.

SECTION 2: DEFINITIONS

Unless defined or described in this Warranty, all terms and words shall have their plain, ordinary meaning commonly used in the residential construction or home warranty industries. Whenever the first letter of a word or the first letter of all substantive words in a phrase is capitalized, that word or phrase shall have the same meaning as defined in Section 2 of this warranty.

Administrator: StrucSure Home Warranty, LLC is the Administrator of the StrucSure Home Warranty Program and not a warrantor.

ASCE Guidelines: "Guidelines for the Evaluation and Repair of Residential Foundations," Version 2, published by the Texas Section of the American Society of Civil Engineers (2009).

Builder: The person, corporation, partnership, or other entity that is a member of the StrucSure Home Warranty Program and is listed on the StrucSure Home Warranty HEA. The Builder is the Warrantor of this Warranty provided for the Home.

Certificate of Warranty : This is a certificate issued by the Administrator confirming that Your Builder completed the required enrollment of Your Home in the Structural Home Warranty Program and confirms the issuance of this Warranty.

Code: The International Residential Code or if the context requires, the National Electrical Code.

Common Elements: Any portion of a multi-family building that is defined as a Common Element in either common interest or ownership laws or in the declaration establishing such community that is shared between units. Common Elements may include, without limitation, hallways, roofs, exterior finishes, and electrical, plumbing, and mechanical distribution systems.

Defect/Deficiency: A condition of any item that fails to meet the Performance Standards as set forth in the Warranty

Delivery Portion of Systems: The electrical, plumbing, and mechanical distribution systems in Your Home.

Effective Date of Warranty: For the Home, the Effective Date of Warranty is the date listed on the Certificate of Warranty. For multi-dwelling units such as condominiums, townhouses, and duplexes, the Effective Date of Warranty for Common Elements coverage is the date the first Certificate of Occupancy was issued for the building.

Express Limited Warranty: The terms and provisions contained within this Warranty Booklet.

Extreme Weather Condition(s): Severe or unseasonal weather or weather phenomena that are at the extremes of the historical distribution. Weather conditions in excess of or outside of the scope of the design criteria stated or assumed for the circumstance or locale in the Code.

Golden Insurance Company, a Risk Retention Group (GIC): The Warranty Insurer who underwrites the StrucSure Home Warranty Program. If, in the discretion of the Administrator, it is determined that the Builder is unable to perform or in default of the one (1) and two (2) year warranty obligations, GIC shall perform, through the use of its Administrator, the Builder's warranty obligations. For Major Structural Defects, GIC has agreed to perform, through the Administrator, the Builder's obligation for the complete 10-year Warranty Term.

HEA: Home Enrollment Application.

Home: The dwelling or property as identified by the address on the HEA.

Homeowner: The person(s) listed as the Homeowner(s) on the original HEA, and who holds the legal title to the Home. Included in the definition and any subsequent purchasers who hold the legal title to the Home.

Major Structural Defect (MSD): A condition of a Structural Component listed in Section 10 and that fails to meet the Performance Standards for Major Structural Components Under the 10-Year Structural Defect Warranty.

Original Construction Elevations: Actual elevations of the foundation taken before, on, or about the Effective Date of Warranty of the residential construction project. Such actual elevations shall include elevations of porches and garages if those structures are part of a monolithic foundation. 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 +/- 0.75 inch (three-quarters of an inch) over the entire area of the foundation.

Performance Standard: The standard(s) to which a Home or an element or component of a Home constructed as a part of new Home construction, a material Improvement, or interior renovation must perform. Performance Standards are set forth in this Warranty.

Residential Code: The requirements specified in the text of the Residential Code officially adopted by the state, city, county (or parish) in which Your Home is located.

Span (L): Except for slab foundations, L shall be calculated as the distance between two supports for structural elements supported at both ends. For cantilever elements, L shall be determined as twice the distance from the last support to the unsupported end of the element. For slab foundations, L shall be defined as the edge to edge distance across any slab cross-section for which deflection or tilt is to be calculated but the minimum L shall be not less than 25 feet, and shall not include a detached or non-monolithic garage slab. If a monolithic garage slab is included and that slab was built with a slope in the garage floor, measurements shall be taken off the ceiling at locations immediately adjacent to the garage walls. For slab foundations, L shall be calculated to determine overall deflection, not localized deflection or tilt of slab foundations.

Warranty: The Express Limited Warranty for Workmanship/Material, Delivery Portion of Systems and Major Structural Defect set forth in this StrucSure Home Warranty booklet as provided by the Builder.

Warranty Term: The period during which the one (1) year Workmanship/Material, two (2) years Delivery Portion of Systems, and ten (10) years Major Structural Defect are effective. The warranty term starts on the Effective Date of Warranty or the Effective Date of Warranty for Common Element.

You/Your: The Homeowner(s).

SECTION 3: LIMIT OF LIABILITY

- (1) **You have accepted the terms provided in this Warranty, and all other express or implied warranties, including any oral or written statements or representations made by Your Builder or any implied warranty of habitability, merchantability or fitness, good and workmanship, and repair are hereby disclaimed by Your Builder and hereby waived by You to the extent possible under the laws of Your state.**
- (2) Any action or claim, regardless of form, that arises from or relates to this Warranty, the construction and/or the improvements to the Home is barred unless it is brought no later than two (2) years and one (1) day from the date the cause of action accrues.
- (3) The Homeowner(s) agree that with respect to any loss or damage that may occur to the Home that could be or is insured against under the terms of standard fire and extended coverage insurance policies, or any other insurance, regardless of the cause or origin, such insurance and suffering said loss, hereby release the Builder, GIC, or Administrator from any and all claims with respect to such loss. **The Homeowner(s) agree that the respective insurance company shall have no right of subrogation against the Builder, GIC or Administrator on account of any such loss as all rights of subrogation are hereby waived and disclaimed.**
- (4) Subject to the provisions of this Warranty, the Builder's and GIC's total aggregate limit of financial liability under this warranty shall not exceed the original sales price of the Home (as shown on the HEA) or \$3 million, **whichever is lower.** This means that every time Your Builder or GIC pays for costs of determining the existence and/or extent of a covered Defect and/or Deficiency, pays for a repair, or pays a claim, those payments are deducted from the sales price of the Home listed on the HEA

(the warranty limit). Once that total aggregate equals the sales price of the Home on the HEA or \$3 million (whichever is lower), Your warranty limits are exhausted and there is no further warranty coverage.

- (5) The Builder's and GIC's total aggregate limit of financial liability for a multi-dwelling building shall not exceed the aggregate original sales price of each unit (as shown on the HEA) located within a single multi-dwelling building or \$3 million, whichever is lower. If the payment is for Common Element of a multi-dwelling building, payment shall be deducted pro rata from the sales price listed on the HEA for each unit.
- (6) There is no warranty coverage for any defect, loss or claim if there is any other valid and collectible insurance. The Warranty is neither primary nor contributory to any other available insurance, whether primary, excess, contingent or any other basis. This Warranty is not Your Builder's general liability insurance. This Warranty is not a maintenance agreement, service contract, an insurance policy or homeowner's insurance.
- (7) This Warranty is separate and apart from any other contracts between You and Your Builder, including any sales agreements. It cannot be altered, affected, or amended in any manner by any other agreement except only through a formal written agreement signed by the Builder, GIC, the Administrator, and You.
- (8) This Warranty does not cover special, incidental, indirect, or consequential damages and does not reimburse parties for their attorney's fees or costs.
- (9) This Warranty does not cover latent defects that do not result in actual physical damage This Warranty is binding on the Builder and You and Your heirs, executors, Administrators, successors, and assigns. An assignment or transfer of benefits, rights or sums payable under this Warranty is prohibited except as expressly allowed in this Warranty.
- (10) This Warranty automatically transfers to subsequent owners during the Warranty Term upon the transfer of title to the Home. There is no limit to the number of transfers during the Warranty Term or any cost as a result of such transfer(s). Each subsequent owner will be bound by (1) *all* terms of this warranty, including, but not limited to, those regarding arbitration and (2) every act or failure to act by any past owner to the extent that the act or failure to act affects this warranty or the rights and obligations of either party. Any release executed by You shall bind a mortgagee and any subsequent owner.
- (11) If any term, condition, or provision of this Warranty is found to be void or a violation of law or public policy by an arbitrator or court, it shall be deemed modified to the extent necessary so that it is no longer void or in violation of law or public policy. Any binding decisions that determine a part of the Warranty is void, or in violation of law or public policy, will not serve to invalidate the enforceability of any other term, condition, or provision of this Warranty.

SECTION 4: MULTI-DWELLING BUILDING AND UNIT COVERAGE

If the Home is located within a multi-dwelling building, then the additional provisions below apply.

- (1) Clubhouses, recreational facilities, exterior structures, exterior walkways, decks, balconies, arches, or any non-residential structure(s) that are a part of the multi-dwelling unit (whether attached or not) are not covered by this Warranty. Equipment or systems that are owned by the condominium association or designated as a condominium common area are not covered. Coverage will not be provided for Common Element exterior stairways and landings, unless they are constructed entirely of metal or concrete (or in any combination of these two materials).
- (2) The Common Elements of the multi-dwelling building will be free from Workmanship/Material, Delivery Portion of Systems, and Major Structural Defects during the Common Element Warranty Term. Common Element Defects/Deficiencies must be reported within the applicable Warranty Term. The association governing the multi-dwelling building must file the claim for Defects/Deficiencies concerning Common Elements. An investigation fee of \$300 is owed for each unit located within a building, in which a claim is being submitted for Common Elements.
- (3) Upon notice by the Builder, GIC, or the Administrator, You agree to allow access to Your Home during normal business hours for all inspections and/or repairs to Your unit, any adjacent unit or the Common Elements.
- (4) The aggregate warranty limit for a multi-dwelling building for Common Elements is the total of the remaining Warranty Limits of those dwellings within the multi-dwelling building that have a valid and unexpired Warranty. If there are one or more dwellings in the multi-dwelling building that have no valid or has an expired Warranty, then the aggregate warranty limits for Common Elements is calculated on a pro-rata basis: The aggregate of the original sale price for all dwellings within the multi-dwelling building that have a valid and unexpired Warranty divided by the aggregate original sale price for all dwellings within the multi-dwelling building.
- (5) All costs to investigate Defects/Deficiencies, repairs or pay a claim incurred by the Builder or GIC for a Common Element is deducted from remaining Warranty Limits of each dwelling in the multi-dwelling building with a valid and unexpired Warranty on a pro-rata basis: The original sales price of each dwelling in the multi-dwelling building divided by the aggregate of the original sales price of all dwellings in the multi-dwelling building.
- (6) All provisions of this Warranty apply to this Section 4. To the extent that any provisions contained outside Section 4 of this Warranty directly conflict or cannot be reconciled with the provisions contained within this Section 4, the provisions contained within this Section control.

SECTION 5: HOMEOWNER DUTIES & RESPONSIBILITIES

You have duties and responsibilities under the law and under this Warranty. This Warranty is expressly conditioned on Your full performance of duties (express or implied) relating to residential construction and the Warranty. These duties include, but are not limited to:

