



Centricity

PO Box 33025, St. Petersburg, Florida 33733 Phone: 800-749-0381 Facsimile 941-743-0534

HOMEOWNER(S) WARRANTY ACKNOWLEDGMENT FORM

This form should be filled out by the Builder and be signed by the Homeowner(s) at the time of contract.

This is not an Application and cannot be used to enroll the home.

BUILDER NAME: Ron Davis Custom Homes

BUILDER NUMBER: 08288

NEW HOME TO BE ENROLLED

1. HOMEOWNER LAST NAME:	<u>Long</u>	FIRST NAME:	<u>Thomas</u>
2. CO-OWNER LAST NAME:	<u>Long</u>	FIRST NAME:	<u>Margaret</u>
3. NEW HOME ADDRESS:	<u>12310 Harvest Meadow Drive</u>	<u>Frisco</u>	<u>TX 75033</u>
	<small>Street Address</small>	<small>City</small>	<small>State Zip Code</small>
4. LOCATION:	<u>10</u>	<u>C</u>	
	<small>Unit # Lot</small>	<small>Block</small>	<small>Model</small>
5. SUBDIVISION:	<u>Newman Village Phase 5</u>	6. COUNTY:	<u>Denton</u>
		7. EST. CLOSING DATE:	<u>See Builder</u>

CURRENT MAILING ADDRESS

8. HOMEOWNER(S) CURRENT MAILING ADDRESS:	<u>[REDACTED]</u>		
	<small>Street Address</small>	<small>City</small>	<small>State Zip Code</small>
9. CURRENT PHONE #:	<u>[REDACTED]</u>		

WARRANTY SELECTION

10. WARRANTY COVERS:	<u>1 Year</u>	Workmanship & Materials	
	<u>2 Year</u>	Electrical, Plumbing & Mechanical Systems	
	<u>10 Year</u>	Structural	
			BB-W8020TX

HOMEOWNER(S) ACKNOWLEDGMENT

I/We acknowledge having the opportunity, either at the time of the execution of this document, at the time of contract with my/our Builder, and/or during the construction of the home, to review the terms and conditions of the Centricity Express Limited Warranty Document available to me through the Builder or Centricity*. If, for any reason, I/we have not received or have not had an opportunity to review a copy of the Warranty Document, I/we must obtain a copy of it by requesting the Warranty Document in writing from Centricity*. Should I/we choose not to obtain a copy of same from Centricity, or choose not to review the Warranty Document at the times listed above, I/we hereby waive the right to later assert any inapplicability of the terms and conditions of the Warranty Document.

I/We also acknowledge that, if my/our home is enrolled in the Centricity Program that I/we hereby accept the terms and conditions contained therein in their entirety including but not limited to the alternative dispute resolution processes, including but not limited to binding arbitration, contained therein. By accepting this warranty, I/we are agreeing to waive my/our right to a trial by either judge or jury in a court of law. I/We further agree that any claims to be filed under the Warranty Document will not be filed as a class action lawsuit or be subject to any class action litigation. Centricity and I/we acknowledge that class action treatment of a claim under the Warranty Document is strictly prohibited. (Binding nature of the arbitration not applicable in Florida.)

I/We understand that if and when the new home warranty is issued, it is an Express Limited Warranty, not an insurance policy and any and all claims, whether contractual or otherwise, are controlled by the express terms, conditions and exclusions contained in the Warranty Document. Certain items and events are not covered by this warranty. Refer to the section titled "Exclusions" in the Warranty Document.

I/We understand that if and when the new home warranty is issued, it is an Express Limited Warranty, not an insurance policy and any and all claims, whether contractual or otherwise, are controlled by the express terms, conditions and exclusions contained in the Warranty Document. Certain items and events are not covered by this warranty. Refer to the section titled "Exclusions" in the Warranty Document.

*Please refer to Page 2 of this form for instructions to obtain the sample warranty document or provide your email address here to receive a sample warranty via email _____.

Signatures: Homeowner: _____

Date: 7/29/2021

Co-Owner: _____

Date: 7/29/2021

PROMULGATED BY THE TEXAS ASSOCIATION OF BUILDERS (TAB)
EXPRESS LIMITED HOME WARRANTY AND PERFORMANCE STANDARDS

CONCERNING THE PROPERTY AT

(Street Address and City)

Builder's Name: **Premier Renovations Inc. dba Ron Davis Custom Homes**

Builder's Address: **17818 Davenport Rd., Ste. 116**

Dallas, Tx. 75252

Builder's Phone: **214-484-1448**

Builder's Fax No.: **214-484-1766**

Builder's Email: **warranty@rondaviscustomhomes.com**

§ 1. General Provisions

(a) Scope. This document describes the standards of performance for the various elements or components of a home as described. The Builder will repair or replace those elements or components of a home that do not meet these standards during the applicable warranty period based upon the expected level of performance described in these standards for residential construction to which the standards apply. If an element or component of a home is not described particularly herein, the element or component shall be constructed in accordance with the applicable written agreement or, if there is no agreement, in accordance with the usual and customary industry standards or practices for similar Improvements (defined below) in the geographic region shall govern and the element or component shall perform for the purpose for which it is intended for the period of the applicable warranty. This document does not replace homeowner's insurance or any third-party warranty.

(b) Definitions. The following words and terms when used in this warranty shall have the following meanings, unless the context clearly indicates otherwise.

- (1) Adverse effect--A tangible condition that substantially impairs the functionality of the habitable areas of the home.
- (2) 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).
- (3) Builder Responsibility--A statement of the corrective action required by the Builder to repair the construction defect and any other damage resulting from making the required repair. Parties may agree to an alternative remedy.
- (4) Code--The International Residential Code or, if the context requires, the National Electrical Code.
- (5) Electrical Standard--for residential construction located in a municipality, a standard contained in the version of the National Electrical Code (NEC) applicable to electrical aspects of residential construction in the municipality under Local Government Code § 214.214 and that is effective on the date of commencement of construction of the home;
- (6) Excessive or excessively--a quantity, amount or degree that exceeds that which is normal, usual or reasonable under the circumstance.

- (7) Exclusion--items, conditions or situations not warranted or not covered by a performance standard.
- (8) Extreme Weather Condition(s)--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.
- (9) The International Residential Code (IRC)--substantial compliance with the version of the IRC for One- and Two-Family Dwellings published by the International Code Council (ICC) as follows:
 - (A) for residential construction of the non-electrical standards of a One- and Two-Family Dwelling located in a municipality, the version of the IRC applicable to non-electrical aspects of residential construction in the municipality under Local Government Code § 214.212 and which is effective on the date of commencement of construction of the home;
 - (B) for residential construction of a One- and Two-Family Dwelling in the unincorporated area of a county, the version of the International Residential Code published as of May 1, 2008, or the version of the IRC that is applicable in the county seat of that county, including any other applicable Codes required by statute.
- (10) Major Structural Components--the load-bearing portions, and the integral connection between them, of the following elements of a home:
 - (A) Footings and Foundations;
 - (B) Beams;
 - (C) Headers;
 - (D) Girders;
 - (E) Lintels;
 - (F) Columns (other than a column that is designed to be cosmetic);
 - (G) Load-Bearing portions of walls and partitions;
 - (H) Roof framing systems, to include ceiling framing;
 - (I) Floor systems; and
 - (J) Masonry Arches.
- (11) Manufactured Product--a component of the home that was manufactured away from the site of the home and that was installed in the home without significant modifications to the product as manufactured. Manufactured products commonly installed in residential construction include but are not limited to dishwashers, cook tops, ovens, refrigerators, trash compactors, microwave ovens, kitchen vent fans, central air conditioning coils and compressors, furnace heat exchangers, water heaters, carpet, windows, doors, light fixtures, fireplace inserts, pipes and electrical wires. For purposes of this warranty, a manufactured product includes any component of a home for which the manufacturer provides a warranty, provided that the manufacturer permits transfer of the warranty to the homeowner.
- (12) 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.

