

ONE-YEAR HOME WARRANTY

For the purpose of this Agreement, the following terms shall have the meaning set forth herein:

SECTION A. DEFINITIONS AND EXCLUSIONS

1. DEFINITIONS

- a. **Effective Date of Warranty:** The date specified on the signed walk-through and work order, or closing date whichever is sooner.
- b. **Major Structural Defects (MSD):** All of the following conditions must be met to constitute a Major Structural Defect:
 - (1) Actual physical damage to one or more of the following specified load bearing segments of the home:
 - (2) Causing the failure of the specific major structural components; and
 - (3) Which affects its load-bearing function to the degree that it materially affects the physical safety of the occupants of the home:

Load-bearing components of the home deemed to have MSD potential:

- (i) roof framing members (rafters and trusses);
- (ii) floor framing members (joists and trusses);
- (iii) bearing walls;
- (iv) columns;
- (v) lintels (other than lintels supporting veneers);
- (vi) girders;
- (vii) load-bearing beams; and
- (viii) foundation systems and footings.

Examples of non-load-bearing elements which will be deemed not to have Major Structural Defect potential are:

- (i) non-load-bearing partitions and walls;
- (ii) wall tile or paper, etc;
- (iii) plaster, laths, or dry wall;
- (iv) flooring and subflooring material;
- (v) brick, stucco, stone, or veneer;
- (vi) any type of exterior siding;
- (vii) roof shingles, sheathing, and tar paper;
- (viii) heating, cooling, ventilating, plumbing, electrical, and mechanical systems;
- (ix) appliances, fixtures, or items of equipment; and
- (x) doors, trim, cabinets, hardware, insulation, paint, and stains.

- c. **Cooling, Ventilating and Heating Systems:** All ductwork, refrigerant lines, steam and water pipes, registers, convectors, and damper.
- d. **Plumbing Systems:** All pipes (supply and waste) and their fittings, as well as gas supply lines and vent pipes located within the home.
- e. **Electrical Systems:** All wiring, electrical boxes, and connections, up to the public utility connection.
- f. **Warrantor; B.R.C.,** the builder for one year only beginning at the earlier of walk through or closing which ever is sooner.
- g. **Builder Exclusions:**

THE FOLLOWING ARE NOT COVERED BY THE BUILDER:

- a. Failure of the Builder to complete construction of the home or any part of the home on or before the effective date or damages arising from such failure. An uncompleted item is not considered a defect hereunder, although the Builder is otherwise obligated to complete such items.
- b. Any defect which does not result in actual physical damage or loss.
- c. All consequential damages including, but not limited to, damage to the home that is caused by a covered defect but is not itself a covered defect and costs of shelter, transportation, food, moving, storage, or other incidental expenses related to relocation during repairs.
- d. Personal property damage or bodily injury.
- e. Any claim reported to Brookside Farms Construction LLC after an unreasonable delay or later than thirty days after the expiration of the applicable warranty period.
- f. Loss or damage caused to the home, persons or property directly or indirectly by insects, bird, vermin, rodents, or wild or domestic animals.
- g. Any loss or defect which arises while the home is used primarily for nonresidential purposes.
- h. Loss or damage caused by soil movement, including subsidence, expansion or lateral movement of the soil (excluding flood & earthquake) which is covered by any other insurance or for which compensation is granted by legislation.
- i. Normal deterioration or normal wear and tear.
- j. Any deficiencies in or damage caused by material or work supplied by anyone other than the Builder or its employees, agents, or subcontractors.
- k. Damages or losses not caused by a defect in construction of the home by the Builder or its employees, agents, or subcontractors, but resulting instead from acts or omissions of the purchaser, his agents, employees, licensees, invitees, accidents, riots, civil commotion, nuclear hazards, acts of God or nature, fire, explosion, blasting, smoke, water escape, windstorms, hail, lightning, falling trees, aircraft, vehicles, flood, mud slides, sinkholes, faults, crevices, earthquake, including gland shock waves or tremors before, during or after a volcanic eruption.
- l. Loss or damage resulting from Purchase's failure to perform routine maintenance.
- m. Loss or damage resulting from the purchaser's failure to minimize or prevent such loss or damage in a timely manner provided that Purchaser knew or reasonably should have know, that such damage or loss might occur or worsen.
- n. Loss or damage to resulting from defects in outbuildings including, (a fence, utility line or similar union shall not cause an outbuilding to be considered attached), site located swimming pools and other recreational facilities; driveways; walkways; patios not structurally attached; boundary and retaining walls, bulkheads; fences; landscaping (including sodding, seeding, shrubs, trees and plantings) French drains; off-site improvements; or any other improvements not a part of the home itself.
- o. Loss or damage resulting from, or made worse by, changes in the grading of the property surrounding the home by anyone except the Builder or its employees, agents or subcontractors, or changes in the grading or drainage resulting form erosion or subsidence.
- p. Loss or damage resulting from, or made worse by, modifications or additions to the home, or property under or around the home, made after commencement of the term of this Agreement (other than changes made in order to meet the obligations of this Agreement).
- q. Loss or damage resulting from, or made worse by dampness, condensation or heat build-up caused by the failure of the purchaser to maintain proper ventilation.