- (1) You have a duty to ensure that any plans, specifications, and other information supplied to the Builder are accurate and suitable for the construction of the project and to provide all information relating to the project. You have a duty to work toward the mutual goal of achieving a successful project, to not cause any unreasonable delay in the start of the project, to not delay, hinder, or interfere with the performance of other parties, to not act arbitrarily with respect to requests for extensions of time, to perform all of the contractual obligations in good faith, and to not take any action that would prevent the Warrantor from pursuing Your rights and remedies against other parties responsible for Your loss.
- (2) You have a duty to make reasonable efforts to minimize or avoid losses to the extent permitted under this Warranty. You agree to make only those temporary repairs necessary to make the house habitable or mitigate further damage. You agree that any and all repairs performed beyond such measures will not be covered by the Warranty. Any unauthorized repairs made by You or someone under Your direction, other than those permitted in this paragraph, will not be reimbursed or compensated.
- (3) You are responsible for the proper maintenance of Your Home. Regular preventative maintenance is necessary to prolong the life of the Home. Your obligation is to care for Your Home in such a way as to prevent or minimize damage to it. You should be aware that all new homes go through a period of settlement and movement. During this period, Your Home may experience some minor material shrinkage, cracking, and other events that are normal and customary.
- (4) Maintenance of the Home and the lot on which the Home is located is essential to the proper functioning of the Home, and You are responsible for that maintenance. You are responsible for maintenance items described in this Section and those maintenance items identified separately in this warranty booklet. Additionally, You are responsible for ongoing maintenance responsibilities that affect the performance of the Home but that may not be expressly stated in this booklet. Such ongoing maintenance responsibilities include, but are not limited to:
 - (a) Periodic repainting and resealing of finished surfaces as necessary,
 - (b) Caulking for the life of the Home,
 - (c) Regular maintenance of mechanical systems,
 - (d) Regular replacement of HVAC filters,
 - (e) Cleaning and proper preservation of grading around the Home and drainage systems to allow for the proper drainage of water away from the Home, and
 - (f) Other standard and customary maintenance repairs.
- (5) You shall properly maintain each component of the Home including proper cleaning, care, and upkeep of the Home. You shall use Home components for the purposes for which they are intended and shall not damage, misuse, or abuse Home components.
- (6) In connection with the investigation and determination of Your claim, You may be sent a series of recommendations to be implemented. If, You fail to implement the recommendations or substantiate that the recommendations were implemented, The Administrator may deny a future claim for benefits if the failure to implement the recommendations that caused or contributed to a Defect/Deficiency in the Home.
- (7) You shall use and perform periodic maintenance on all Manufactured Products according to the manufacturer's instructions and specifications. The misuse, abuse, neglect or other failure to follow manufacturer's specifications regarding Manufactured Products may void the manufacturer's warranty. The Builder has no responsibility for Manufactured Products.
- (8) You shall take measures to reduce/prevent swelling or shrinking soil as it can cause damage by either expanding when moisture is added or shrinking when it dries out (which can cause uplift to concrete slabs and other property damage). Best practices include, but are not limited to: maintaining adequate runoff drainage slopes; cleaning gutters and downspouts; ensuring that lawns and gardens are not over watered; properly maintaining sprinkler systems; preventing landscaping materials or plants, trees, and/or shrubs from contacting the exterior surface of the Home and from interfering with the proper drainage of water away from the foundation; positive slopes in your yard; sealing old construction joints and cracks that develop over time; inspecting concrete and walls; and repairing cracks that are found as soon as possible.
- (9) You should not alter the proper drainage pattern or grade of the soil within ten (10) feet of the foundation so that it negatively impacts the Home's performance or fails to comply with the Residential Code.
- (10) You shall take action to prevent excessive moisture accumulation by properly using ventilation equipment, preventing excessive temperature fluctuation, and taking any other action reasonably necessary to avoid excessive moisture, dampness, humidity, or condensation in the Home that may lead to damage due to excessive moisture or dryness.
- (11) When a request for warranty performance is filed and the Defect/Deficiency cannot be observed under normal conditions, it is Your obligation to substantiate that the Performance Standards are violated and any costs involved.
- (12) You have an obligation to cooperate with the mediation, inspection, and investigation of any warranty request. Your claim will be closed and the applicable Warranty Term will not be extended should You fail to cooperate or respond to requests within thirty (90) days. You agree to provide this Warranty to any subsequent purchaser of Your Home.

SECTION 6: EMERGENCY PROCEDURES

An emergency is a condition that if not immediately repaired will cause damage to the Home or a Home component, will cause danger to the Home's occupants, and/or will make the house uninhabitable.

If You have a One-Year Workmanship/Materials and/or Two-Year Delivery Portion of Systems coverage, You must contact Your Builder and the Administrator (StrucSure Home Warranty) at 1.877.806.8777 in order to receive authorization for any emergency repairs. If You are unable to contact Your Builder and the Administrator for emergency authorization, You must make minimal and temporary repairs that mitigate further damage until authorization for more extensive repairs has been approved by Your Builder and the Administrator.

If You have a Ten-Year Major Structural Defect coverage, You must contact the Administrator at 1.877.806.8777 in order to receive authorization for any emergency repairs. If You are unable to contact the Administrator for emergency authorization, You must make minimal repairs that mitigate further damage until authorization for more extensive repairs has been approved by the Administrator.

SECTION 7: EXCLUSIONS

This Warranty does NOT provide coverage for the following items listed in this Section:

(1) *Any damage, loss or costs incurred by You in connection with any of the following:*

- (a) The Builder's failure to complete any or all construction of the Home including, but not limited to, compliance with the original plans and specifications, or washing or cleaning of any kind. An incomplete item is not considered a Defect/Deficiency under the Warranty; however, the Builder may be obligated to complete such items under separate agreements.
- (b) Any condition, Defect/Deficiency You were aware of prior to the Effective Date of Warranty, whether appearing on a "walk through" or "punch" list or not.
- (c) Any changes, modifications, additions, or improvements made to the Home after the Effective Date of Warranty.
- (d) Driveways, detached garages, carports, outbuildings, swimming pools, tennis courts, basketball courts, recreational facilities, boundary and/or retaining walls, bulkheads (except where boundary walls, retaining walls and bulkheads are necessary for the structural stability of the Home), landscaping, sod, seeding, shrubs, trees, plantings, fences, lawn sprinkler systems, subsurface draining systems (other than footer drains), streets, sidewalks, any other appurtenant structure or attachment to the dwelling, and adjacent properties.
- (e) Elements of the Home constructed separately from foundation of the Home including but not limited to decks, balconies, patios, porches, porch roofs, porticos, porte-cocheres, concrete floors of basements, "floating" floor slabs, except as set forth in Section 9(A) below: Performance Standards for Foundations and Slabs.
- (f) Green Building Compliance: Any and all green building requirements, standards, certifications or otherwise are controlled by those written standards applicable to and agreed upon between the Builder and the initial owner(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.
- (g) Any loss, damage, cost, or expense that is caused, in whole or in part, by any peril or occurrence that is covered by Homeowner's insurance, from another warranty or insurance policy, or for which compensation is provided by state legislation and/or public funds.
- (h) Sound transmission and sound proofing.
- (i) The quality and potability of water.
- (j) Violations of local or national residential building codes, standards, or ordinances.
- (k) Diminution in the value of the Home, including but not limited to that amount that is equal to the fair market value of the Home with a defect compared to the Home market value without a defect or the fair market value of the Home with defect that has been repaired versus the Home without a defect ever occurring.
- (l) A Home used for nonresidential purposes.
- (m) A Home that was subject to Foreclosure.
- (n) Any condition that does not result in actual physical damage to the Home.
- (o) Normal wear and tear or deterioration to any component of the Home. This includes, but is not limited to, the deterioration of concrete surfaces caused by salt, chemicals, implements, or any other any factors.
- (p) Bodily injury or personal injury of any kind, including but not limited to physical or mental pain and suffering and emotional distress and any medical or hospital expenses.
- (q) Costs of shelter, transportation, food, moving, storage, kenneling of animals, veterinary expenses, pet daycare, loss of use, loss of wages or profits, inconvenience, annoyance or other incidental expenses including those related to relocation during any work performed under this Warranty.

- (r) Personal property and property that You do not own.
 - (s) Any and all exclusions set forth in the Performance Standards.
- (2) Any damage, loss or costs that is caused or made worse by any of the following causes, whether acting alone or in sequence or concurrence with any other causes or causes whatsoever:
- (a) Use of the Home that exceeds the normal design loads prescribed by local or national building Codes, Residential Codes, standards, or ordinances or the engineer of record.
 - (b) The negligence, improper maintenance, misuse, abuse, failure to follow manufacturer's recommendations, failure to take reasonable action to mitigate damage by anyone other than the Builder, or failure to take reasonable action to maintain Your Home.
 - (c) Work performed or material supplied incident to construction, modification, or repair to the Home performed by anyone other than Your Builder or persons providing work or materials at the direction of the Builder. Changes to the grading or drainage surrounding the Home made by anyone other than Your Builder or persons providing work at the direction of the Builder. This includes, but is not limited to, soil erosion or runoff caused by Your failure to maintain the Builder-established grades, changes in the grading caused by erosion, or changes in the level of the underground water table, drainage structures, devices or swales, stabilized soil, sodded, seeded or landscaped areas.
 - (d) War, nuclear hazards, contamination accidents, explosion, riot, civil commotion, terrorism, communicable disease, vandalism, malicious mischief, theft, burglary, blasting, steam or water escape, condensation, mud or mud slides, sinkholes, fire, smoke, Extreme Weather Conditions, drought, windstorm, hail, lightning, ice, snow, blizzard, hurricane, tornado, tsunami, flood, earthquake, land shock waves or tremors occurring before, during, or after volcanic eruption or by any other external cause (whether sudden or gradual), mine subsidence, faults, fissures, crevices, falling trees or other objects, or accidents involving aircraft, vehicles, or boats.
 - (e) Damage resulting directly or indirectly from water intrusion or moisture of any kind, excessive or inadequate water pressure, plumbing failure, flood, surface water, waves, tidal water, overflow of a body of water (whether wind driven or not), wetlands, springs, or aquifers. Water that backs up from sewers or drains, water below the surface of the ground (including water which exerts pressure on, seeps, or leaks under or through a Home, building, sidewalk, driveway, foundation, swimming pool, or other structure). Change in the underground water table that exerts pressure on, seeps, or leaks under the Home, sidewalk, driveway, foundation, or other structure or causes subsidence or sinkholes.
 - (f) Defects, Deficiencies, or damage caused by micro-organisms, plants, fungus, decay, wet rot, dry rot, soft rot, or any other kind of rotting, mold, mildew, termites, insects, vermin, rodents, birds, wild or domestic animals, corrosion, rust, radon, radiation, formaldehyde, asbestos, any solid, liquid, or gaseous pollutant, contaminant, toxin, irritant, or carcinogenic substance, whether organic or inorganic, or an electromagnetic field or emission. This Exclusion includes any claim of health risks or inhabitability as a result of Volatile Organic Compounds (VOCs) or any of the foregoing items.
 - (g) Any request for warranty performance submitted after unreasonable delay or after the expiration of the Warranty Term or failure by You to minimize or prevent loss or damage in a timely manner.

SECTION 8: WORKMANSHIP/MATERIALS & DELIVERY PORTION OF SYSTEMS COVERAGE

For one (1) year from the Effective Date of Warranty, Your Builder warrants that Your Home will be free from Deficiencies in Workmanship and Materials as defined in the Performance Standards of this Warranty. For two (2) years from the Effective Date of Warranty, Your Builder warrants that Your Home will be free from Deficiencies in the Delivery Portion of Systems (electrical, plumbing, and mechanical distribution systems) to the extent stated in the Performance Standards of this Warranty. Notwithstanding a Performance Standard stated in this Warranty, a specialty feature, which is work performed or material supplied incident to certain design elements shown on the construction plans and specifications and agreed to in writing by the Builder and the homeowner, shall be deemed to be compliant with the Performance Standards stated herein so long as all items are compliant with the Code.

All manufactured products shall be installed by the Builder in accordance with the manufacturer's instructions and specifications. The Builder shall use only new manufactured products and parts unless otherwise agreed in writing by the parties. If the Builder does not install a manufactured product in accordance with the manufacturer's specifications or use newly manufactured parts as required, the Builder shall take such action as is necessary to bring the variance within the standard. The Builder will assign to the Homeowner, without recourse, the manufacturer's warranty for all manufactured products that are covered by a manufacturer's warranty. Any rights that inure to the Homeowner provided under a manufacturer's warranty are the obligation of the manufacturer.

The Builder does not assume any of the obligations of the manufacturer resulting from a manufacturer's warranty. In no event shall there be Builder responsibility for any manufactured product that was installed in accordance with the manufacturer's instructions and specifications. appliances, fixtures, and equipment. This includes air conditioning units, attic fans, boilers, burglar alarms, carbon monoxide detectors, ceiling fans, central vacuum systems, doorbell systems, dishwashers, dryers, electronic air cleaners, exhaust fans, fire alarms, freezers, furnaces, garage door openers, garbage disposals, gas and electric meters, heat exchangers, heat pumps, humidifiers, intercoms, interior sprinkler systems, microwave ovens, oil tanks, outside lights or motion lights not attached to the Home, ranges and range hoods, refrigerators, sewage pumps, smoke detectors, solar collectors, space heaters, sump

pumps, thermostats, trash compactors, washers, water pumps, water softeners, water heaters, whirlpool bathtubs, whole house fans, and similar items/appliances.

In no event shall there be Builder responsibility for any denial of warranty claim or otherwise by the manufacturer.

SECTION 9: HOW TO REQUEST WARRANTY PERFORMANCE FOR A WORKMANSHIP/MATERIALS AND/OR DELIVERY PORTION OF SYSTEMS DEFECT OR DEFICIENCY

If You believe Your Home has a Defect/ Deficiency covered under this warranty, You must notify the Builder in writing, either through e-mail or certified mail, return receipt. Text message are not acceptable. **Notice cannot be initiated with a phone call.** Your written notice for warranty performance must be received by Your Builder and the Administrator no later than fifteen (15) days after the expiration of the applicable Warranty Term of one (1) year for Workmanship/Materials and two (2) years for Delivery Portion of Systems (electrical, plumbing, and mechanical distribution systems). Notice to the Builder is not notice to GIC or the Administrator. Written notice received more than fifteen (15) days after the expiration of the Warranty Term will be denied. Neither Your Builder nor GIC shall have any obligation to You under this Warranty. The time limits are a material condition of this Warranty. In addition, the Defects/ Deficiencies must occur within the Warranty Term to be covered.