- (13) Performance Standard(s)--the standard(s) to which a home or an element or component of a home constructed as a part of new home construction or a material improvement or interior renovation must perform.
- (14) Span (L)--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 calculating overall deflection or tilt of 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.
- (15) Substantial Completion--achieved when:
 - (A) the stage of construction when a new home, addition, improvement, or alteration to an existing home is sufficiently complete that the home, addition, improvement or alteration can be occupied or used for its intended purpose; or
 - (B) if required, the issuance of a final certificate of inspection or occupancy by the applicable governmental authority; or
 - (C) if no final inspection or certificate of occupancy is required, when all electrical, mechanical, and plumbing final inspections, or all other required inspections, if any, have been approved or all approvals for occupancy have been received from any applicable governmental authority; or
 - (D) provided, however, that if Owner moves into, occupies and/or places personal property in the home or Improvements (or any portion of the property that is the subject of the contract), the home or Improvements shall be deemed to be for all purposes substantially completed.
- (16) Resolving conflicts among construction standards. During the construction of the home, when an inconsistency exists between the Code, manufacturer's instructions and specifications, the standard required by the United States Department of Housing and Urban Development for Federal Housing Administration or Veterans Administration programs, or ANSI/ASHRAE Standard (62.2-2003), the most restrictive requirement shall apply if reasonable under the circumstances.
- (17) Improvement(s)--any labor, materials, or other work supplied by Builder or its independent contractors or suppliers in performance of the contract documents or other written agreements, including, but not limited to, design plans or specifications.

(c) Additional Terms and Conditions

- (1) Foreclosure. Notwithstanding any other term or condition herein, this Express Limited Home Warranty does not apply to Property and/or Improvements that have been subject to a foreclosure under Texas law, such Property and Improvements are taken "AS IS, with all faults."
- (2) Commercial Purpose. Notwithstanding any other term or condition herein, this Express Limited Home Warranty does not apply to Property and/or Improvements that have been used at any time for a commercial, for profit, rental (short or long term), leasing or occupancy by any person other than the named owners on the deed recorded in the public records, such Property and Improvements are taken "AS IS, with all faults" and/or this Express Limited Home Warranty is cancelled upon the first or any use in violation of this provision.
- (3) 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.

- (4) Residential Construction Liability Act (RCLA) and Contractual Requirements. The contract associated with this Express Limited Home Warranty along with the terms and conditions therein are incorporated into this Express Limited Home Warranty, including but not limited to the dispute resolution provisions. As a condition precedent to the applicability of this Express Limited Home Warranty, the owner must follow each term and condition in the contract associated with this Express Limited Home Warranty, the requirements of the RCLA, all other legal requirements, and any and all other requirements in any instrument related to the Property and/or the Improvements, including but not limited to any third-party warranty. Any and all claims with the applicable third-party warranty company, insurance carrier or other responsible party is to be made before a claim under this Express Limited Home Warranty is presented to Builder, and there is no Builder Responsibility until same is fully completed in all respects unless Builder, at Builder's sole and exclusive discretion, agrees to participate concurrently.
- (5) Approved Variations. Any variations in any element of construction, the Property and/or the Improvements that are not in compliance with the Performance Standard(s) or applicable Code(s) that are approved by an engineer associated with the project, included in the Construction Documents, provided for in the plans and specifications or approved by the local building official, governing authority, city inspector, third-party inspector or third-party warranty company are not warranted hereunder, are deemed within the Performance Standard(s) and are an Exclusion.
- (6) Other Insurance or Warranty. This document does not replace homeowner's insurance or any third-party warranty. As a condition precedent to the applicability of this Express Limited Home Warranty, the owner must make a claim with the owner's homeowner's insurance carrier and third-party warranty company, as applicable. There is no Builder Responsibility for any loss paid, covered claim, repair or the like if same is available through any insurance or third-party warranty.
- (7) Access. In order to carry out the Builder Responsibilities, the Builder will require access to the home, the Property and Improvements. Builder and Builder designees shall be allowed full access in Builder's normal business operations for testing, inspection and repairs. Refusal or delay of more than ten calendar days upon verbal or written request of the Builder will waive and void any Builder Responsibility, unless mutually agreed upon in writing by the parties.
- (8) Non-Builder Repairs. Any and all repairs performed by any party without full compliance with this Express Limited Home Warranty waives any Builder Responsibility and any claim or cause of action against Builder related to same.

§ 2. General Provisions for New Homes, Material Improvements and Interior Renovations

(a) Builder Responsibilities for Compliance with Performance Standards and Repair Obligations.

- (1) Builder's Work. The Builder is responsible for all work performed under the direction of the Builder for the period of the applicable warranty. The Builder is only responsible for construction defects about which the Builder receives written notice in compliance with Sec. 1(c)(4) on or before the second anniversary of the date of discovery of the alleged construction defect but in no event later than thirty days following the expiration of the applicable warranty period, and not later than thirty days after the tenth anniversary of:

(A) the date of the initial transfer of title from the Builder to the initial owner of the affected home or improvement; or

(B) if the transaction that is the subject of the dispute did not involve a title transfer, the date that the construction was substantially complete unless otherwise expressly stated herein.

(2) Repair Obligations. Unless otherwise stated under the various performance standards herein, if any such performance standard is not met, the Builder shall take such action as is necessary to bring the variance within the standard, subject to the terms and conditions herein. The method and manner of any repair is within the sole discretion of Builder.

(3) Repair Condition. In connection with a repair of a construction defect, any repairs performed by the Builder will include those components of the home that have to be removed or altered in order to repair the construction defect. Repair shall be made so that the condition is returned to its condition as it existed at the time immediately preceding the construction defect. 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.

(4) Finish. Surfaces altered incident to 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. In connection with the repair of finish or surface material, such as paint, wallpaper, flooring or a hard surface, the Builder will match the standard and grade as closely as reasonably possible. Builder 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 is responsible for installing replacement material substantially similar in appearance to the original material.

(5) Manufactured Products. The Builder shall install all manufactured products in accordance with the manufacturer's instructions and specifications.

(A) The Builder shall use only new manufactured products and parts unless otherwise agreed in writing by the parties. If the Builder did 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.

(B) The homeowner shall notify the Builder in writing of a known construction defect not later than the second anniversary of the date of discovery of the construction defect or not later than thirty days following the applicable warranty period. In no event shall there be Builder Responsibility for any Manufactured Product that was installed in accordance with the manufacturer's instructions and specifications. In no event shall there be Builder Responsibility for any denial of warranty claim or otherwise by the manufacturer.

(6) Specialty Feature. Notwithstanding a performance standard stated in this Express Home 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.

(b) Exceptions and Exclusions from Builder's Responsibilities.

(1) The Builder is not responsible for repair, loss or damage to a component or that part of a component of a home caused by or made worse by any of the following:

(A) Work performed or material supplied incident to construction, modification or repair to the home performed by anyone other than the Builder or persons providing work or material at the direction of the Builder.