- r. Any defect, damage or loss which is caused or made worse by failure of the purchaser to notify the Builder of any defect within a reasonable period of time.
- s. Any defect, damage, or loss which is caused or made worse by failure by anyone other than the Builder or its agents, employees, or subcontractors to comply with the manufacturers, warranty requirements concerning appliances, fixtures or items of equipment.
- t. Loss or damage resulting from, or made worse by, negligent maintenance or operation of the home and its systems by anyone other than the Builder or its employees, agents, or subcontractors.
- u. Follow the first year of this Agreement, any deficiencies in fixture, appliances, and items of equipment whether or not components of the cooling, ventilation, heating, electrical, plumbing, or in-house sprinkler systems will be under warranty by the Builder for one year only, or the manufacturer's written warranty period, whichever is less. Damage caused by improper maintenance or operation, negligence, or improper service of such systems by the Purchase or its agents will not be covered by this Agreement.
- v. Loss or damage resulting from a condition not resulting in actual physical damage to the home, including uninhabitability or health risk due to the presence or consequences of insects, unacceptable levels of radon, formaldehyde, carcinogenic substances, or other pollutants and contaminants; or the presence of hazardous or toxic materials.
- w. Loss or damage caused directly or indirectly by flood, surface water, waves, tidal water, overflow of a body of water, or spray from any of these, (whether or not driven by wind), water which backs up from sewers, or drains, changes in the water table which were no reasonably foreseeable, or water below the surface of the ground (including water which exerts pressure on or seeps or leaks through a building, sidewalk, driveway, foundation, swimming pool, or other structure) wetlands, springs or aquifers.
- x. Violations of applicable building codes or ordinances unless such violation results in a defect which is other wise covered under this agreement. Under such circumstances, the obligation of **B.R.C.** under this agreement shall only be to repair the defect, but not to restore or bring the home to conform to code.
- y. Any loss or damage resulting from the weight and/or performance of any type of water bed or any other furnishings excessive in weight for which the home was not designed.
- z. Any loss, damage, or disruption caused by the transfer of the management of the H.O.A.

SECTION B. WARRANTY STANDARDS

1. PURPOSE OF THE STANDARDS

This section establishes the standards by which it will be determined whether your home has a problem which is covered by this Agreement and the obligation of the Builder to correct those defects. Where specific standards and obligations are not set forth, the standard shall be the accepted industry practice for workmanship and materials.

2. ADDITIONAL CONDITIONS: PURCHASER'S RESPONSIBILITY

The applicability of warranty coverage is conditioned upon the purchaser's proper maintenance of the home, common elements, and surrounding property to prevent damage due to neglect, abnormal use or improper maintenance.

3. STANDARDS APPLICABLE DURING ONE YEAR WARRANTY PERIOD

Major Structural Defects (MSD)

All of the following conditions must be met to constitute a Major Structural Defect:

- a. actual physical damage to one or more of the following specified load-bearing segments of the home:
 - b. causing the failure of the specific major structural components: and

- c. which affects its load-bearing function to the degree that it materially affects the physical safety of the occupants of the home.