- (1) The Builder will investigate and respond to Your request within thirty (30) days of receipt notice. You must provide the Builder a reasonable opportunity to inspect Your Home during normal business hours if the Builder requests such an opportunity. **Any repairs will be made during normal business hours.**
- (2) If the Builder does not respond to Your request for warranty performance within thirty (30) days, complete the Request for Warranty Performance Form at the back of this booklet and send it to the Administrator: StrucSure Home Warranty, LLC, Attn: Warranty Service Division, 6825 East Tennessee Avenue, Suite #410, Denver, CO 80224. Such notice must be received by the Administrator no later than fifteen (15) days after the expiration of the Warranty Term.
- (3) Once Your written notice has been received, the Administrator will review Your request for warranty performance in accordance with the provisions of this Warranty. The Administrator will investigate to determine whether Your Builder is unable to arbitrate due to death, insolvency, dissolution, or any other similar reason that renders Your Builder incapable of performing its Warranty obligations or is in default. Should the Administrator determine the Builder is unable to perform or is in default of the warranty obligations under the Workmanship/Materials Warranty during year one (1) and/or Delivery Portion of Systems warranty during the first two (2) years, GIC will then, through the use of the Administrator, investigate and determine the Builder's obligation under this Warranty. In the event GIC must investigate and determine the Builder's Warranty obligations, the following conditions apply:
 - (a) You agree to provide the Administrator with any information or evidence in Your possession to support Your claim along with any inspector's, engineer's, and/or other expert's reports, photographs, videos, etc. related to and in support of Your claim. You also must provide the Administrator and GIC a reasonable opportunity to inspect Your Home (both the interior and/or exterior, as necessary) during normal business hours.
 - (b) A \$300 non-refundable fee must be submitted. Submission of the \$300 fee does not guarantee coverage.
 - (c) You have an obligation to cooperate with the Builder, Administrator and GIC concerning the arbitration, inspection, investigation, repair, and claim settlement. Your failure to cooperate may jeopardize Your warranty coverage.
- (4) Alternatively,
 - (a) Within thirty (30) days following the Administrator's receipt of appropriate notice of request for warranty performance, the Administrator may review and mediate Your request by communicating with You, Your Builder, and/or GIC and any other individuals or entities who the Administrator believes possess pertinent information.
 - (b) If, after thirty (30) days, the Administrator has not been able to successfully mediate Your request or Your Builder has not responded or at any earlier time when the Administrator believes that You and Your Builder are at an impasse, then the Administrator will notify You that Your request has become an unresolved warranty issue and that You may proceed to arbitration.
- (5) If a request for warranty performance during years one (1) for Workmanship/Materials and years one (1) and two (2) for Delivery Portion of Systems qualifies for coverage, the Builder or GIC, as applicable, has the right to choose to repair or replace or pay the reasonable cost of repair or replacement that do not meet Performance Standards and are not excluded from coverage.

SECTION 10: MAJOR STRUCTURAL DEFECT COVERAGE

This Warranty provides coverage for Major Structural Defect coverage for Ten-Years (10) from the effective date of the Warranty. The Major Structural Defect coverage is limited to the following Structural Components:

- (1) Foundation systems and footings,
- (2) Flooring framing systems,
- (3) Walls and partitions,
- (4) Roof framing systems,
- (5) Beams,
- (6) Headers,
- (7) Girders,
- (8) Lintels (other than those supporting veneers),
- (9) Columns, and
- (10) Masonry arches.

The following are some examples of non-load bearing elements of the Home, and **DO NOT** qualify for Major Structural Defect Coverage:

- (a) Non load-bearing partitions and walls,
- (b) Wall tile or paper, etc.,
- (c) Plaster, laths, or drywall,
- (d) Flooring and sub-flooring materials,
- (e) Brick, stucco, stone, or veneer,
- (f) Any type of exterior siding,
- (g) Roof shingles, tiles, sheathing, and tar paper,
- (h) Heating, cooling, ventilating, plumbing, electrical, and mechanical systems,
- (i) Appliances, fixtures, or items of equipment,
- (j) Doors, trim, cabinets, hardware, insulation, paint, and stains, and
- (k) Basement and other interior floating, ground-supported concrete slabs.

The repair of a qualifying Major Structural Defect under the Warranty consists of and is limited to: 1) the repair of damage to the structural component that is necessary to restore its load-bearing function, 2) the repair of the non-structural components of the Home damaged by the Major Structural Defect, 3) the repair, removal, and replacement of only those surfaces, finishes, and coverings original to the Home that are damaged by the Major Structural Defect or repair.

Repair or replacement is NOT intended to restore the Home to a like new condition. If an improvement, fixture or property not constructed by the Builder is damaged or requires removal during the repair of any Warranted defect, it is Your sole responsibility, and not the responsibility of the Builder or GIC, to pay for the cost of repair or removal of such improvement, fixture or property. This Warranty does not cover special, incidental, indirect, or consequential damages and does not reimburse parties for their attorney's fees or costs.

All decisions concerning the repair of a Major Structural Defect, including, but not limited to, development and choice of a repair design (or "plan"), method of repair, execution of repairs, replacement of covered Defective items, as well as all matters pertaining to the repair or replacement of all covered damage, belong to the sole discretion of GIC. GIC also has the right to choose to repair or replace or pay the reasonable cost of repair or replacement.

SECTION 11: HOW TO REPORT A MAJOR STRUCTURAL DEFECT CLAIM

If You believe Your Home has a Major Structural Defect, You must notify the Administrator in writing, either through e-mail or certified mail, return receipt. Text message are not acceptable. **Notice cannot be initiated with a phone call.** Your written Notice of a Major Structural Defect Form must be received by the Administrator within the 10 year Warranty Term. Notice to the Builder is not notice to GIC or the Administrator. Written notice received after the expiration of the Warranty Term will be denied. Neither Your Builder nor GIC shall have any obligation to You under this Warranty. The time limit is a material condition of this Warranty. In addition, the Major Structural Defect must occur within the Warranty Term to be covered.

If mailing, send the Notice of Major Structural Defect Form to StrucSure Home Warranty, LLC, Attn: Warranty Service Division, 6825 East Tennessee Avenue, Suite #410, Denver, CO 80224. In addition, there is a \$300 non-refundable processing fee which needs to be submitted with the notice and made payable to Golden Insurance Company, Risk Retention Group.

Once Your written notice has been received, the Administrator will process and investigate Your Notice of Major Structural Defect. Upon completion of the Administrator's investigation, a determination will be rendered as to whether there is a qualifying Major Structural Defect.

You agree to provide the Administrator with any information or evidence in Your possession to support Your claim along with any inspector's, engineer's, and/or other expert's reports, photographs, videos, etc. related to and in support of Your claim. You also must provide the Administrator and GIC a reasonable opportunity to inspect Your Home (both the interior and/or exterior, as necessary) during normal business hours. Your failure to cooperate may jeopardize Your warranty coverage.

In connection with the investigation and determination of your claim, You may be sent a series of recommendations to be implemented. Failure to implement the recommendations may result in a denial of a future claim for benefits if the failure to implement the recommendations caused or contributed to a Defect in the Home.

If the Administrator does not receive any communication from You within ninety (90) days following a denial of Your request for warranty performance, Your claim will be closed and the applicable Warranty Term will not be modified or extended. A closed file will require the filing of a new Notice of Major Structural Defect Form and submission of another processing fee.

SECTION 12: CONDITIONS OF WARRANTY PERFORMANCE

- (1) In order for Your Builder and GIC to carry out their responsibilities under this Warranty, access to Your Home is required from time to time. The Builder, GIC and their designees shall be allowed full access during normal business operations for testing, inspection, and repairs. Failure to provide access for more than 30 calendar days, unless mutually agreed upon, after a written request is made will void the Warranty.
- (2) Any events that cause a delay in the performance of the warranty obligations of the Builder, the Administrator, and/or GIC, and that are beyond the control of the Builder, the Administrator, and/or GIC, shall excuse the Builder, the Administrator, and/or GIC from performing until the events causing the delay are remedied. Such events include, but are not limited to, concealed or unknown conditions such as soil conditions, unavoidable accidents or circumstances, encountering hazardous materials, damage caused by a utility company, acts of God or nature, pandemic, acts of the common enemy, fire, war, riot, civil commotion or sovereign conduct, material shortages or unusual material delivery delays, abnormal adverse weather conditions not reasonably anticipated, labor disputes, acts of terrorism, government action, and/or acts or omissions by You or a person or entity not a party to this Warranty. Such delay shall operate to extend the time period for performance but shall not act to extend the term(s) of warranty coverage(s).
- (3) If the Builder or GIC, as applicable, repairs, replaces, or pays You the reasonable cost to repair or replace, the Builder or GIC, as applicable, shall be subrogated to all Your rights of recovery against any person or entity. You must sign and deliver to the Builder, and GIC a full and unconditional release, in recordable form, of all legal obligations and rights to recovery (including subrogation rights) with respect to the warranted Defects/Deficiencies, and any condition arising from the warranted items. This must occur prior to payment for the reasonable cost of repair or replacement. You must execute and deliver any and all instruments and documents, and take any and all other actions necessary to secure such rights including, but not limited to, assignment of proceeds of any other insurance or other warranties to the Builder or GIC, as applicable. You shall do nothing to prejudice these rights of subrogation.
- (4) Any repair will be finished or touched up to match the surrounding area as closely as practical but not necessarily to a like-new condition. Imperfections and variations may exist and should be expected. A repair or action bringing a variance within the standard under this warranty shall not cause the period of the applicable warranty to be extended.
- (5) The Builder or GIC, as applicable, is not responsible for exact color, texture or finish matches when replacing or repairing materials, repainting areas, or when items or materials have been discontinued. Surfaces altered incident to any repair will be finished or touched up to match the surrounding area as closely as practical. In connection with the repair of finish or surface material, such as paint, wallpaper, flooring or a hard surface, the Warrantor (Builder or GIC, as applicable) will match the standard and grade as closely as reasonably possible. The (Builder or GIC, as applicable) will attempt to match the finish, but will not be responsible for discontinued patterns or materials, color variations, or shade variations. When the surface finish

material must be replaced and the original material has been discontinued, the Builder or GIC, as applicable, is responsible for installing replacement material substantially similar in appearance to the original material. Repair or replacement is NOT intended to restore the Home to a like-new condition. Imperfections and variations may exist and should be expected. Coverage does not include refinishing of interior or exterior surfaces not damaged.

SECTION 13: DISPUTES MUST BE SUBMITTED TO ARBITRATION

Any and all claims, disputes and controversies by or between the Homeowner, the Builder, the Administrator, and/or GIC, or any combination of the foregoing arising out of, in connection with, or related to this Warranty, any alleged Defect or Deficiency in or to the subject Home or the real property on which the subject Home is situated, or the sale of the subject Home by the Builder, including, without limitation, any claim of breach of contract, negligent or intentional misrepresentation, or nondisclosure in the inducement, execution, or performance of any contract, including this arbitration agreement, breach of any alleged duty of good faith and fair dealing a violation of state, federal, or local law, statute, regulation, ordinance or rule, whether the claim must be arbitrated, or the validity and enforceability of this arbitration agreement, shall be settled by binding arbitration. Agreeing to arbitration means You are waiving Your right to a trial by a judge and/or a jury.

If an independent arbitration service cannot be mutually agreed upon by You, the Administrator, and the Builder or GIC, as applicable; then the arbitration shall be conducted by the American Arbitration Association pursuant to its Home Warranty Rules, or by DeMars & Associates, Ltd. This Warranty and arbitration provision involves and concerns interstate commerce and is governed by the Federal Arbitration Act, 9 U.S.C. 1 et seq., as amended (FAA), and any rules of the independent arbitration service employed by the parties to the arbitration. Should any conflict exist between the FAA and the rules of the independent arbitration service selected, the FAA shall control.

You understand that should You submit a request for arbitration, all administrative fees of the arbitration service and fees of the arbitrator shall be allocated to the parties as provided in the rules of the arbitration service, subject to the discretion of the arbitrator to reallocate such fees in the interests of justice.

This arbitration agreement shall inure to the benefit of, and be enforceable by, the Builder's subcontractors, agents, vendors, suppliers, design professionals, insurers, and any other person alleged to be responsible for any Defects/ Deficiencies in or to the subject Home or the real property on which the subject Home is situated. Any party shall be entitled to recover reasonable attorney's fees and costs incurred in enforcing this arbitration agreement. The decision of the Arbitrator shall be final and binding and may be entered as a judgment in any State or Federal court of competent jurisdiction.

This arbitration agreement shall be deemed to be a self-executing arbitration agreement. Any disputes concerning the interpretation or the enforceability of this arbitration agreement, including, without limitation, its revocability or voidability for any cause, the scope of arbitration issues, class or collective arbitrability, and any defense based upon waiver, estoppel or laches, shall be decided by the Arbitrator.