- (B) The negligence, improper maintenance, misuse, abuse, failure to follow manufacturer's recommendations, failure to take reasonable action to mitigate damage, failure to take reasonable action to maintain the residence or other action or inaction of anyone other than the Builder or persons providing work or material at the direction of the Builder.
 - (C) Failure of the homeowner to comply with the homeowner's responsibilities as set forth in subsection (c) of this section or as may be stated separately elsewhere in this warranty.
 - (D) Alterations to, or the failure to maintain, the grade of the soil that are not in compliance with the Code, applicable governmental regulations or in compliance with an applicable drainage plan.
 - (E) Normal wear and tear or normal deterioration to any component of the home.
 - (F) Extreme weather conditions.
 - (G) Riot, civil commotion, war, terrorism, vandalism, aircraft, vehicle or boat.
 - (H) Fire, smoke or water damage unless such loss or damage is a direct result of a construction defect.
 - (I) 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.
 - (J) Erosion or accretion of soils unless such loss or damage is a direct result of a construction defect.
 - (K) Insects, birds, rodents, vermin or other wild or domestic animals unless such loss or damage is a direct result of a construction defect.
 - (L) The quality and potability of water unless caused by a construction defect.
 - (M) While the home is being used primarily for nonresidential purposes.
 - (N) Use for which the home or the component of the home was not designed.
 - (O) Use that exceeds the normal design loads prescribed by the Code or the engineer of record.
 - (P) Homeowner delay in reporting a known construction defect or failing to take reasonable action necessary to prevent further damage to the home.
 - (Q) For remodeling projects, improvements, alterations or additions to an existing residence where the performance standard cannot be achieved due to an existing condition.
 - (R) Abuse or misuse of a home component or manufactured product by anyone other than the Builder or persons providing work or material at the direction of the Builder.
 - (S) Failure and/or violation to meet applicable Code by itself for any element of construction or construction technique for the Property and/or Improvements is not negligence per se, breach of contract or breach of warranty and does not create a cause of action or Builder Responsibility. A claim or allegation that there is a failure to meet or violation of Code must be accompanied by both (1) actual physical resulting damage from that failure or violation of Code to the Property or Improvements and (2) an immediate threat to the health and safety for the occupants or invitees. There is no Builder Responsibility to repair any failure to meet Code or violation of Code that would result in economic waste.
- (2) No Actual Physical Damage. The Builder shall not be responsible for any condition that does not result in actual physical damage to the home, including, but not limited to the presence of radon gas, formaldehyde or other pollutants or contaminants, or the presence or effect of mold, mildew, toxic material, or volatile organic compound, unless such condition is a direct result of a construction defect.

(c) Homeowner's Responsibilities.

- (1) Home Maintenance. Maintenance of the home and the lot on which the home is located are essential to the proper functioning of the home. The homeowner is responsible for maintenance of the home and the lot on which it is located. The homeowner is responsible for maintenance items described in this paragraph and those maintenance items identified separately in the performance standards set forth in this warranty. Additionally, the homeowner is responsible for ongoing maintenance responsibilities that affect the performance of the home but that may not be expressly stated in this warranty. Such ongoing maintenance responsibilities include, but are not limited to, periodic repainting and resealing of finished surfaces as necessary, caulking for the life of the home, regular maintenance of mechanical systems, regular replacement of HVAC filters, cleaning and proper preservation of grading around the home and drainage systems to allow for the proper drainage of water away from the home.
- (2) Manufactured Products. The homeowner 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 with regard to manufactured products may void the manufacturer's warranty. The Builder has no Builder Responsibility for Manufactured Products.
- (3) Landscape Planting. The homeowner shall take measures to prevent landscaping materials or plants from contacting the exterior surface of the home and from interfering with the proper drainage of water away from the foundation. The homeowner should not improperly alter the proper drainage pattern or grade of the soil within ten feet of the foundation so that it negatively impacts the home's performance or fails to comply with the Code, governmental regulations or an applicable grading and drainage plan.
- (4) Humidity or Dryness in the Home. The homeowner should take the following actions to prevent excessive moisture accumulation by:
 - (A) properly using ventilation equipment;
 - (B) preventing excessive temperature fluctuation; and
 - (C) 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.
- (5) Proper Maintenance and Care of Home Components. The homeowner shall properly maintain each component of the home including proper cleaning, care and upkeep of the home. The homeowner shall use home components for the purposes for which they are intended and shall not damage, misuse or abuse home components.
- (6) Self-Help. Upon observation of a circumstance that may cause further damage to the home or a component of the home, the homeowner shall take reasonable action necessary to prevent further damage to the home.

§ 3. Express Home Warranties

- (a) Warranty periods. The minimum warranty periods for residential construction and residential improvements are:
 - (1) one year for workmanship and materials;
 - (2) two years for plumbing, electrical, heating, and air-conditioning delivery systems; and
 - (3) ten years for major structural components of the home.

- (b) **Manufactured Product Warranties.** 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, but shall coordinate with the manufacturer, suppliers or agents to achieve compliance with the performance standard. If the manufacturer does not comply with the manufacturer's warranty within a reasonable period of time, the Builder will make the affected condition comply with the performance standard and seek redress from the manufacturer.
- (c) **Workmanship and Materials Warranty and Performance Standards.** Workmanship and materials in residential construction or residential improvements are warranted to perform to the performance standards that are set forth in this warranty for the minimum period established in subsection (a) paragraph (1) of this section, unless a greater period of warranty is agreed to by the parties.
- (d) **Delivery Systems Warranty and Performance Standards.** Plumbing, electrical, heating and air-conditioning delivery systems in residential construction and residential improvements shall be warranted to perform to the performance standards that are set forth in this warranty for the minimum period established in subsection (a) paragraph (2) of this section, unless a greater period of warranty is agreed to by the parties.
- (e) **Structural Components Warranty and Performance Standards.** Major structural components in residential construction and residential improvements shall be warranted to perform to the performance standards set forth herein for the minimum period established in subsection (a) paragraph (3) of this section, unless a greater period of warranty is agreed to by the parties.
- (f) **Effective Date of Warranties.**
- (1) Unless otherwise provided by a written agreement between the Builder and the initial homeowner or by a manufacturer, a warranty period as described in this section for a new home begins on the earlier of the date of occupancy or transfer of title from the Builder to the initial homeowner.
 - (2) A warranty period as described in this section for an improvement other than a new home or for a partially built home, which by agreement between the homeowner and the Builder, someone other than the Builder will complete, begins on the date the improvement is substantially completed or the terms of the construction contract are substantially fulfilled.

§ 4. Performance Standards for Foundations and Slabs

(a) **Performance Standards for Raised Floor Foundations or Crawl Spaces.**

- (1) A crawl space shall be graded and drained properly to prevent surface run-off from accumulating deeper than two inches in areas 36 inches or larger in diameter. Exterior drainage around perimeter crawl space wall shall not allow water to accumulate within ten feet of the foundation for more than 24 hours after a rain except in a sump that drains other areas. 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.
- (2) Water shall not enter through the basement or crawl space wall or seep through the basement floor. 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.

(b) Performance Standards for Concrete Slab Foundations, excluding Finished Concrete Floors.

- (1) 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 $\frac{3}{8}$ of an inch in any 32 inches and shall not have separations or cracks that equal or exceed $\frac{1}{8}$ of an inch in width or $\frac{1}{16}$ of an inch in vertical displacement.
- (2) Concrete slabs shall not have protruding objects, such as a nail, rebar or wire mesh.
- (3) A separation in an expansion joint in a concrete slab shall not equal or exceed $\frac{1}{4}$ of an inch vertically or one inch horizontally from an adjoining section.