Load-bearing components of the home deemed to have MSD potential

- (1) Roof framing members (rafters and trusses)
- (2) Floor framing members (joints and trusses)
- (3) Bearing walls
- (4) Columns;
- (5) Lintels (other than lintels supporting veneers);
- (6) Girders;
- (7) load-bearing beams; and
- (8) foundation systems and footings.

Examples of non-load-bearing elements deemed not to have Major Structural Defect potential;

- (1) non-load-bearing partitions and walls:
- (2) Wall tile or paper, etc.
- (3) plaster, laths or drywall;
- (4) Flooring and subflooring materials
- (5) Brick, stucco, stone or veneer;
- (6) Any type of exterior siding;
- (7) Roof shingles, sheathing* and tar paper
- (8) Heating, cooling, ventilating, plumbing, electrical and mechanical systems;
- (9) Appliances, fixtures or items of equipment; and
- (10) Doors, trim, cabinets, hardware, insulation, paint and stains

Owner

See Purchaser

Plumbing Systems

All pipes located within the Home and their fittings, including gas supply lines and vent pipes.

Purchaser

You. The Purchaser includes the first buyer of the warranted Home and any and all subsequent owners who Take title within the warranty period.

Residence

See Home.

Sewage Disposal System

This system includes, but is not limited to, all waste, drainage, sewer pipes and lines, cleanouts, tanks, pumps, drainfields and seepage pits, outside and beyond the exterior wall of the Home.

Structurally Attached

An integral part of the Home being structurally supported by footings, block walls or reinforced concrete and connected to the foundation of the Home.

Water Supply System

This system includes, but is not limited to, all supply and distribution pipes, fittings, valves, pumps and wells, outside the exterior wall of the Home, which supply water to the Home.

Introduction to the Limited Warranty

- (1) This book provides specific details, conditions and limitations of the Limited Warranty including procedures for requesting warranty performance and for binding arbitrations, in accordance with the procedures of the Federal Arbitration Act. Read this document in its entirety to understand the protection it affords, the exclusions applicable to it, the Warranty Standards which determine its interpretations and operation and your responsibilities.
- (2) This is NOT an insurance policy, a maintenance agreement or a service contract. It is an explanation of what you, the Purchaser, can expect from this Limited Warranty,
- (3) Appliances and Equipment included in the Home are not warranted under this Limited Warranty, but may be covered by separate warranties provided by the manufacturer or supplier. These warranties are passed on to you by your Builder at closing and are separate from this Limited Warranty.
- (4) You are responsible for maintenance of your new Home. General and preventative maintenance are required to prolong the life of your new Home.
- (5) **This Limited Warranty is automatically transferred to subsequent Owners during the one year term of this Limited Warranty.**

The Limited Warranty

- (1) Actions taken to cure Defects will NOT extend the periods of specified coverage's in this Limited Warranty.
- (2) Only warranted elements which are specifically designed in the Warranty Standards are covered by this Limited Warranty.
- (3) Warrantor has the choice to repair, replace or pay the reasonable cost to repair or replace warranted items which do not meet Warranty Standards and are not excluded in the Limited Warranty.
- (4) If a warranted MSD occurs during the appropriate coverage period, and is reported as required in Section IV, the Warrantor will repair, replace or pay you the reasonable cost to repair or replace the warranted MSD, limited to actions necessary to restore the MSD to its load-bearing Capacity.

Warranty Coverage

- (1) **ONE YEAR COVERAGE:** Your Builder warrants that for a period of one year after the Effective Date of Warranty, warranted items will function and operate as presented in the Warranty Standards of Year 1. Coverage is ONLY available where specific Standards and Actions are represented in this Limited Warranty.*
- (2) Examples of common elements which are not covered under this Limited Warranty are club houses, recreational buildings and facilities, exterior structures, exterior walkways, decks, balconies, arches or any other non-residential structure which is part of the condominium.