The initiation of or participation by any party in any judicial proceeding concerning this arbitration agreement or any matter arbitrable hereunder shall not be deemed a waiver of the right to enforce this arbitration agreement, and, notwithstanding any applicable rule of law to the contrary, shall not be asserted or accepted as a reason for delay, refusal to participate in, or refusal to enforce this arbitration agreement.

The arbitration hearing shall take place at the Home unless the parties mutually agree to hold the arbitration at a different location.

The Builder or GIC, or Administrator shall have the right, in advance of the arbitration proceeding, to re-inspect any Home (both the interior and/or exterior, as necessary) that is the subject to the arbitration proceeding if the request for arbitration was made more than sixty (60) days following the last claim decision of the (Builder or GIC, as applicable) or Administrator concerning such Home.

No arbitration proceeding shall involve more than one single-family detached dwelling, more than one multi-dwelling unit, or one multi-unit building involving common elements. Any arbitration proceeding shall be on an individual basis and not in a class, consolidated, or representative action.

No arbitration award will be allowed to be confirmed or filed for confirmation in any court of law, regardless of the applicable rules of the arbitration, before the expiration of 90 days after the award is issued and/or signed by the arbitrator and all rules related to the modification, clarification or otherwise in the arbitration proceeding are expired.

PERFORMANCE STANDARDS FOR HOME COMPONENTS UNDER THE ONE-YEAR WORKMANSHIP/MATERIALS WARRANTY

(A) This Section describes the Performance Standards for the various Workmanship and Materials elements or components of a Home as described. Unless otherwise stated under the various Performance Standards herein, if any such Performance Standard is not met, the Builder or GIC (as applicable) shall take such action as is necessary to bring the variance within the standard subject to the terms and conditions herein. The Builder or GIC (as applicable) will repair or replace those elements or components of a Home that do not meet these standards during the applicable warranty period. **PERFORMANCE STANDARDS FOR FOUNDATIONS AND SLABS**

(1) Performance Standards for Raised Floor Foundations or Crawl Spaces:

- (a) A crawl space shall be graded and drained properly to prevent surface run-off from accumulating deeper than 2 inches in areas 36 inches or larger in diameter. Exterior drainage around the perimeter crawl space wall shall not allow water to accumulate within ten (10) feet of the foundation for more than 24 hours after a rain except in a sump that drains other areas.
 - i. The homeowner shall not modify improperly the existing grade or allow water from an irrigation system to cause water to accumulate excessively under the foundation. The homeowner shall not allow landscape plantings to interfere with proper drainage away from the foundation. The homeowner shall not use the crawl space for storage of any kind.
- (b) Water shall not enter through the basement or crawl space wall or seep through the basement floor.
 - i. The homeowner shall not modify improperly the existing grade or allow water from an irrigation system to cause water to accumulate excessively near the foundation. The homeowner shall not allow landscape plantings to interfere with proper drainage away from the foundation.

(2) Performance Standards For Concrete Slab Foundations, Excluding Finished Concrete Floors:

- (a) Concrete floor slabs in living spaces that are not otherwise designed with a slope for drainage, such as a laundry room, shall not have excessive pits, depressions or unevenness equal to or exceeding 3/8 of an inch in any 32 inches and shall not have separations or cracks that equal or exceed 1/8 of an inch in width or 1/16 of an inch in vertical displacement.
- (b) Concrete slabs shall not have protruding objects, such as a nail, rebar, or wire mesh.
- (c) Concrete portions of a raised-floor foundation should not have separations or cracks that equal or exceed 1/8 of an inch in width or 1/16 of an inch in vertical displacement.
- (d) A separation in an expansion joint in a concrete slab shall not equal or exceed 1/4 of an inch vertically or one (1) inch horizontally from an adjoining section.
- (e) Slab-on-ground foundations should not have separations or cracks that equal or exceed 1/8 of an inch in width or 1/16 of an inch in vertical displacement.

(3) Performance Standards For Exterior Concrete Including Patios, Stem Walls, Driveways, Stairs Or Walkways:

- (a) Concrete corners or edges shall not be damaged excessively due to construction activities.
- (b) A crack in exterior concrete shall not cause vertical displacement equal to or in excess of 1/4 of an inch or horizontal separation equal to or excess of 1/4 of an inch.
- (c) The homeowner shall not over-water surrounding soil or allow the surrounding soil to become excessively dry. The homeowner shall not allow heavy equipment to be placed on the concrete.
- (d) The finish on exterior concrete shall not be excessively smooth, so that the surface becomes slippery. A concrete surface that has been designed to be smooth is excepted from this performance standard.
- (e) Exterior concrete shall not contain a protruding object, such as a nail, rebar, or wire mesh.
- (f) A separation in an expansion joint in an exterior concrete shall not equal or exceed 1/2 of an inch vertically from an adjoining section or one (1) inch horizontally, including joint material.
- (g) A separation in a control joint shall not equal or exceed 1/4 of an inch vertically or 1/2 of an inch horizontally from an adjoining section.
- (h) Concrete stair steepness and dimensions, such as tread width, riser height, landing size and stairway width shall comply with the Code such that they perform their intended function without posing a safety risk.
- (i) Handrails shall remain securely attached to concrete stairs.
- (j) Concrete stairs or stoops shall not settle or heave in an amount equal to or exceeding 3/8 of an inch. Concrete stairs or stoops shall not separate from the home in an amount equal to or exceeding one (1) inch, including joint material.
- (k) A driveway will not have a negative slope unless due to site conditions, unless it has swales or drains properly installed to prevent water from entering into the garage. If a driveway is sloped such that it allows water to enter the garage in normal weather conditions, the Builder shall take such action as is necessary to prevent water from entering the garage due to driveway slope.
- (l) Concrete floor slabs in detached garages, carports or porte-cocheres shall not have excessive pits, depressions, deterioration or unevenness equal to or exceeding 3/8 of an inch in any 32 inches. Separations or cracks in these slabs should not equal or exceed 3/16 of an inch in width, except at expansion joint, or 1/8 of an inch in vertical displacement.
- (m) Plaster over concrete shall not flake off more than one (1) square foot in one spot within 36 square inches or more than three (3) feet over the entire surface of the Home.

(B) PERFORMANCE STANDARDS FOR FRAMING

(1) Building and Performance Standard for Walls:

- (a) Walls shall not bow or have depressions that equal or exceed 1/4 of an inch out of line within any 32-inch horizontal measurement as measured from the center of the bow or depression or 1/2 of an inch within any eight-foot vertical measurement.
- (b) Walls shall be level, plumb and square to all adjoining openings or other walls within 3/8 of an inch in any 32-inch measurement.
- (c) A crack in a beam or a post shall not equal or exceed 1/2 of an inch in width at any point along the length of the crack.
- (d) A non-structural post or beam shall not have a warp or twist equal or exceeding one (1) inch in eight (8) feet of length. Warping or twisting shall not damage the beam pocket.
- (e) Exterior sheathing shall not delaminate or swell.
 - i. The homeowner shall not make penetrations in the exterior finish of a wall that allow moisture to come in contact with the exterior sheathing.
- (f) An exterior moisture barrier shall not allow an accumulation of moisture inside the barrier.
 - i. The homeowner shall not make penetrations through the exterior moisture barrier that permit the introduction of moisture inside the barrier.

(2) Performance Standards for Ceilings:

- (a) A ceiling shall not bow or have depressions that equal or exceed 1/2 of an inch out of line within a 32-inch measurement as measured from the center of the bow or depression running parallel with a ceiling joist.

(3) Performance Standards for Sub-Floors:

- (a) Under normal residential use, the floor shall not make excessive squeaking or popping sounds.
- (b) Sub-floors shall not delaminate or swell to the extent that it causes observable physical damage to the floor covering or visually affects the appearance of the floor covering. Exposed structural flooring, where the structural flooring is used as the finished flooring, is excluded from the standard stated in this subsection.
- (c) Sub-flooring shall not have excessive humps, ridges, depressions, or slope within any room that equals or exceeds 3/8 of an inch in any 32-inch direction.

(4) Performance Standards for Stairs:

- (a) Stair steepness and dimensions such as tread width, riser height, landing size and stairway width, shall comply with the Code.
- (b) Under normal residential use, stairs shall not make excessive squeaking or popping sounds.

(C) PERFORMANCE STANDARDS FOR DRYWALL

(1) Performance Standards for Drywall:

- (a) A drywall surface shall not have a bow or depression that equals or exceeds 1/4 of an inch out of line within any 32-inch horizontal measurement as measured from the center of the bow or depression or 1/2 of an inch within any eight foot vertical measurement; such measurement to be made utilizing a straight-edge that is held reasonably parallel to the plane of the wall or ceiling surface.
- (b) A ceiling made of drywall shall not have bows or depressions that equal or exceed 1/2 of an inch out of line within a 32-inch measurement as measured from the center of the bow or depression running parallel with a ceiling joist or within 1/2 of an inch deviation from the plane of the ceiling within any eight foot measurement; such measurement to be made utilizing a straight-edge that is held reasonably parallel to the plane of the wall or ceiling surface.
- (c) A drywall surface shall not have a crack such that any crack equals or exceeds 1/32 of an inch in width at any point along the length of the crack.
- (d) Crowning at a drywall joint shall not equal or exceed 1/4 of an inch within a twelve-inch measurement centered over the drywall joint. Crowning occurs when a drywall joint is higher than the plane of the drywall board on each side.
- (e) A drywall surface shall not have surface imperfections such as blisters, cracked corner beads, seam lines, excess joint compound or trowel marks that are visible from a distance of six (6) feet or more in normal light. Minor variations in the 'splatter' or 'drag' appearance of texture that are the result of the original installation or subsequent repair work, visible from any distance, are not considered to be Warrantable defects under this warranty.
- (f) A drywall surface shall not be out of level (horizontal), plumb (vertical) or square (perpendicular at a 90-degree angle) such that there are variations in those measurements to wall or surface edges at any opening, corner, sill, shelf, etc. shall not equal or exceed 3/8 of an inch in any 32-inch measurement along the wall or surface.

- i. This standard shall not apply to remodeling projects where existing conditions do not permit the Builder to achieve the Performance Standard. At or about the time of discovery of such a pre-existing condition, a remodeler shall notify the homeowner, in writing, of any existing condition that prevents achievement of the standard. Accumulations of drywall compound in wall corners, at wallboard joints or outside corners, and at door, window or built-in cabinet openings, may not be the sole determinant that a wall or ceiling section is out of plumb or square.

- (g) Nails or screws shall not be visible in a drywall surface from a distance of six (6) feet under normal lighting conditions.

(D) PERFORMANCE STANDARDS FOR INSULATION

(1) Performance Standards for Insulation:

- (a) Insulation shall be installed in the walls, ceilings and floors of a home in accordance with the building plan and specifications and the Code.
- (b) Blown insulation in the attic shall not displace or settle so that it reduces the R-value below manufacturer's specifications, the building plans and the Code.
- (c) A gap equal to or in excess of 1/4 of an inch between insulation batts or a gap between insulation batts and framing members is not permitted.
- (d) Insulation shall not cover or block a soffit vent to the extent that it blocks the free flow of air.

(E) PERFORMANCE STANDARDS FOR EXTERIOR SIDING AND TRIM

(1) Performance Standards for Exterior Siding:

- (a) Exterior siding shall be equally spaced and properly aligned. Horizontal siding shall not equal or exceed 1/2 of an inch off parallel with the bottom course or 1/4 of an inch off parallel with the adjacent course from corner to corner.
- (b) Siding shall not gap or bow. A siding end joint shall not have a gap that leaks or that equals or exceeds 1/4 of an inch in width. Siding end joint gaps shall be caulked. A bow in siding shall not equal or exceed 3/8 of an inch out of line in a 32-inch measurement.
- (c) Nails shall not protrude from the finished surface of siding but nail heads may be visible on some products where allowed by the manufacturer's specifications.
- (d) Siding shall not have a nail stain.
- (e) Siding and siding knots shall not become loose or fall off.
- (f) Siding shall not delaminate.
- (g) Siding shall not cup in an amount equal to or exceeding 1/4 of an inch in a six-foot run.
- (h) Siding shall not have cracks or splits that equal or exceed 1/8 of an inch in width.

(2) Performance Standards for Exterior Trim:

- (a) A joint between two trim pieces or between a trim piece and the adjoining material shall not have a separation that is equal to or exceeding 1/4 of an inch in width. All trim joints shall be caulked and shall not leak.
- (b) Exterior trim and eave block shall not warp in an amount equal to or exceeding 1/2 of an inch in an eight-foot run.
- (c) Exterior trim and eave block shall not cup in an amount equal to or in excess of 1/4 of an inch in a six-foot run.
- (d) Exterior trim and eave block shall not have cracks or splits equal to or in excess of 1/8 of an inch in average width.
- (e) Trim shall not have nails that completely protrude through the finished surface of the trim but nail heads may be visible on some products.
 - i. Some products specify that the nails be flush with the trim surface. When these products are used, visible nail heads are not considered protruding nails as long as they are painted over.
- (f) Trim shall not have a nail stain.