(c) Performance Standards for Exterior Concrete including Patios, Stem Walls, Driveways, Stairs or Walkways.

- (1) Concrete corners or edges shall not be damaged excessively due to construction activities.
- (2) A crack in exterior concrete shall not cause vertical displacement equal to or in excess of $\frac{1}{4}$ of an inch or horizontal separation equal to or excess of $\frac{1}{4}$ of an inch. 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.
- (3) 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.
- (4) Exterior concrete shall not contain a protruding object, such as a nail, rebar or wire mesh.
- (5) A separation in an expansion joint in an exterior concrete shall not equal or exceed $\frac{1}{2}$ of an inch vertically from an adjoining section or one inch horizontally, including joint material.
- (6) A separation in a control joint shall not equal or exceed $\frac{1}{4}$ of an inch vertically or $\frac{1}{2}$ of an inch horizontally from an adjoining section.
- (7) Concrete stair steepness and dimensions, such as tread width, riser height, landing size and stairway width shall comply with the Code.
- (8) Handrails shall remain securely attached to concrete stairs.
- (9) Concrete stairs or stoops shall not settle or heave in an amount equal to or exceeding $\frac{3}{8}$ of an inch. Concrete stairs or stoops shall not separate from the home in an amount equal to or exceeding one inch, including joint material.
- (10) 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.
- (11) Concrete floor slabs in detached garages, carports or porte-cocheres shall not have excessive pits, depressions, deterioration or unevenness. Separations or cracks in these slabs shall not equal or exceed $\frac{3}{16}$ of an inch in width, except at expansion joints, or $\frac{1}{8}$ of an inch in vertical displacement.
- (12) Plaster over concrete shall not flake off more than one square foot in one spot within 36 square inches or more than 3 feet over the entire surface of the home.

§ 5. Performance Standards for Framing

(a) Building and Performance Standard for Walls.

- (1) 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.
- (2) 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.
- (3) 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.
- (4) A non-structural post or beam shall not have a warp or twist equal or exceeding one inch in eight-feet of length. Warping or twisting shall not damage beam pocket.
- (5) Exterior sheathing shall not delaminate or swell. The homeowner shall not make penetrations in the exterior finish of a wall that allow moisture to come in contact with the exterior sheathing.
- (6) An exterior moisture barrier shall not allow an accumulation of moisture inside the barrier. The homeowner shall not make penetrations through the exterior moisture barrier that permit the introduction of moisture inside the barrier.

(b) Performance Standards for Ceilings. 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.

(c) Performance Standards for Sub-floors.

- (1) Under normal residential use, the floor shall not make excessive squeaking or popping sounds.
- (2) 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 paragraph.
- (3) 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.

(d) Performance Standards for Stairs.

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

§ 6. 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 which 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 which 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 feet or more in normal light. Minor variations in the 'splatter' or 'drag' appearance of texture which 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. 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 preexisting 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 6 feet under normal lighting conditions.

§ 7. 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.

§ 8. Performance Standards for Exterior Siding and Trim

(a) Performance Standards for Exterior Siding.

- (1) 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.

- (2) 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.
 - (3) 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.
 - (4) Siding shall not have a nail stain.
 - (5) Siding and siding knots shall not become loose or fall off.
 - (6) Siding shall not delaminate.
 - (7) Siding shall not cup in an amount equal to or exceeding 1/4 of an inch in a six-foot run.
 - (8) Siding shall not have cracks or splits that equal or exceed 1/8 of an inch in width.
- (b) Performance Standards for Exterior Trim.
- (1) 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.
 - (2) 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.
 - (3) Exterior trim and eave block shall not cup in an amount equal to or in excess of a 1/4 of an inch in a six-foot run.
 - (4) 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.
 - (5) Trim shall not have nails that completely protrude through the finished surface of the trim but nail heads may be visible on some products. 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.
 - (6) Trim shall not have a nail stain.

§ 9. 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 inch when measured from the base to the top of the wall. 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. 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.

§ 10. Performance Standards for Stucco

- (a) Stucco surfaces shall not be excessively bowed, uneven, or wavy. 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. 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, 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 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 4 inches above the soil or landscape surface and at least 2 inches above any paved surface.
- (l) Exterior Insulation Finish Systems (EIFS) stucco screed shall clear any paved or unpaved surface by 6 inches.

§ 11. Performance Standards for Roofs

- (a) Flashing shall prevent water penetration. The Builder shall not be responsible for leaks caused by extreme weather.
- (b) The roof shall not leak.
 - (1) The Builder shall not be responsible for leaks caused by extreme weather.
 - (2) 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. The Builder shall not be responsible for leaks caused by extreme weather.
- (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.
 - (1) The Builder shall not be responsible for leaks caused by extreme weather.
 - (2) 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. The homeowner shall not make penetrations through exterior moisture barrier of the roof.

§ 12. Performance Standards for Doors and Windows

(a) Performance Standards for Both Doors and Windows.

- (1) When closed, a door or window shall not allow excessive infiltration of air or dust.
- (2) When closed, a door or window shall not allow excessive accumulation of moisture inside the door or window.
 - (A) The homeowner shall keep weep holes on windows and doors free of dirt buildup and debris, thereby allowing water to drain properly.
 - (B) Most door and window assemblies are designed to open, close and weep moisture--allow condensation or minor penetration by the elements to drain outside.
- (3) Glass in doors and windows shall not be broken due to improper installation or construction activities.
- (4) 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.
- (5) There shall be no condensation between window and door panes in a sealed insulated glass unit. The homeowner shall not apply a tinted window film or coating to window or door panes in sealed insulated glass units.
- (6) A door or window latch or lock shall close securely and shall not be loose or rattle.
- (7) A door or window shall operate easily and smoothly and shall not require excessive pressure when opening or closing.
- (8) A door or window shall be painted or stained according to the manufacturers' specifications.

(b) Performance Standards for Windows. A double hung window shall not move more than two inches when put in an open position.

(c) Performance Standards for Doors.

- (1) A sliding door and door screen shall stay on track. The homeowner shall clean and lubricate sliding door or door screen hardware as necessary.

- (2) 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 inches and shall be at least 1/2 of an inch.
- (3) A door shall not delaminate.
- (4) A door panel shall not split so that light from the other side is visible.
- (5) A door shall open and close without binding.
- (6) 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.
- (7) A storm door shall open and close properly and shall fit properly.
- (8) 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.
- (9) A metal door shall not be dented or scratched due to construction activities.

(d) Performance Standards for Garage Doors.

- (1) A metal garage door shall not be dented or scratched due to construction activities.
- (2) A garage door opener, if provided, shall operate properly in accordance with manufacturer's specifications. A homeowner shall maintain tracks, rollers and chains and shall not block or bump sensors to electric garage door openers.
- (3) 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.
- (4) A garage door spring shall operate properly and shall not lose appreciable tension, break or be undersized.
- (5) A garage door shall remain in place at any open position, operate smoothly and not be off track.

§ 13. Performance Standards for Interior Flooring

- (a) 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 this section.
- (b) Performance Standards for Carpet.
 - (1) Carpet shall not wrinkle and shall remain tight, lay flat and be securely fastened.
 - (2) Carpet seams may be visible but shall be smooth without a gap or overlap.
 - (3) Carpet shall not be stained or spotted due to construction activities.
- (c) Performance Standards for Finished Concrete Floor.
 - (1) 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. Finished concrete slabs in living spaces that are designed for drainage, such as a laundry room, are excepted from the standards stated in paragraph (1) of this subsection.