Conditions*

- (1) This Limited warranty provides coverage only in excess of coverage provided by other warranties or insurance, whether collectible or not.
- (2) This Limited warranty is binding on the Builder and you and your heirs, executors, administrators, successors and assigns.
- (3) This Limited warranty is separate and apart from your contract and/or other sales agreement which you may have.
- (4) This Limited Warranty cannot be modified, altered or amended in any way except by a formal written instrument signed by you, **Brookside Farms Construction LLC**
- (5) If any provision of this Limited Warranty is determined by a court of competent jurisdiction to be unenforceable, that determination will not affect the validity of the remaining provisions.
- (6) All notices required under this Limited Warranty must be in writing and sent by certified mail, postage prepaid, to the recipient's address shown on the Application for Warranty form, or to whatever address the recipient may designate in writing.
- (7) If actions by the Warrantor on any obligations under this Limited Warranty are delayed by an event beyond its control, such performance will be excused until the delaying effects of the event are remedied. Such events include, but are not limited to, acts of God, acts of the common enemy, war, riot, civil commotion or sovereign conduct, or acts or omissions by you or any other persona not a party of this Limited Warranty.
- (8) If **Brookside Farms Construction LLC** fails to complete any part of the Home that is reasonably foreseeable to cause structural damage to the Home, then it is your responsibility to complete such parts of the Home to avoid the structural damage. If you fail to complete the work, then any resulting structural damage is not covered under this Limited Warranty.
- (9) Costs incurred for unauthorized repairs to warranted items are not reimbursable. Written authorization prior to incurring expenses must be obtained from the builder.
- (10) Whenever appropriate, the use of one gender includes all genders and the use of the singular includes the plural.
- (11) Under this Limited Warranty, the Warrantor is not responsible for exact color, texture or finish matches in situations where materials are replaced or repaired, or for areas repainted or when original materials are discounted.
- (12) You are responsible for establishing a written, final walk-through inspection list of items in need of service prior to occupancy or closing, whichever is first. This list must be signed and dated by you and your Builder. Keep a copy for your records.

Exclusions

The following are NOT covered under this Limited Warranty:

- (1) Loss or Damage:
 - a. To land
 - b. To the Home, persons or property directly or indirectly caused by insects, birds, vermin, rodents or wild or domestic animals.
 - c. Which arises while the Home is used primarily for non-residential purposes.
 - d. Caused by soil movement, including subsidence, expansion or lateral movement of the soil which is covered by any other insurance or for which compensation is granted by legislation.*

- e. From normal deterioration or wear and tear.
 - f. Caused by material or work supplied by anyone other than your Builder or its employees, agents or subcontractors, including the items listed as additional exclusions on the Application for Warranty form.
 - g. After Year 1, to, resulting from, or made worse by all components of structurally attached decks, balconies, patios, porches, roofs and porticos.
 - h. After Year 1, to resulting from, or made worse by elements of the house which are constructed separate of the Home which are constructed separate from foundation walls or other structural elements of the Home such as, but not limited to, chimneys and concrete floors of basements and attached garages.
 - i. To wiring, to and between communication devices from the source of power, whether or not connected to the interior wiring system of the Home. Such devices shall include, but not be limited to, telephone systems, television cable systems, intercom systems, computer systems and security systems. Sources of power shall include, but not be limited to, service entrance conductors, switches, outlets, receptacles and junction boxes.
- (2) Loss or damage resulting from, or made worse by:
- a. Changes in the grading of the property surrounding the Home by anyone except your Builder or its employees, agents or subcontractors.
 - b. Changes in grading caused by erosion.
 - c. Modifications or additions to the Home, or property under or around the Home, made after the Effective Date of Warranty (other than changes made in order to meet the obligations of this Limited Warranty).
 - d. Intrusion of water into crawl spaces.
 - e. The presence of consequence of unacceptable levels of radon, formaldehyde, carcinogenic substances or other pollutants and contaminants; or the presence of hazardous or toxic materials resulting in uninhabitability or health risk within the Home.
 - f. Acts or omissions by you, your agents, employees, licensees, invitees; accidents, riots, civil commotion, nuclear hazards, acts of God or nature, fire, explosion, blasting, smoke, water escape, windstorms, hail, lightning, ice, snow, falling trees, aircraft, vehicles, flood, mudslides, sinkholes, mine subsidence, faults, crevices, earthquake, land shock waves or tremors occurring before, during or after a volcanic eruption.
 - g. Your failure to perform routine maintenance.
 - h. Your failure to minimize or prevent such loss or damage in a timely manner.