(F) PERFORMANCE STANDARDS FOR MASONRY INCLUDING BRICK, BLOCK AND STONE

(1) Performance Standards for Masonry including Brick, Block and Stone:

- (a) A masonry wall shall not bow in an amount equal to or in excess of one (1) inch when measured from the base to the top of the wall.
 - i. The standard set forth in this subsection does not apply to natural stone products.
- (b) A masonry unit or mortar shall not be broken or loose.
- (c) A masonry mortar crack shall not equal or exceed 1/8 of an inch in width.

- (d) A masonry unit or mortar shall not deteriorate.
- (e) Masonry shall not have dirt, stain, or debris on the surface due to construction activities.
- (f) A gap between masonry and adjacent material shall not equal or exceed 1/4 of an inch in average width and all such gaps shall be caulked.
- (g) Mortar shall not obstruct a functional opening, such as a vent, weep hole or plumbing cleanout.
 - i. The homeowner shall not put any material into weep holes. Weep holes are an integral part of the wall drainage system and must remain unobstructed.

(G) PERFORMANCE STANDARDS FOR STUCCO

(1) Performance Standards for Stucco:

- (a) Stucco surfaces shall not be excessively bowed, uneven, or wavy.
 - i. This standard shall not apply to decorative finishes.
- (b) Stucco shall not be broken or loose.
- (c) Stucco shall not have cracks that equal or exceed 1/8 of an inch in width at any point along the length of the crack.
 - i. The Builder shall not be responsible for repairing cracks in stucco caused by the homeowner's actions, including but not limited to periodic maintenance, caulking, painting, diversion of water onto the surface of the stucco, the attachment of devices to the stucco surface such as, but not limited to, patio covers, plant holders, awnings and hose racks.
- (d) The homeowner shall not allow water from irrigation systems to contact stucco finishes.
- (e) Stucco shall not have dirt, stain, or debris on surface due to construction activities.
- (f) Stucco surfaces shall not have imperfections that are visible from a distance of six (6) feet under normal lighting conditions that disrupt the overall uniformity of the finished pattern.
- (g) The lath shall not be exposed.
- (h) A separation between the stucco joints shall not equal or exceed 1/16 of an inch in width.
- (i) A separation between a stucco surface and adjacent material shall not equal or exceed 1/4 of an inch in width and all separations shall be caulked.
- (j) Stucco shall not obstruct a functional opening, such as a vent, weep hole or plumbing cleanout.
- (k) Stucco screed shall have a minimum clearance of at least four (4) inches above the soil or landscape surface and at least two (2) inches above any paved surface.
- (l) Exterior Insulation Finish Systems (EIFS) stucco screed shall clear any paved or unpaved surface by six (6) inches.

(H) PERFORMANCE STANDARDS FOR ROOFS

(1) Performance Standards for Roofs:

- (a) Flashing shall prevent water penetration.
 - i. The Builder shall not be responsible for leaks caused by extreme weather.
- (b) The roof shall not leak.
 - i. The Builder shall not be responsible for leaks caused by extreme weather.
 - ii. The homeowner shall perform periodic maintenance to prevent leaks due to build-up of debris, snow, or ice. The homeowner shall take such action as is necessary to prevent downspouts and gutters from becoming clogged.
- (c) A vent, louver or other installed attic opening shall not leak.
 - i. The Builder shall not be responsible for leaks caused by Extreme Weather Conditions.
- (d) A gutter or downspout shall not leak or retain standing water. After cessation of rainfall, standing water in an unobstructed gutter shall not equal or exceed 1/2 of an inch in depth.
 - i. The Builder shall not be responsible for leaks caused by Extreme Weather Conditions.
 - ii. The homeowner shall maintain and clean gutters and downspouts to prevent buildup of debris or other obstructions.
- (e) Shingles, tiles, metal, or other roofing materials shall not become loose or fall off in wind speeds less than those set forth in the manufacturer's specifications.
- (f) A skylight shall not leak.

- (g) Water shall drain from a built-up roof within two hours after cessation of rainfall. The standard does not require that the roof dry completely within the time period.
- (h) A roof tile shall not be cracked or broken. No shingle shall be broken so that it detracts from the overall appearance of the Home.
- (i) A pipe, vent, fireplace, or other object designed to penetrate the roof shall not be located within the area of roof valley centerline without proper "cricketing" or other Code-approved water diversion methods.
- (j) The exterior moisture barrier of the roof shall not allow moisture penetration.
 - i. The homeowner shall not make penetrations through exterior moisture barrier of the roof.

(I) PERFORMANCE STANDARDS FOR DOORS AND WINDOWS

(1) Performance Standards for Both Doors and Windows:

- (a) When closed, a door or window shall not allow excessive infiltration of air or dust.
- (b) When closed, a door or window shall not allow excessive accumulation of moisture inside the door or window.
 - i. The homeowner shall keep weep holes on windows and doors free of dirt buildup and debris, thereby allowing water to drain properly.
 - ii. Most door and window assemblies are designed to open, close and weep moisture—allow condensation or minor penetration by the elements to drain outside.
- (c) Glass in doors and windows shall not be broken due to improper installation or construction activities.
- (d) A screen in a door or window shall fit properly and shall not be torn or damaged due to construction activities. A screen shall not have a gap equal to or exceeding 1/4 of an inch between the screen frame and the window frame.
- (e) There shall be no condensation between window and door panes in a sealed insulated glass unit.
 - i. The homeowner shall not apply a tinted window film or coating to window or door panes in sealed insulated glass units.
- (f) A door or window latch or lock shall close securely and shall not be loose or rattle.
- (g) A door or window shall operate easily and smoothly and shall not require excessive pressure when opening or closing.
- (h) A door or window shall be painted or stained according to the manufacturer's specifications.

(2) Performance Standards for Windows:

- (a) A double hung window shall not move more than two (2) inches when put in an open position.

(3) Performance Standards for Doors:

- (a) A sliding door and door screen shall stay on track.
 - i. The homeowner shall clean and lubricate sliding door or door screen hardware as necessary.
- (b) The spacing between an interior door bottom and original floor covering, except closet doors, shall not exceed 1.5 inches and shall be at least 1/2 of an inch. The spacing between an interior closet door bottom and original floor covering shall not exceed two (2) inches and shall be at least 1/2 of an inch.
- (c) A door shall not delaminate.
- (d) A door panel shall not split so that light from the other side is visible.
- (e) A door shall open and close without binding.
- (f) A door shall not warp to the extent that it becomes inoperable. A warp in a door panel shall not equal or exceed 1/4 of an inch from original dimension measured vertically, horizontally, or diagonally from corner to corner.
- (g) A storm door shall open and close properly and shall fit properly.
- (h) When a door is placed in an open position, it shall remain in the position it was placed, unless the movement is caused by airflow.
- (i) A metal door shall not be dented or scratched due to construction activities.

(4) Performance Standards for Garage Doors:

- (a) A metal garage door shall not be dented or scratched due to construction activities.
- (b) A garage door opener, if provided, shall operate properly in accordance with manufacturer's specifications.
 - i. The homeowner shall maintain tracks, rollers and chains and shall not block or bump sensors to electric garage door openers.

- (c) A garage door shall not allow excessive water to enter the garage and the gap around the garage door shall not equal or exceed 1/2 of an inch in width.
- (d) A garage door spring shall operate properly and shall not lose appreciable tension, break or be undersized.
- (e) A garage door shall remain in place at any open position, operate smoothly and not be off track.

(J) PERFORMANCE STANDARDS FOR INTERIOR FLOORING

This subsection includes Performance Standards for Carpet, Vinyl Flooring and Wood Flooring. Performance Standards for ceramic tile, flagstone, marble, granite, slate, quarry tile other hard surface floors, and finished concrete floors, are located in subsection K.

(1) Performance Standards for Carpet:

- (a) Carpet shall not wrinkle and shall remain tight, lay flat and be securely fastened.
- (b) Carpet seams may be visible but shall be smooth without a gap or overlap.
- (c) Carpet shall not be stained or spotted due to construction activities.

(2) Performance Standards for Finished Concrete Floors:

- (a) A finished slab, located in a living space that is not otherwise designed for drainage, shall not have pits, depressions or unevenness that equals or exceeds 3/8 of an inch in any 32 inches.
 - i. Finished concrete slabs in living spaces that are designed for drainage, such as a laundry room, are excepted from the standards stated in this subsection.
- (b) Finished concrete slabs in living spaces shall not have separations, including joints, and cracks that equal or exceed 1/8 of an inch in width or 1/16 of an inch in vertical displacement.

(3) Performance Standards for Wood Flooring:

- (a) Wood flooring shall not have excessive humps, depressions or unevenness that equals or exceeds 3/8 of an inch in any 32-inch direction within any room.
- (b) Wood flooring shall remain securely attached to the foundation or sub-floor unless the wood flooring is designed to be installed without nails, glue, adhesives, or fasteners.
- (c) Wood flooring shall not have open joints and separations that equal or exceed 1/8 of an inch.
 - i. These standards do not apply to non-hardwood species that contain greater moisture and may shrink after installation or structural floors that are designed to serve as the finished floor. If the floor is designed as a structural finish floor, the Builder must provide a written explanation of the characteristics of that floor to the homeowner prior to the execution of the contract or installation of the product, whichever occurs later.
- (d) Strips of floorboards shall not cup in an amount that equals or exceeds 1/16 of an inch in height in a three (3) inch distance when measured perpendicular to the length of the board.
 - i. This standard does not apply to non-hardwood species that typically shrink after installation or structural floors that are designed to serve as the finished floor. If the floor is designed as a structural finish floor, the Builder must provide a written explanation of the characteristics of that floor to the homeowner.
- (e) Unless installed as a specialty feature, wood flooring shall not have excessive shade changes or discoloration due to the construction activities of the Builder.
- (f) Unless installed as a specialty feature, wood flooring shall not be stained, spotted, or scratched due to construction activities of the Builder.

(K) PERFORMANCE STANDARDS FOR VINYL FLOORING

(1) Performance Standards for Vinyl Flooring:

- (a) Vinyl flooring shall be installed square to the most visible wall and shall not vary by 1/4 of an inch in any six (6) foot run.
- (b) The seam alignment in vinyl flooring shall not vary such that the pattern is out of alignment in an amount that equals or exceeds 1/8 of an inch.
- (c) Vinyl flooring shall remain securely attached to the foundation or sub-floor.
- (d) A vinyl floor shall not have a depression that equals or exceeds 1/2 of an inch in any six (6) foot run. If a vinyl floor has a depression that exceeds the standard stated in this paragraph and the depression is due to construction activities, the Builder shall take such action as is necessary to bring the variance within the standard.
- (e) A vinyl floor shall not have a ridge that equals or exceeds 1/2 of an inch when measured as provided in this subsection. The ridge measurement shall be made by measuring the gap created when a six (6) foot straight edge is placed tightly three (3) inches on each side of the Defect and the gap is measured between the floor and the straight edge at the

other end. If a vinyl floor has a ridge that fails to comply with the standard stated in this paragraph and the ridge is due to construction activities, the Builder shall take such action as is necessary to bring the variance within the standard.

- (f) Vinyl floor shall not be discolored, stained, or spotted due to the construction activities of the Builder.
- (g) Vinyl flooring shall not be scratched, gouged, cut, or torn due to construction activities.
- (h) Debris, sub-floor seams, nails and/or screws shall not be detectable under the vinyl floor from a distance of three (3) feet or more in normal light.
- (i) Sub-flooring shall not cause vinyl flooring to rupture.
- (j) A seam in vinyl flooring shall not have a separation that equals or exceeds 1/16 of an inch in width. Where dissimilar materials abut, there shall not be a gap equal to or greater than 1/8 of an inch.

(L) PERFORMANCE STANDARDS FOR HARD SURFACES, INCLUDING CERAMIC TILE, FLAGSTONE, MARBLE, GRANITE, SLATE, QUARRY TILE, FINISHED CONCRETE OR OTHER HARD SURFACES

(1) Performance Standards for Hard Surfaces Generally:

- (a) A hard surface shall not break or crack due to construction activities.
- (b) A hard surface shall remain secured to the substrate.
- (c) A surface imperfection in floor hard surface shall not be visible from a distance of three (3) feet or more in normal light. A surface imperfection in non-floor hard surface shall not be visible from a distance of two (2) feet or more in normal light. If a hard surface fails to meet the standards stated in this paragraph due to construction activities, the Builder shall take such action as is necessary to bring the variance within the standard.
- (d) Color variations between field hard surfaces and trim hard surfaces should not vary excessively due to construction activities.
 - i. Natural products such as flagstone, marble, granite, slate, and other quarry tile will have color variation.
- (e) Hard surface areas shall not leak.
- (f) The surfaces of two adjacent hard surfaces shall not vary in an amount equal to or exceeding 1/16 of an inch displacement at a joint (lippage) in addition to the actual manufacturing variations of the hard surface, such as warpage or dimensional differences in the hard surfaces, including thickness. If a joint between two hard surfaces fails to meet the Performance Standard stated in this paragraph (excluding trim pieces), the Builder shall take such action as is necessary to bring the variance within the standard.
- (g) Hard surface layout or grout line shall not be excessively irregular.
 - i. Natural products such as flagstone, marble, granite, slate, and other quarry tile will have size variations that may create irregular layouts or grout lines.
- (h) Hard surface countertops shall be level to within 1/4 of an inch in any six (6) foot measurement.
- (i) Hard surface floors located in a living space that is not otherwise designed for drainage, shall not have pits, depressions, or unevenness that equals or exceeds 3/8 of an inch in any 32 inches.
 - i. Finished hard surface floors located in living spaces that are designed for drainage, such as a laundry room, are excepted from the standards stated in this subsection.