- (2) 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.

(d) Performance Standards for Wood Flooring.

- (1) 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.
- (2) 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.
- (3) Wood flooring shall not have open joints and separations that equal or exceed 1/8 of an inch. 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.
- (4) Strips of floorboards shall not cup in an amount that equals or exceeds 1/16 of an inch in height in a three-inch distance when measured perpendicular to the length of the board. 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.
- (5) Unless installed as a specialty feature, wood flooring shall not have excessive shade changes or discoloration due to the construction activities of the Builder.
- (6) Unless installed as a specialty feature, wood flooring shall not be stained, spotted or scratched due to construction activities of the Builder.

(e) Performance Standards for Vinyl Flooring.

- (1) Vinyl flooring shall be installed square to the most visible wall and shall not vary by 1/4 of an inch in any six-foot run.
- (2) 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.
- (3) Vinyl flooring shall remain securely attached to the foundation or sub-floor.
- (4) A vinyl floor shall not have a depression that equals or exceeds 1/2 of an inch in any six-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.
- (5) A vinyl floor shall not have a ridge that equals or exceeds 1/2 of an inch when measured as provided in this paragraph. The ridge measurement shall be made by measuring the gap created when a six-foot straight edge is placed tightly three 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.
- (6) Vinyl floor shall not be discolored, stained or spotted due to the construction activities of the Builder.
- (7) Vinyl flooring shall not be scratched, gouged, cut or torn due to construction activities.
- (8) Debris, sub-floor seams, nails and/or screws shall not be detectable under the vinyl floor from a distance of three feet or more in normal light.

(9) Sub-flooring shall not cause vinyl flooring to rupture.

(10) 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.

§ 14. Performance Standards for Hard Surfaces, including Ceramic Tile, Flagstone, Marble, Granite, Slate, Quarry Tile, Finished Concrete or Other Hard Surfaces

(a) Performance Standards for Hard Surfaces Generally.

(1) A hard surface shall not break or crack due to construction activities.

(2) A hard surface shall remain secured to the substrate.

(3) A surface imperfection in floor hard surface shall not be visible from a distance of three feet or more in normal light. A surface imperfection in non-floor hard surface shall not be visible from a distance of two 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.

(4) Color variations between field hard surfaces and trim hard surfaces should not vary excessively due to construction activities. Natural products such as flagstone, marble, granite, slate and other quarry tile will have color variation.

(5) Hard surface areas shall not leak.

(6) 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.

(7) Hard surface layout or grout line shall not be excessively irregular. Natural products such as flagstone, marble, granite, slate, and other quarry tile will have size variations that may create irregular layouts or grout lines.

(8) Hard surface countertops shall be level to within 1/4 of an inch in any six-foot measurement.

(9) 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. 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 paragraph (1) of this subsection.

(b) Performance Standards for Grout.

(1) Grout shall not deteriorate.

(2) Cracks in grout shall not exceed 1/16 of an inch in width.

(3) Grout shall not change shade or discolor excessively due to construction activities.

(c) Performance Standards for Concrete Countertops.

(1) 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.

- (2) 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.
- (3) A finished concrete countertop shall not be stained, spotted or scratched due to construction activities.
- (4) 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.
- (5) A concrete countertop shall not change shade or discolor excessively due to construction activities.

§ 15. Performance Standards for Painting, Stain and Wall Coverings

(a) Performance Standards for Caulking. Interior caulking shall not deteriorate or crack excessively.

(b) Performance Standards for Painting and Stain.

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

(c) Performance Standards for Wall Coverings.

- (1) A wall covering shall be properly secured to the wall surface and shall not peel or bubble.
- (2) 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-foot run.
- (3) A wall covering seam shall not separate or gap.
- (4) Lumps or ridges in a wall covering shall not be detectable from a distance of six feet or more in normal light.
- (5) Wall coverings shall not be discolored, stained or spotted due to construction activities.
- (6) Wall coverings shall not be scratched, gouged, cut or torn due to construction activities.
- (7) Wall coverings shall perform as represented by the manufacturer to meet manufacturer's specifications for washability and/or scrubability.

§ 16. Performance Standards for Plumbing

(a) Performance Standards for Plumbing Accessories.

- (1) A fixture surface shall not have a chip, crack, dent or scratch due to construction activities.
- (2) A fixture shall not have tarnish, blemishes or stains unless installed as a specialty feature. Fixture finishes that are tarnished, blemished or stained due to high iron, manganese or other mineral content in water are excluded from this standard.
- (3) A fixture or fixture fastener shall not corrode. 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.
- (4) 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.
- (5) Fixtures shall be secure and not loose. The homeowner shall not exert excessive force on a fixture.
- (6) A fixture stopper shall operate properly and shall retain water in accordance with the manufacturer's specifications.
- (7) The toilet equipment shall not allow water to run continuously. 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.
- (8) A toilet shall be installed and perform in accordance with the manufacturer's specifications. 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.
- (9) A tub or shower pan shall not crack.
- (10) A tub or shower pan shall not squeak excessively.
- (11) A water heater shall be installed and secured according to the manufacturer's specifications and the Code.
- (12) A waste disposal unit shall be installed and operate according to the manufacturer's specifications.
- (13) A faucet or fixture shall not drip or leak. This standard does not include drips or leaks due to debris or minerals from the water source, unless it is due to construction activities.
- (14) A sump pump shall be installed in accordance with the manufacturer's specifications and shall operate properly when so installed.

(b) Performance Standards for Pipes and Vents.

- (1) A sewer gas odor originating from the plumbing system shall not be detectable inside the home under conditions of normal residential use. The homeowner shall keep plumbing traps filled with water.
- (2) A vent stack shall be free from blockage and shall allow odor to exit the home.
- (3) A water pipe shall not make excessive noise such as banging or hammering repeatedly. 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.

§ 17. Performance Standards for Heating, Cooling and Ventilation

(a) Performance Standards for Heating and Cooling.

- (1) A condensation line shall not be obstructed due to construction activities. The homeowner shall periodically check for the free flow of condensate (water) from the line and clear the line when necessary.
- (2) A drip pan and drain line shall be installed under a horizontal air handler as per the Code. The homeowner shall periodically check for the free flow of condensate (water) from the line and clear the line when necessary.
- (3) Insulation shall completely encase the refrigerant line according to Code. The homeowner shall ensure that insulation on the refrigerant line is not damaged or cut due to home maintenance or landscape work.
- (4) 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. 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.

(b) Performance Standards for Venting.

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

(c) Performance Standards for Ductwork. Ductwork shall not make excessive noise.

- (1) 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.
- (2) The homeowner shall not place any object on the ductwork.

§ 18. 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.

§ 19. Performance Standards for Interior Trim

(a) Performance Standards for Trim.

- (1) An interior trim joint separation shall not equal or exceed 1/8 of an inch in width or shall not separate from adjacent surfaces equal to or in excess of 1/8 inch and all joints shall be caulked or puttied.
- (2) 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 feet or more in normal light due to construction activities.
- (3) A hammer mark on trim shall not be visible from a distance of six feet or more when viewed in normal light.
- (4) A nail or nail hole in interior trim shall not be visible from a distance of six feet or more when viewed in normal light.

(b) Performance Standards for Shelving. 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 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 1/4 of an inch. End supports shall be securely mounted.