(2) Performance Standards for Grout:

- (a) Grout shall not deteriorate.
- (b) Cracks in grout shall not exceed 1/16 of an inch in width.
- (c) Grout shall not change shade or discolor excessively due to construction activities.

(3) Performance Standards for Concrete Countertops:

- (a) A concrete countertop shall not have excessive pits, depressions, or unevenness that equal or exceed 1/8 of an inch in any 32-inch measurement.
- (b) A concrete countertop shall not have separations or cracks equal to or exceeding 1/16 of an inch in width or 1/64 of an inch in vertical displacement.
- (c) A finished concrete countertop shall not be stained, spotted, or scratched due to construction activities.
- (d) A concrete countertop shall not have a chipped edge that extends beyond 1/16 of an inch from the edge of the countertop due to construction activities.
- (e) A concrete countertop shall not change shade or discolor excessively due to construction activities.

(M) PERFORMANCE STANDARDS FOR PAINTING, STAIN, AND WALL COVERINGS

(1) Performance Standards for Caulking:

- (a) Interior caulking shall not deteriorate or crack excessively.

(2) Performance Standards for Painting and Stain:

- (a) Paint or stain shall not have excessive color, shade, or sheen variation.
 - i. This standard shall not apply to stained woodwork.
- (b) Paint shall cover all intended surfaces so that unpainted areas shall not show through paint when viewed from a distance of six (6) feet in normal light.
- (c) Interior paint or stain shall not deteriorate.
- (d) Exterior paint or stain shall not deteriorate excessively.
- (e) Paint over-spray shall not exist on any surface for which it was not intended.
- (f) Interior varnish, polyurethane or lacquer finish shall not deteriorate.
- (g) Exterior varnish, polyurethane or lacquer finishes shall not deteriorate excessively.
 - i. Exterior varnish, polyurethane or lacquer finishes that are subject to direct sunlight are excluded from this standard.
- (h) Interior painted, varnished, or finished surface shall not be scratched, dented, nicked or gouged due to construction activities.
- (i) A paint product shall perform as represented by the manufacturer to meet manufacturer's specifications for washability and/or scrubability.

(3) Performance Standards for Wall Coverings:

- (a) A wall covering shall be properly secured to the wall surface and shall not peel or bubble.
- (b) Pattern repeats in wall coverings shall match. Wall coverings shall be installed square to the most visible wall. Pattern repeats shall not vary in an amount equal to or exceeding 1/4 of an inch in any six (6) foot run.
- (c) A wall covering seam shall not separate or gap.
- (d) Lumps or ridges in a wall covering shall not be detectable from a distance of six (6) feet or more in normal light.
- (e) Wall coverings shall not be discolored, stained, or spotted due to construction activities.
- (f) Wall coverings shall not be scratched, gouged, cut, or torn due to construction activities.
- (g) Wall coverings shall perform as represented by the manufacturer to meet manufacturer's specifications for washability and/or scrubability.

(N) PERFORMANCE STANDARDS FOR PLUMBING

(1) Performance Standards for Plumbing Accessories:

- (a) A fixture surface shall not have a chip, crack, dent or scratch due to construction activities.
- (b) A fixture shall not have tarnish, blemishes or stains unless installed as a specialty feature.
 - i. Fixture finishes that are tarnished, blemished, or stained due to high iron, manganese or other mineral content in water are excluded from this standard.
- (c) A fixture or fixture fastener shall not corrode.
 - i. A Builder is not responsible for corrosion caused by factors beyond the manufacturer's or the Builder's control, including the homeowner's use of corrosive chemicals or cleaners or corrosion caused by water content.
- (d) A decorative gas appliance shall be installed in accordance with manufacturer's specifications and when so installed shall function in accordance with manufacturer's representations.
- (e) Fixtures shall be secure and not loose.
 - i. The homeowner shall not exert excessive force on a fixture.
- (f) A fixture stopper shall operate properly and shall retain water in accordance with the manufacturer's specifications.
- (g) The toilet equipment shall not allow water to run continuously.
 - i. If toilet equipment allows water to run continuously, the homeowner shall shut off the water supply or take such action as is necessary to avoid damage to the home.

- (h) A toilet shall be installed and perform in accordance with the manufacturer's specifications.
 - i. In the event of water spillage, the homeowner shall shut off the water supply and take such action as is necessary to avoid damage to the home.
- (i) A tub or shower pan shall not crack.
- (j) A tub or shower pan shall not squeak excessively.
- (k) A water heater shall be installed and secured according to the manufacturer's specifications and the Code.
- (l) A waste disposal unit shall be installed and operate according to the manufacturer's specifications.
- (m) A faucet or fixture shall not drip or leak.
 - i. This standard does not include drips or leaks due to debris or minerals from the water source, unless it is due to construction activities.
- (n) A sump pump shall be installed in accordance with the manufacturer's specifications and shall operate properly when so installed.
- (o) Coverage under this subsection (N)(1) is limited to repair or replacement of the plumbing accessory itself. Coverage includes repair or replace any surface necessarily damaged in accessing the plumbing accessory.
- (p) Any Major Structural Defect resulting, arising, or in any way stemming from an element that fails to meet this performance standard is excluded from warranty coverage as set forth in Section 7 of this Warranty.

(2) Performance Standards for Pipes and Vents:

- (a) A sewer gas odor originating from the plumbing system shall not be detectable inside the home under conditions of normal residential use.
 - i. The homeowner shall keep plumbing traps filled with water.
- (b) A vent stack shall be free from blockage and shall allow odor to exit the Home.
- (c) A water pipe shall not make excessive noise such as banging or hammering repeatedly.
 - i. A water pipe subject to expansion or contraction of the pipe as warm or cool water flows through the pipe may cause a "ticking" sound temporarily. The standard stated in this subsection does not require a Builder to remove all noise attributable to water flow and pipe expansion.

(O) PERFORMANCE STANDARDS FOR HEATING, COOLING AND VENTILATION

(1) Performance Standards for Heating and Cooling:

- (a) A condensation line shall not be obstructed due to construction activities.
 - i. The homeowner shall periodically check for the free flow of condensate (water) from the line and clear the line when necessary.
- (b) A drip pan and drain line shall be installed under a horizontal air handler as per the Code.
 - i. The homeowner shall periodically check for the free flow of condensate (water) from the line and clear the line when necessary.
- (c) Insulation shall completely encase the refrigerant line according to Code.
 - i. The homeowner shall ensure that insulation on the refrigerant line is not damaged or cut due to home maintenance or landscape work.
- (d) An exterior compressor unit shall be installed in accordance with the manufacturer's instructions and specifications. The bottom of the exterior compressor unit support shall not be below ground level.
 - i. The homeowner shall ensure that settlement of the exterior compressor unit pad does not occur due to home maintenance, landscape work or excessive water from irrigation.

(2) Performance Standards for Venting:

- (a) An appliance shall be vented according to the manufacturer's specifications.
- (b) Back draft dampers shall be installed and function according to the manufacturer's specifications.

(3) Performance Standards for Ductwork:

- (a) Ductwork shall not make excessive noise.
 - i. The flow of air, including its velocity, or the expansion of ductwork from heating and cooling may cause common "ticking" or "crackling" sounds. The Builder shall have no responsibility for correction in such cases.
 - ii. The homeowner shall not place any object on the ductwork.

(P) PERFORMANCE STANDARDS FOR ELECTRICAL SYSTEMS AND FIXTURES

(1) Performance Standards for Electrical Systems and Fixtures:

- (a) Excessive air infiltration shall not occur around electrical system components or fixtures.
- (b) A fixture or trim plate shall not be chipped, cracked, dented, or scratched due to construction activities.
- (c) A fixture or trim plate finish shall not be tarnished, blemished, or stained due to construction activities.
- (d) A fixture, electrical box or trim plate shall be installed in accordance with the Code and shall be plumb and level.
- (e) Fixtures, such as lights, fans and appliances shall operate properly when installed in accordance with the manufacturer's specifications.
- (f) A smoke detector shall operate according to the manufacturer's specifications and shall be installed in accordance with the Code.
- (g) An exhaust fan shall operate within the manufacturer's specified noise level.
- (h) A carbon monoxide detector shall operate according to the manufacturer's specifications and shall be installed in accordance with the Code.

(Q) PERFORMANCE STANDARDS FOR INTERIOR TRIM

(1) Performance Standards for Trim:

- (a) An interior trim joint separation shall not equal or exceed $\frac{1}{8}$ of an inch in width or shall not separate from adjacent surfaces equal to or in excess of $\frac{1}{8}$ of an inch and all joints shall be caulked or puttied.
- (b) The interior trim shall not have surface damage, such as scratches, chips, dents, gouges, splits, cracks, warping or cupping that is visible from a distance of six (6) feet or more in normal light due to construction activities.
- (c) A hammer mark on trim shall not be visible from a distance of six (6) feet or more when viewed in normal light.
- (d) A nail or nail hole in interior trim shall not be visible from a distance of six (6) feet or more when viewed in normal light.

(R) PERFORMANCE STANDARDS FOR SHELVING

(1) Performance Standards for Shelving:

- (a) Shelving, rods and end supports shall be installed in accordance with the measurements stated in this subsection. The length of a closet rod shall not be shorter than the actual distance between the end supports in an amount equal to or exceeding $\frac{1}{4}$ of an inch. The length of a shelf shall not be shorter than the actual distance between the supporting walls by an amount equal to or exceeding $\frac{1}{4}$ of an inch. End supports shall be securely mounted.

(S) PERFORMANCE STANDARDS FOR CABINET DOORS

(1) Performance Standards for Cabinet Doors:

- (a) Cabinet doors shall open and close with reasonable ease. Cabinet doors shall be even and shall not warp more than $\frac{1}{4}$ of an inch when measured from the face to the point of the furthestmost point of the door or drawer front when closed.
 - i. Some warping, cupping, bowing, or twisting is normally caused by surface temperature and humidity changes.

(T) PERFORMANCE STANDARDS FOR MIRRORS, INTERIOR GLASS AND SHOWER DOORS

(1) Performance Standards for Mirrors, Interior Glass, and Shower Doors:

- (a) A mirror, interior glass or shower door shall not be loose and shall be securely mounted or attached to the supporting surface. Fixtures such as towel bars or door handles shall be securely mounted.
- (b) A mirror, interior glass or shower door shall not be damaged due to construction activities.
- (c) A shower door shall not leak due to Builder or construction activities.
- (d) Imperfections in a mirror or shower door shall not be visible from a distance of two (2) feet or more when viewed in normal light.
- (e) When opening and closing, a shower door shall operate easily and smoothly without requiring excessive pressure.

(U) PERFORMANCE STANDARDS FOR HARDWARE AND IRONWORK

(1) Performance Standards for Hardware:

- (a) Hardware finishes shall not be tarnished, blemished, corroded, or stained due to construction activities, unless the finish is installed as a specialty feature.

- i. The Builder is not responsible for tarnished, blemished, or stained hardware finishes that have been damaged by factors that are beyond the manufacturer's or the Builder's control such as the homeowner's use of abrasive pads or cleaners, harsh chemicals, alcohol, organic solvents or deterioration caused by exposure to outdoor elements such as salt air or humidity.
- (b) Hardware shall function properly, without catching, binding, or requiring excessive force to operate.
- (c) Hardware shall not be scratched, chipped, cracked or dented due to construction activities.
- (d) Hardware shall be installed securely and shall not be loose.
 - i. The homeowner shall not exert excessive force on hardware.

(2) Performance Standards for Interior Ironwork:

- (a) Interior ironwork shall not rust.
 - i. The Builder is not responsible for ironwork finishes that rust due to factors that are beyond the manufacturer's or the Builder's control such as the homeowner's use of abrasive pads or cleaners, harsh chemicals, alcohol, organic solvents or deterioration caused by exposure to humidity.

(V) PERFORMANCE STANDARDS FOR COUNTERTOPS AND BACKSPLASHES

(1) Performance Standards for Countertops and Backsplashes Generally:

- (a) A countertop or backsplash shall be secured to substrate in accordance with manufacturer's specifications.
- (b) For non-laminate countertops and backsplashes, the joints between countertop surfaces, between the countertop surface and the backsplash or side-splash and between adjoining backsplash panels may be visible, but shall not separate.
- (c) Countertops shall be level to within 1/4 of an inch in any six (6) foot measurement.
- (d) A countertop surface or edge shall not be damaged, broken, chipped or cracked due to construction activities.
- (e) A countertop shall not bow or warp in an amount equal to or exceeding 1/16 of an inch per lineal foot.
- (f) Counter and vanity top material should not delaminate.

(2) Performance Standards for Laminate Countertops and Backsplashes:

- (a) Laminate countertops and backsplashes shall not delaminate and shall remain securely attached to the substrate. Delamination is the separation of the finish surface veneer from the substrate material.
- (b) A seam in a laminate countertop or backsplash may be visible but shall not be separated or displaced.
- (c) A surface imperfection in a laminate countertop or a backsplash shall not be visible from a distance of three (3) feet or more when viewed in normal light due to construction activities.

(W) PERFORMANCE STANDARDS FOR FIREPLACES

(1) Performance Standards for Fireplaces:

- (a) A refractory panel shall not crack or separate.
 - i. The homeowner shall not use synthetic logs or other materials if not approved by the manufacturer.
- (b) A fireplace door shall operate properly. Fireplace doors shall meet evenly and shall not be out of alignment from one another in an amount equal to or exceeding 1/8 of an inch in any direction.
- (c) A fireplace shall not have a gas leak.
- (d) Gas logs shall be positioned in accordance with the manufacturer's specifications.
 - i. The homeowner shall not incorrectly reposition or relocate the logs after the original placement. The homeowner shall not place the logs in a manner that does not allow the flame to flow through the logs according to the manufacturer's specifications.
- (e) A crack in masonry hearth or facing shall not be equal to or exceed 1/4 of an inch in width.
- (f) A fireplace or chimney shall draw properly.
- (g) A firebox shall not have excessive water infiltration under normal weather conditions.
- (h) A fireplace fan shall not exceed the noise level established by the manufacturer's specifications.

(X) PERFORMANCE STANDARDS FOR IRRIGATION SYSTEMS

(1) Performance Standards for Irrigation Systems:

- (a) An irrigation system shall not leak, break or clog due to construction activities or due to soil settlement.

- (b) An irrigation system shall be installed such that sprinkler coverage shall be complete and water shall not spray an unintended area due to construction activities.
- (c) The irrigation system control shall operate in accordance with manufacturer's specifications.
 - i. The Builder shall provide the homeowner with instructions on the operation of the irrigation system at closing.

(Y) PERFORMANCE STANDARDS FOR FENCING

(1) Performance Standards for Fencing:

- (a) A fence shall not fall over and shall not lean in excess of two (2) inches out of plumb due to construction activities.
- (b) A wood fence board shall not be broken due to construction activities. Wood fence board shall not become detached from the fence due to construction activities of the Builder.
- (c) A masonry unit or mortar in a fence shall not be broken or loose. A crack in a masonry unit shall not occur. A crack in the mortar shall not equal or exceed 1/8 of an inch in width.
- (d) A masonry wall shall have adequate weep holes in the lowest course as required by the Code to allow seepage to pass through the wall.

(Z) PERFORMANCE STANDARDS FOR YARD GRADING

(1) Performance Standards for Yard Grading:

- (a) Yards shall have grades, swales, and/or other measures that provide for proper drainage in accordance with the Code, governmental regulations, or otherwise in accordance with an applicable drainage and grading plan, if any, and or approved variations. The homeowner shall maintain the drainage pattern and protect the grading contours from erosion, blockage, over-saturation or any other changes. The possibility of standing water, not immediately adjacent to the foundation but in the yard, after prolonged or an unusually heavy rainfall event should be anticipated by the homeowner.
- (b) Settling or sinking of soil shall not interfere with the drainage patterns of the lot or have a vertical depth of six (6) inches or more.

(AA) PERFORMANCE STANDARDS FOR PEST CONTROL

(1) Performance Standards for Pest Control:

- (a) Eave returns, truss blocks, attic vents and roof vent openings shall not allow rodents, birds, and other similar pests into the Home or attic space.

**PERFORMANCE STANDARDS FOR ELECTRICAL, PLUMBING, AND MECHANICAL
DISTRIBUTION SYSTEMS UNDER THE TWO-YEAR DELIVERY PORTION OF SYSTEMS WARRANTY:**

This Section describes the Performance Standards for the various Delivery Portion of Systems in a Home as described. Unless otherwise stated under the various Performance Standards herein, if any such Performance Standard is not met, the Builder or GIC (as applicable) shall take such action as is necessary to bring the variance within the standard subject to the terms and conditions herein. The Builder or GIC (as applicable) will repair or replace those elements or components of a Home that do not meet these standards during the applicable warranty period.

(A) PERFORMANCE STANDARDS FOR ELECTRICAL DELIVERY SYSTEMS

(1) Performance Standards for Electrical Wiring:

Electrical wiring installed inside the home shall be installed in accordance with the Code and any other applicable electrical standards and shall function properly from the point of demarcation, as determined by the respective utility. The Builder shall not be responsible for utility improvements from the meter/demarcation point to the utility poles or the transformer.

Electrical wiring shall be capable of carrying the designated load as set forth in the Code. All electrical equipment shall be used for the purposes and/or capacities for which it was designed and in accordance with manufacturer's specifications.

(2) Performance Standards for the Electrical Panel, Breakers, and Fuses:

- (a) The electrical panel and breakers shall have sufficient capacity to provide electrical service to the home during normal residential usage. The Builder is not responsible for electrical service interruptions caused by external conditions such as power surges, circuit overloads and electrical shorts.
- (b) The electrical panel and breakers shall have sufficient capacity to provide electrical service to the home during normal residential usage such that a circuit breaker shall not trip and fuses shall not blow repeatedly under normal residential electric usage. The Builder is not responsible for circuit breaker trips or blown fuses that have functioned as designed to protect the home from external conditions such as power surges, circuit overloads and shorts.

(3) Performance Standards for Electric Outlets with Ground Fault Interrupters:

- (a) Electrical outlets with ground fault interrupters shall be installed and operate in accordance with the Code and manufacturer's specifications. If ground fault interrupters trip repeatedly under normal residential usage, the Builder shall take such action as is necessary to ensure that the electrical outlets with ground fault interrupters are installed in accordance with the Code and manufacturer's instructions and specifications and that they operate properly during normal residential electrical usage.

The homeowner shall not plug appliances that require constant electrical flow, such as refrigerators and freezers, into an outlet with a ground fault interrupter.

(4) Performance Standards for Fixtures, Outlets, Doorbells and Switches:

- (a) An outlet, doorbell or switch shall be installed in accordance with the manufacturer's specifications and the Code and shall operate properly when installed in accordance with the manufacturer's specifications and the Code.
- (b) A fixture, electrical box or trim plate shall be installed in accordance with the Code and manufacturer's specifications and shall be properly secured to the supporting surface.
- (c) A light shall not dim, flicker, or burn out repeatedly under normal circumstances. A lighting circuit shall meet the Code.

(5) Performance Standards for Wiring or Outlets for Cable Television, Telephone, Ethernet or Other Services:

- (a) Wiring or outlets for cable television, telephone, Ethernet, or other services shall be installed in accordance with the Code and any applicable manufacturer's specifications.
 - i. The Builder is not responsible for the failure of wiring or other utility service connectors or conduits that begin before the point at which the service enters the home.
- (b) Wiring or outlets for cable television, telephone, Ethernet, or other services inside the home or on the home side of the meter/demarcation point shall function properly when installed in accordance with the Performance Standards in this subsection.
 - i. The Builder is not responsible for the failure of wiring or other utility service connectors or conduits that begin before the point at which the service enters the home.

(B) PERFORMANCE STANDARDS FOR PLUMBING DELIVERY SYSTEMS

(1) Performance Standards for Pipes including Water and Gas Pipes, Sewer and Drain Lines, Fittings and Valves (but not including pipes included in a Landscape Irrigation System):

- (a) Pipes shall be installed and insulated in accordance with the Code and manufacturer's specifications.
 - i. If a water pipe bursts, the Builder shall take such action as is necessary to bring the variance within the standard stated in this subsection.
 - ii. The homeowner is responsible for insulating and protecting exterior pipes and hose bibs from freezing weather and for maintaining a reasonable temperature in the home during periods of extremely cold weather. The homeowner is responsible for maintaining a reasonable internal temperature in a home regardless of whether the home is occupied or unoccupied and for periodically checking to ensure that a reasonable internal temperature is maintained.
 - iii. A water pipe shall not leak.
 - iv. The homeowner shall shut off water supply immediately if such is required to prevent further damage to the home.
- (b) A gas pipe shall not leak, including natural gas, propane, or butane gas.
 - i. If a gas pipe is leaking, the homeowner shall shut off the source of the gas if the homeowner can do so safely.
- (c) Water pressure shall not exceed 80 pounds per square inch in any part of the water supply system located inside the home. Minimum static pressure at the building entrance for either public or private water service shall be 40 pounds per square inch in any part of the water supply system.
 - i. This standard assumes the public or community water supply reaches the home side of the meter at 40 pounds per square inch. The Builder is not responsible for water pressure variations originating from the water supply source.
- (d) A sewer, drain, or waste pipe shall not become clogged or stopped up due to construction activities.
 - i. The Builder shall take such action as is necessary to unclog a sewer, drain or waste pipe that is clogged or stopped up due to construction activities.
 - ii. The homeowner shall shut off water supply immediately if such is required to prevent damage to the home.
- (e) Coverage under this subsection (B)(1) is limited to repair or replacement of the pipe itself. The coverage includes repair or replace of any surface necessarily damaged in accessing the pipe.

- (f) Coverage does not include repair or replacement of any non-load bearing portions, items, systems, surfaces, finishes, or coverings damaged or affected by a Warranted Defect covered under this subsection (B)(1).
- (g) Any Major Structural Defect resulting, arising, or in any way stemming from an element that fails to meet this performance standard is excluded from warranty coverage as set forth in Section 7 of this Warranty.

(2) Performance Standards for Individual Wastewater Treatment Systems.

- (a) A wastewater treatment system should be capable of properly handling normal flow of household effluent in accordance with the Texas Commission on Environmental Quality requirements. The Builder shall take such action as is necessary for the wastewater treatment system to perform within the standard stated in this subsection.
- (b) The Builder is not responsible for:
 - i. A system malfunctions or is damaged due to the addition of a fixture, equipment, appliance or other source of waste or water into the septic system by a person other than the Builder or a person working at the Builder's direction; or
 - ii. Malfunctions or limitations in the operation of the system attributed to a design restriction imposed by state, county, or local governing agencies; or
 - iii. Malfunctions caused by freezing, soil saturation, soil conditions, changes in ground water table or any other acts of nature.

(C) PERFORMANCE STANDARDS FOR HEATING, AIR CONDITIONING AND VENTILATION DELIVERY SYSTEMS

Please note that the party responsible for the costs of parts and/or labor may depend on the Manufacturer's product agreement.

(1) Performance Standards for Air Conditioning:

- (a) A refrigerant line shall not leak.
 - i. Condensation on a refrigerant line is not a leak.

(2) Performance Standards for Heating and Cooling Functions:

- (a) A heating system shall produce an inside temperature of at least 68-degrees Fahrenheit as measured two (2) feet from the outside wall of a room at a height of three (3) feet above the floor under local outdoor winter design conditions as specified in the Code.
 - i. Temperatures may vary up to 4-degrees Fahrenheit between rooms but no less than the standard set forth in this subsection. The homeowner's changes made to the size or configuration of the home, the heating system or the ductwork shall negate the Builder's responsibility to take measures to meet this Performance Standard.
- (b) An air-conditioner system shall produce an inside temperature of at most 78-degrees Fahrenheit as measured in the center of a room at height of five (5) feet above the floor, under local outdoor summer design conditions as specified in the Code (In the case of outside temperatures exceeding 98 degrees Fahrenheit, the system shall keep the inside temperature 20 degrees cooler than the outside temperature.)
 - i. This standard does not apply to evaporative or other alternative cooling systems or if the homeowner makes changes to the size or configuration of the home, the air-conditioning system, or the ductwork. Internal temperatures may vary up to 4-degrees Fahrenheit between rooms but no more than the standard set forth in this subsection. If the homeowner modifies or changes the size or configuration of the system or the square footage associated with the property or dwelling, the cooling system or the ductwork, it shall negate the Builder's responsibility to take measures to meet this performance standard.
- (c) A thermostat reading shall not differ by more than 4-degrees Fahrenheit from the actual room temperature taken at a height of five (5) feet above the floor in the center of the room where the thermostat is located. The stated Performance Standard is related to the accuracy of the thermostat and not to the Performance Standard of the room temperature.
- (d) Heating and cooling equipment shall be installed and secured according to the manufacturer's instructions and specifications and shall not move excessively.