(c) Performance Standard for Cabinet Doors. Cabinet doors shall open and close with reasonable ease. Cabinet doors shall be even and shall not warp more than 1/4 inch when measured from the face to the point of the furthest point of the door or drawer front when closed. Some warping, cupping, bowing or twisting is normally caused by surface temperature and humidity changes.

§ 20. 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 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.

§ 21. Performance Standards for Hardware and Ironwork

(a) Performance Standards for Hardware.

- (1) Hardware finishes shall not be tarnished, blemished, corroded or stained due to construction activities, unless the finish is installed as a specialty feature. 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.
- (2) Hardware shall function properly, without catching binding or requiring excessive force to operate.

(3) Hardware shall not be scratched, chipped, cracked or dented due to construction activities.

(4) Hardware shall be installed securely and shall not be loose. The homeowner shall not exert excessive force on hardware.

(b) Performance Standards for Interior Ironwork.

(1) Interior ironwork shall not rust.

(2) 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.

§ 22. Performance Standards for Countertops and Backsplashes

(a) Performance Standards for Countertops and Backsplashes Generally.

(1) A countertop or backsplash shall be secured to substrate in accordance with manufacturer's specifications.

(2) 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.

(3) Countertops shall be level to within 1/4 of an inch in any six-foot measurement.

(4) A countertop surface or edge shall not be damaged, broken, chipped or cracked due to construction activities.

(5) A countertop shall not bow or warp in an amount equal to or exceeding 1/16 of an inch per lineal foot.

(6) Counter and vanity top material should not delaminate.

(b) Performance Standards for Laminate Countertops and Backsplashes.

(1) 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.

(2) A seam in a laminate countertop or backsplash may be visible but shall not be separated or displaced.

(3) A surface imperfection in a laminate countertop or a backsplash shall not be visible from a distance of three feet or more when viewed in normal light due to construction activities.

§ 23. Performance Standards for Fireplaces

(a) A refractory panel shall not crack or separate. 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. 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.

§ 24. 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. The Builder shall provide the homeowner with instructions on the operation of the irrigation system at closing.

§ 25. Performance Standards for Fencing

- (a) A fence shall not fall over and shall not lean in excess of two 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.

§ 26. 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. 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 inches or more.

§ 27. Performance Standards for Pest Control. Eave returns, truss blocks, attic vents and roof vent openings shall not allow rodents, birds, and other similar pests into home or attic space.

§ 28. Performance Standards for Electrical Delivery Systems

(a) Performance Standards for Electrical Wiring.

- (1) 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.
- (2) 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.

(b) Performance Standards for the Electrical Panel, Breakers and Fuses.

- (1) 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.
- (2) 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.

(c) Performance Standards for Electric Outlets with Ground Fault Interrupters.

- (1) 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.
- (2) The homeowner shall not plug appliances that require constant electrical flow, such as refrigerators and freezers, into an outlet with a ground fault interrupter.

(d) Performance Standards for Fixtures, Outlets, Doorbells and Switches.

- (1) 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.
- (2) 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.
- (3) A light shall not dim, flicker or burn out repeatedly under normal circumstances. A lighting circuit shall meet the Code.

(e) Performance Standards for Wiring or Outlets for Cable Television, Telephone, Ethernet or Other Services.

- (1) 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. A 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.
- (2) 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

standard in paragraph (1) of this subsection. A 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.

§ 29. Performance Standards for Plumbing Delivery Systems

(a) 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.

(1) Pipes shall be installed and insulated in accordance with the Code and manufacturer's specifications.

(A) If a water pipe bursts, the Builder shall take such action as is necessary to bring the variance within the standard stated in paragraph (1) of this subsection.

(B) 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.

(2) A water pipe shall not leak. The homeowner shall shut off water supply immediately if such is required to prevent further damage to the home.

(3) A gas pipe shall not leak, including natural gas, propane or butane gas. If a gas pipe is leaking, the homeowner shall shut off the source of the gas if the homeowner can do so safely.

(4) 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. 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.

(5) A sewer, drain, or waste pipe shall not become clogged or stopped up due to construction activities.

(A) 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.

(B) The homeowner shall shut off water supply immediately if such is required to prevent damage to the home.

(b) Performance Standards for Individual Wastewater Treatment Systems. 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.

(1) The Builder shall take such action as is necessary for the wastewater treatment system to perform within the standard stated in this subsection.

(2) The Builder is not responsible for:

(A) system malfunctions or damage 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

(B) malfunctions or limitations in the operation of the system attributed to a design restriction imposed by state, county or local governing agencies; or

(C) malfunctions caused by freezing, soil saturation, soil conditions, changes in ground water table or any other acts of nature.

§ 30. Performance Standards for Heating, Air Conditioning and Ventilation Delivery Systems

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

(b) Performance Standards for Heating and Cooling Functions.

(1) A heating system shall produce an inside temperature of at least 68-degrees Fahrenheit as measured two feet from the outside wall of a room at a height of three feet above the floor under local outdoor winter design conditions as specified in the Code. Temperatures may vary up to 4-degrees Fahrenheit between rooms but no less than the standard set forth above in paragraph (1) of 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.

(2) 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 feet above the floor, under local outdoor summer design conditions as specified in the Code. 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 above in paragraph (2) of this subsection.

(3) A thermostat reading shall not differ by more than 4-degrees Fahrenheit from the actual room temperature taken at a height of five 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.

(4) Heating and cooling equipment shall be installed and secured according to the manufacturer's instructions and specification and shall not move excessively.

(c) Performance Standards for Vents, Grills or Registers.

(1) 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.

(2) 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.

(d) Performance Standards for Ductwork.

(1) Ductwork shall be insulated in unconditioned areas according to Code.

(2) Ductwork shall be secured according to the manufacturer's instructions and specifications and it shall not move excessively.

(3) Ductwork shall be sealed and shall not separate or leak in excess of the standards set by the Code.

§ 31. Performance Standards for Major Structural Components

(a) Performance Standards for Slab Foundations.

- (1) Slab foundations should not move differentially after they are constructed, such that a tilt or deflection in the slab in excess of the standards defined below arises from post-construction movement. The protocol and standards for evaluating slab foundations shall follow the ASCE Guidelines with the following modifications:
 - (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, that results in actual observable physical damage to the home. L shall be defined as the edge to edge distance across any slab cross-section for which overall deflection is calculated. Calculations of overall deflection shall be based upon the change in elevation at each point for which an Original Construction Elevation was taken.
 - (B) The slab shall not tilt after construction in excess of one percent across any overall dimension of the home or cause structural component(s) or masonry veneer to rotate into a structurally unstable position such that the weight vector of the component part falls outside the middle third of its bearing area. Calculations of tilt shall be based upon the change in elevation at each point 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 paragraph (1) of this subsection, the Builder shall implement the recommendations of a Texas licensed Professional Engineer, which shall be based on the appropriate remedial measures as described in Section 7 of the ASCE Guidelines.

(b) Performance Standards for Major Structural Components of a Home other than Slab Foundations.

(1) Floor over pier and beam foundations.

- (A) A floor over pier and beam 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 slab cross-section for which overall deflection is calculated. Calculations of overall deflection shall be based upon the change in elevation at each point for which an Original Construction Elevation was taken.
- (B) If a floor over pier and beam 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 Builder shall implement the recommendations of a Texas licensed Professional Engineer, which shall be based on applicable remedial measures as described in Section 7 of the ASCE Guidelines.

(2) Structural components.

- (A) A defined structural component, other than the concrete elements of a slab foundation, shall not crack, bow, become distorted or deteriorate, such that it compromises the structural integrity of a home or the performance of a structural system of the home resulting in actual observable physical damage to a component of the home.
- (B) If a structural component of a home, other than the concrete elements of a slab foundation, cracks, bows, is distorted or deteriorates such that it results in actual observable physical damage to a component of the home, the Builder shall take such action as is necessary to repair, reinforce or replace such structural

component to restore the structural integrity of the home or the performance of the affected structural system.

(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, the Builder shall 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, the Builder shall take such action as is necessary to repair, reinforce or replace such structural component to restore the structural integrity of the home or the performance of the affected structural system.

(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 Builder shall take such action 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 structural component, other than the foundation, shall function as required by the Code.

Centricity
Sample Warranty

This sample warranty provides information on the basic terms and conditions of the warranty. It is not a valid warranty, provides no coverage, and is provided for information only. A warranty on any home is only issued upon Centricity receiving and accepting the Warranty Coverage Application, Warranty Enrollment Fee and any additional underwriting requirements from the Builder. The actual warranty issued may include State specific amendments not included in this sample. Contact your Builder for the specific coverages and warranty periods that may be provided on your home.

BUILDERS WARRANTY

AND

BUILDING STANDARDS

FOR YOUR NEW HOME

YOUR BUILDER CARED ENOUGH TO PROVIDE LIMITED WARRANTY COVERAGE THROUGH

CENTRICITY

(formerly known as)

BONDED BUILDERS WARRANTY GROUP

Be sure to read these documents to understand the benefits and limitations of Your warranties. You may return the warranty for cancellation within 30 days of Your receipt of it. If cancelled Centricity will refund the full Warranty Enrollment Fee paid to the Builder. Cancellation of this warranty does not extend or alter the Builder's responsibilities.

Centricity

P.O. Box 33025 St. Petersburg, FL 33733

Phone: 800-345-6282

www.centricity.com

CENTRICITY (formerly known as)
BONDED BUILDERS WARRANTY GROUP ("herein Centricity")
P.O. Box 33025 St. Petersburg, FL 33733 Phone: 800-345-6282

WARRANTY CONFIRMATION

The Warranty Confirmation(s), any Warranty Amendment(s), Your Warranty Coverage Application and the Warranty Document form Your entire warranty contract. Please read these documents carefully and completely to understand the benefits, exclusions and limitations of the express limited warranty.

Workmanship/Materials & Systems Warranty

Warranty Number: [1234567WK]
Homeowner: [John & Mary Smith]
Property Address Covered by the Warranty: [123 Any Street]
[Any City, State 00000]
Warranty Start Date: [June 1, xxxx]
Warranty Expiration Date(s): Workmanship & Materials [June 1, xxxx]
Systems [June 1, xxxx]
Closing Contract Price of Home: [\$XXX,XXX]
Warranty Limit: [\$XXX,XXX]
Aggregate Warranty Limit: [\$XXX,XXX]
Builder: [ABC Builder]
[456 Any Street]
[Any City, State 00000]
[800-123-4567]
Warranty Enrollment Fee: [\$XXX]

The following are part of this Workmanship/Materials & Systems Warranty, along with this Warranty Confirmation Page:

- Workmanship/Materials & Systems Warranty
- General Warranty Provisions
- Construction Performance Standards
- Warranty Cover
- Warranty Amendments (attached if any):

CENTRICITY (formerly known as)
BONDED BUILDERS WARRANTY GROUP (“herein Centricity”)
P.O. Box 33025 St. Petersburg, FL 33733 Phone: 800-345-6282

WARRANTY CONFIRMATION

The Warranty Confirmation(s), any Warranty Amendment(s), Your Warranty Coverage Application and the Warranty Documents form the entire warranty contract. Please read these documents carefully and completely to understand the benefits, exclusions and limitations of the express limited warranty.

EXPRESS LIMITED MAJOR STRUCTURAL DEFECT WARRANTY

Warranty Number: [1234567ST]
Homeowner: [John & Mary Smith]
Property Address Covered by the Warranty: [123 Any Street]
[Any City, State 00000]
Warranty Start Date: [June 1, xxxx]
Warranty Expiration Date(s): Major Structural Defects [June 1, xxxx]
Closing Contract Price of Home: [\$XXX,XXX]
Warranty Limit: [\$XXX,XXX]
Aggregate Warranty Limit: [\$XXX,XXX]
Builder: [ABC Builder]
[456 Any Street]
[Any City, State 00000]
[800-123-4567]
Warranty Enrollment Fee: [\$XXX]

The following are part of this Express Limited Major Structural Warranty, along with this Warranty Confirmation Page:

Express Limited Major Structural Warranty
General Warranty Provisions
Warranty Cover
Warranty Amendments (attached if any):

CENTRICITY (formerly known as)
BONDED BUILDERS WARRANTY GROUP (“herein Centricity”)
P.O. Box 33025 St. Petersburg, FL 33733 Phone: 800-345-6282

WORKMANSHIP, MATERIALS AND SYSTEMS WARRANTY

The Warranty Confirmation Page provides specific information on the Workmanship, Materials and Systems Warranty. Please review it carefully along with all the warranty provisions.

- A. Introduction**
- B. Coverage**
- C. Builder Responsibilities**
- D. Centricity Responsibilities**
- E. Your Responsibilities**
- F. How To Make A Claim**
- G. Alternative Dispute Resolution**
- H. Emergency Condition**
- General Warranty Provisions**
- Construction Performance Standards**

A. INTRODUCTION

THIS IS A WARRANTY AND NOT INSURANCE. THIS WARRANTY DOES NOT TAKE THE PLACE OF YOUR BUILDERS GENERAL LIABILITY INSURANCE OR YOUR HOMEOWNERS INSURANCE.

This warranty is on the Home. If the Home is sold, each successor in title to the Home, including a mortgagee in possession, is entitled to coverage under the warranty for its unexpired Warranty Period. There is no limit under this warranty to the number of successions during the Warranty Period.

B. WORKMANSHIP, MATERIALS and SYSTEMS WARRANTY COVERAGE

- 1. Workmanship and Materials** – Commencing on the Warranty Start Date, Your Builder warrants Your Home will be free from defects in workmanship and materials as such defects are defined in the Construction Performance Standards set forth herein. The Workmanship and Materials Warranty ends on the Warranty Expiration Date shown on the Warranty Confirmation page.
- 2. Electrical, Plumbing and Mechanical Systems** – Commencing on the Warranty Start Date, Your Builder warrants Your Home will be free from defects in the electrical, plumbing and mechanical systems of Your Home (referred herein collectively as “Systems”) as such defect is defined in the Construction Performance Standards set forth herein, including the wiring, piping and ductwork portions of the Systems. The Systems Warranty ends on the Warranty Expiration Date shown on the Warranty Confirmation page.

Appliances, fixtures or pieces of equipment that are covered by a manufacturer's warranty ARE NOT covered by this warranty. Defects in any of the systems resulting from failures in an appliance, fixture or piece of equipment covered by a manufacturer's warranty ARE NOT covered by this warranty.

There are specific exclusions in this warranty for which coverage is not provided. Refer to the Exclusions Section in the General Warranty Provisions.