(3) Performance Standards for Vents, Grills or Registers:

- (a) A vent, grill or register shall operate easily and smoothly when applying normal operating pressure. If a vent, grill or register does not operate easily and smoothly when applying normal pressure when adjusting, the Builder shall repair the vent, grill or register so that it operates with ease of use when applying normal operating pressure.
- (b) A vent, grill or register shall be installed in accordance with the Code and manufacturer's instructions and specifications and shall be secured to the underlying surface.

(4) Performance Standards for Ductwork:

- (a) Ductwork shall be insulated in unconditioned areas according to Code.
- (b) Ductwork shall be secured according to the manufacturer's instructions and specifications and it shall not move excessively.
- (c) Ductwork shall be sealed and shall not separate or leak in excess of the standards set by the Code.

**PERFORMANCE STANDARDS FOR MAJOR STRUCTURAL COMPONENTS
UNDER THE 10-YEAR STRUCTURAL DEFECT WARRANTY**

This Section describes the Performance Standards for the various Structural Components of a Home as described in Section 12. Subject to the applicable exclusions, GIC will repair or replace those elements or components of a Home that do not meet these standards during the applicable warranty period.

(A) PERFORMANCE STANDARDS FOR SLAB-ON-GROUND FOUNDATIONS

- (1) Slab-on-ground 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 actual post-construction movement. The protocol and standards for evaluating slab-on-ground foundations shall follow the ASCE Guidelines with the following modifications:
 - (a) Overall deflection from original construction 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, and 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, but the minimum L shall be not less than 25 feet. 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 foundation surface from the reference line. The distance from the deformed surface to the reference line shall be measured perpendicular to the reference line.
 - (b) The slab shall not tilt after construction in excess of one (1) percent across any edge-to-edge 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 the respective edge for which an Original Construction Elevation was taken.
- (2) If measurements and associated symptoms of distress show that a slab foundation does not meet the deflection or tilt standards stated in this subsection, the recommendations of a Texas licensed Professional Engineer shall be implemented, which shall be based on the appropriate 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 responsibility for correction or otherwise. By definition, tilt is a global mechanism of planar rotation across the entire foundation, edge-to-edge; therefore, local tilt does not exist and cannot be analyzed.

(B) PERFORMANCE STANDARDS FOR RAISED-FLOOR FOUNDATIONS (I.E. PIER-AND-BEAM, ELEVATED CONCRETE SLABS ON FORMS, ETC.).

- (1) 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:
 - (a) 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.
 - (b) A raised-floor foundation shall not tilt after construction in excess of one percent across any edge-to-edge dimension of the Improvements 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.
 - (c) 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 recommendations of a Texas licensed Professional Engineer shall be implemented, which shall be based on applicable remedial measures as described in Section 7 of the ASCE Guidelines.

- (2) If measurements and associated symptoms of distress show that a raised floor foundation does not meet the deflection or tilt standards stated in paragraph (1) of this subsection, recommendations of a Texas licensed professional engineer shall be implemented, which shall be based on the appropriate remedial measures as described in Section 7 of the ASCE Guidelines. Localized measurements of defection that are claimed to be outside of performance standards, Code or tolerances are not warranted and there is no 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 responsibility for correction or otherwise.

(C) MAJOR STRUCTURAL COMPONENTS OTHER THAN SLAB-ON-GROUND FOUNDATIONS AND RAISED FLOOR FOUNDATIONS

- (1) A defined structural component, other than the concrete elements of a slab-on-ground foundation or a raised floor foundation, shall not crack, bow, become distorted or deteriorate, such that it compromises the structural integrity of the Home or the performance of a structural system of the Home resulting in actual observable physical damage to a component of the Home.
- (2) If a structural component of the Home, other than the concrete elements of a slab-on-ground foundation or a raised floor foundation, cracks, bows, is distorted or deteriorates such that it results in actual observable physical damage to a component of the Home, such action shall be taken 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.
- (3) Deflected structural components.
- (a) A structural component, other than the foundation, shall not deflect more than the ratios allowed by The Code.
 - (b) If a structural component of the home, other than the foundation, is deflected more than the ratios allowed by the Code, then such action shall be to repair, reinforce or replace such structural component to restore the structural integrity of the home or the performance of the affected structural system.
- (4) Damaged structural components.
- (a) A structural component, other than the foundation, shall not be so damaged that it compromises the structural integrity or performance of the affected structural system.
 - (b) If a structural component, other than the foundation, is so damaged that it compromises the structural integrity or performance of a structural system of the Home, such action shall be taken 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.
- (5) Separated structural components.
- (a) A structural component, other than the foundation, 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.
 - (b) If a structural component, other than the foundation, 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 such action shall be taken as necessary to repair, reinforce or replace such structural component to re-establish 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.
- (6) Non-performing structural components:
- (a) A structural component, other than the foundation, shall function as required by the Code.

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WARRANTY PROTECTION FOR HOMEBUYERS



StrucSure Home Warranty provides third-party, insurance-backed new-home warranties to builders across the United States. Those builders then include our warranty protection on the homes they sell to reinforce their commitment to quality and service, build buyer confidence, and offer peace-of-mind to homeowners. Like many types of insurance, the hope is you will never need it, but if a problem emerges, you'll be glad you're covered.

1, 2, & 10-YEAR WARRANTY

This multi-part warranty program includes the following components:

- The **one-year warranty** provides surety coverage and backs the builder's warranty on **defects in workmanship and materials**. Covered components of a home that do not meet established Performance Standards during the first year will be repaired, replaced, or paid for under our warranty in the event the builder is unwilling or unable to do so.
- The **two-year warranty** provides surety coverage and backs the builder's warranty on **defects in the wiring, piping, and ductwork in the electrical, plumbing, heating, cooling, ventilating, and mechanical systems**. Covered components of a home that do not meet the established Performance Standards during the first two years will be repaired, replaced, or paid for under our warranty in the event the builder is unwilling or unable to do so.
- The **10-year structural warranty** provides direct coverage from the day of closing for **major structural defects**. If a major structural defect occurs within the 10-year warranty term, it will be repaired, replaced, or paid for by StrucSure Home Warranty.

COMPONENTS COVERED UNDER THE ONE-YEAR WORKMANSHIP & MATERIALS WARRANTY*

1. Site work
2. Concrete
3. Masonry
4. Carpentry
5. Doors & windows
6. Siding & roofing
7. Finishes
8. Specialties (e.g., fireplaces)
9. Equipment (e.g., cabinets)
10. Mechanical systems (e.g., plumbing)
11. Heating, air conditioning, & ductwork
12. Electrical systems



COMPONENTS COVERED UNDER THE TWO-YEAR WIRING, PIPING, AND DUCTWORK WARRANTY*

1. Water supply system
2. Septic tank system
3. Plumbing
4. Electrical
5. Heating
6. Air conditioning

*Please reference your Warranty Coverage Booklet for specific terms, conditions, and exclusions.



WARRANTY PROTECTION FOR HOMEBUYERS



STRUCSURE
HOME WARRANTY

10-YEAR WARRANTY

StrucSure's 10-year structural home warranty provides coverage for the following home components:

1. Load-bearing foundation systems, footings, and piers
2. Load-bearing floor framing systems
3. Load-bearing walls and partitions
4. Load-bearing roof framing systems
5. Load-bearing beams
6. Load-bearing headers
7. Load-bearing girders
8. Load-bearing lintels (other than those supporting veneers)
9. Load-bearing columns (other than those designed to be cosmetic)
10. Load-bearing masonry arches (other than those designed to be cosmetic)

Please reference your
Warranty Coverage
Booklet for specific terms,
conditions, and exclusions.



StrucSure Home Warranty is a member of

STRUCSURE
RISK MANAGEMENT GROUP

At StrucSure Home Warranty, our goal is to support the American dream of home ownership, promote healthy builder/buyer relationships, and provide a worry-free experience for homeowners. Enjoy the benefits of warranty coverage by purchasing a home backed by a new-home warranty from StrucSure and sleep better at night knowing you're covered by one of the industry's leading warranty providers.



STRUCSURE
HOME WARRANTY

**CONTACT YOUR BUILDER OR STRUCSURE
TO LEARN MORE ABOUT THE BENEFITS
OF WARRANTY COVERAGE.**

1.877.806.8777 | www.strucsure.com



NAHB

StrucSure Home Warranty is a proud member of the National Association of Home Builders



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STRUCSURE

HOME WARRANTY

6825 E. Tennessee Ave., Suite #410 • Denver, CO 80224

Ph: 1.877.806.8777 • Fax: 303.806.9897 | E-Mail: claims@strucsure.com | www.strucsure.com

MAJOR STRUCTURAL DEFECT WARRANTY CLAIM FORM

Fill out this form completely, sign it and attach complete written details of the alleged defect(s) that form the basis of your claim. Be specific and include copies of any documents, pictures and any information you provided to your builder.

Mail OR E-mail to StrucSure at the address above. Keep a copy of all papers for your file.

BUILDER NAME: _____ CERTIFICATE NUMBER: _____

HOMEOWNER NAME: _____

ADDRESS: _____ CITY: _____

SUBDIVISION: _____ STATE: _____ ZIP: _____

HOME PHONE: _____ WORK PHONE: _____ CELL PHONE: _____

E-MAIL ADDRESS: _____

CLAIM INFORMATION

1. DATE YOU FIRST NOTICED THE ALLEGED STRUCTURAL DEFECT: _____

2. HAVE YOU READ THE WARRANTY BOOK ON HOW TO MAKE A STRUCTURAL CLAIM? YES _____ NO _____

3. DO YOU THINK THE ALLEGED DEFECT RENDERS THE HOUSE UNLIVABLE? YES _____ NO _____

4. HAVE YOU OBTAINED AN ENGINEER'S EVALUATION AND/OR HAVE PICTURES REGARDING THE ALLEGED STRUCTURAL DEFECT(S)? YES _____ NO _____

IF YES, ATTACH THE EVALUATION AND/OR PICTURES.

5. HAVE YOU INSTALLED AND/OR PUT IN PLACE ANY NEW IMPROVEMENTS TO THE HOME THAT MAY PROHIBIT OR INHIBIT THE REPAIRS TO THE ALLEGED STRUCTURAL DEFECT(S)? YES _____ NO _____

IF YES, ATTACH DETAILS.

6. HAVE ANY PREVIOUS REPAIRS BEEN PERFORMED BY YOU OR SOMEONE UNDER YOUR DIRECTION? YES _____ NO _____

IF YES, ATTACH COMPLETE DETAILS AND DESCRIBE THE NATURE OF THE REPAIRS AND WHO MADE THEM.

SUBMITTED BY: _____ DATE: _____
PRINT NAME

SIGNATURE: _____

REMINDER: ATTACH INFORMATION DETAILING ALLEGED DEFECT(S). Please note that the total claim and repair process may take 60 days to complete. If necessary, we may contact you for more information.

A person who knowingly submits a fraudulent claim is guilty of a crime.



STRUCSURE
HOME WARRANTY

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Ph: 1.877.806.8777 • Fax: 303.806.9897 | E-Mail: claims@strucsure.com | www.strucsure.com

WORKMANSHIP, MATERIALS OR SYSTEMS WARRANTY SERVICE REQUEST AND CLAIM FORM

Before completing this form, you must report the alleged defect(s) to your builder first and provide them a reasonable opportunity to address the issue(s). If unsuccessful, fill out this form completely, sign it and attach complete written details of the defect(s) that form the basis of your claim. Be specific and include copies of any documents, pictures and any information you provided to your builder.

Mail OR E-mail to StrucSure at the address above. Keep a copy of all papers for your file.

BUILDER NAME: _____ CERTIFICATE NUMBER: _____

HOMEOWNER NAME: _____

ADDRESS: _____ CITY: _____

SUBDIVISION: _____ STATE: _____ ZIP: _____

HOME PHONE: _____ WORK PHONE: _____ CELL PHONE: _____

E-MAIL ADDRESS: _____

CLAIM INFORMATION

1. DATE YOU FIRST NOTICED THE ALLEGED DEFECT(S): _____

2. DATE YOU REPORTED THE ALLEGED DEFECT(S) TO THE BUILDER: _____

3. HAS THE BUILDER ATTEMPTED TO CORRECT THE DEFECT(S)? YES ____ NO ____

IF YES, HOW MANY PREVIOUS ATTEMPTS HAS THE BUILDER MADE? _____

4. HAVE YOU REVIEWED THE WARRANTY COVERAGE PROVISIONS? YES ____ NO ____

ADDITIONAL COMMENTS (optional): _____

SUBMITTED BY: _____ DATE: _____

PRINT NAME

SIGNATURE: _____

REMINDER: ATTACH INFORMATION DETAILING ALLEGED DEFECT(S). Please note that the total claim and repair process may take 60 days to complete. If necessary, we may contact you for more information.

A person who knowingly submits a fraudulent claim is guilty of a crime.



STRUCSURE

H O M E W A R R A N T Y

SAMPLE

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