Condominium Provision – Common elements of condominiums as they pertain to this warranty will be warranted against workmanship, materials and systems defects as stated above. Common elements are defined as any portion of a primary condominium structure, which is provided for the common use of the residents of the structure. Coverage for common elements shall commence on the certificate of occupancy date of the primary structure, housing individual units, as listed on the Warranty Coverage Application. Common elements claims are to be filed by the Condominium Association.

C. Builder Responsibilities Under the Workmanship, Materials and Systems Warranty

Your Builder has warranted Your Home to meet the Construction Performance Standards listed herein. The obligations under this Workmanship, Materials and Systems Warranty are the sole responsibility of Your Builder. If a defect occurs on an item during the applicable part of the Warranty Period and the item is covered by the Workmanship, Materials or Systems Warranty the Builder will repair or replace the defective item. The Builder's total

liability under this warranty for the repair or replacement of defective items is limited to the Warranty Limit shown on the Warranty Confirmation page. Your Builder's and/or Centricity's costs of determining the existence and/or extent of a covered defect, costs of designing, making, and monitoring repairs (or payments to You or to another instead) are deducted from the Warranty Limit.

The Builder or Centricity, if necessary, shall have the option to repair, replace or pay You the reasonable cost of repair and/or replacement of any covered defect. The choice to repair, replace or pay You for any defective item is solely that of the Builder or Centricity. The design, method and manner of such repair are within the sole discretion of the Builder, if the Builder pays for the repair, or Centricity, if Centricity pays for the repair. By accepting enrolment of Your Home into the Centricity Warranty Program You agree to the method and manner of repair and/or replacement selected by the Builder or Centricity. The repair shall bring the defective item in compliance with the applicable Construction Performance Standards listed herein. In no event shall the Builder or Centricity be liable for discontinued items, changes in dye lots, colors or patterns, or items not included in the original construction.

No repair or replacement shall extend the Warranty Period or any applicable part thereof.

D. Centricity Responsibilities Under the Workmanship, Materials and Systems Warranty

Centricity is the guarantor under this limited warranty and will meet the Builder's obligations to You for covered deficiencies if either, at Centricity's sole discretion and upon Centricity's receipt of sufficient proof, (1) the Builder is unable or unwilling to comply with the terms and conditions of the warranty and Construction Performance Standards as set forth herein; or (2) after an arbitration between You and the Builder has been conducted and after all alternative dispute resolution procedures contained herein have been completed and an arbitration award has been rendered against the Builder and the Builder refuses or is unable to comply with the award.

Centricity's total liability under this warranty for the repair or replacement of defective items is limited to the Warranty Limit shown on the Warranty Confirmation page, but in no case will Centricity's total liability for all warranties issued by Centricity on the Home exceed the Aggregate Warranty Limit shown on the Warranty Confirmation page. Your Builder's and/or Centricity's costs of determining the existence and/or extent of a covered defect, costs of designing, making, and monitoring repairs (or payments to You or to another instead) are deducted from the Warranty Limit and Centricity's Aggregate Warranty Limit.

E. Your Responsibilities Under the Workmanship, Materials and Systems Warranty

You are responsible for any damage to any improvement, fixture or property not constructed, installed or provided by the Builder that may need to be removed to repair the covered defect or which may be damaged by the implantation of repairs to the covered defect. You shall be responsible to pay for the cost of repair of such improvement, fixture or property necessitated by the removal of the addition or repair of a covered defect. Before Centricity repairs or pays for the repair of a claim, You must assign to Centricity any rights You may have against any other person with respect to the claim including but not limited to the Builder and/or its subcontractors or suppliers.

F. How to Make a Claim Under the Workmanship, Materials and Systems Warranty

If You believe Your Home has a defect that may be covered under the warranty during the applicable part of the Warranty Period, You must contact Your Builder as soon as possible upon your detecting a defect and before the expiration of the applicable Warranty Period. The Builder shall make a determination as to the extent such defect is warranted under the terms and conditions herein. The option to repair, replace or pay You the reasonable cost of repair or replacement is solely that of the Builder or Centricity. Centricity does not negotiate the scheduling of repairs and You must coordinate and cooperate with the Builder to provide access to the Home as provided in this warranty.

If you have notified Your Builder and are unable to resolve any warranty claim issues, You must completely fill out and transmit to Centricity the Centricity Workmanship, Materials and Systems Claim Form. Any and all claims must transpire and be discovered within the applicable Warranty Period. The Centricity Claim form must be received by Centricity no later than 30 days after the Warranty Expiration Date or You will have waived a claim for the defect and any claim submitted will be rejected. Telephone calls to Centricity shall not constitute a claim. **To the extent the applicable Warranty Period will expire before the above time frames are allowed to conclude, You must notify Centricity in writing before the expiration of the applicable Warranty Period. Notice to Your Builder within the applicable warranty period without separate written notice to Centricity shall result in Your claim being denied.**

Upon receipt of the Centricity Workmanship, Materials and Systems Claim Form, Centricity will contact the Builder and make attempts to get the Builder to comply with the terms and conditions of the applicable warranty Construction Performance Standard, or notify You if the claimed defect is not a warranted item.

G. Alternative Dispute Resolution For Workmanship, Materials and Systems Warranty

You, Your Builder and Centricity hereby agree that any dispute, controversy, claim or matters in question regarding the Workmanship, Materials and Systems Warranty between Builder, You, Your successors in interest and/or Centricity arising out of or relating to this Warranty including without limitation, a claim of subrogation, negligent or intentional misrepresentation or nondisclosure in the inducement, and breach of any alleged duty of good faith and fair dealing, (herein referred to collectively as a "Dispute"), shall be submitted to Centricity's Conciliation[®] Process where the parties will endeavor to resolve the Dispute in an amicable manner. Centricity will arrange a conciliation meeting at the Home, with You, or Your representative, the Builder, or Builder's representative and a conciliator assigned by Centricity. There is no charge to You for this conciliation process. During Conciliation, evidence presented by both parties will be evaluated to determine the warranty obligation owed (if any). The conciliator will inform both parties in writing of the decision. If accepted in total, the Builder will comply with the conciliator's decision and correct the listed items.

In the event any Dispute cannot be resolved by Centricity's Conciliation Process, the Dispute shall be submitted to a Claim Review Group consisting of the conciliator, and qualified third party representatives for You and the Builder. The Claim Review Group will be held at the Home. There is no charge to You for the Claim Review Group. However, You must pay any costs for Your representative. In the event any Dispute cannot be resolved by the Claim Review Group, You must submit the Dispute to binding arbitration pursuant to the terms and conditions of the Arbitration Section of this warranty.

Centricity reserves the right to attend any applicable Alternative Dispute Resolution proceeding, on behalf of the Builder, so as to allow for the enforcement of the terms and conditions of this warranty.

In Florida: The binding nature of the arbitration proceedings described herein shall not apply, however the arbitration required herein shall be a condition precedent to any and all litigation and/or formal court proceedings.

H. Emergency Condition For Workmanship, Materials and Systems Warranty

An Emergency Condition is one You cannot control that seriously affects Your ability to live in the Home or a condition that if not rectified will result in significant damage to the Home. In case of an Emergency Condition, You must notify the Builder immediately in order that further damages can be mitigated. If Your Builder has provided You with emergency numbers and/or procedures, You must comply with those procedures and/or exhaust those remedies prior to contacting Centricity. Failure to follow such procedures could, at Centricity's sole discretion, result in Your claim being denied.

You should take immediate action if circumstances dictate the need, but You agree that only those repairs necessary to eliminate the Emergency Condition or mitigate further damage shall be performed. You agree that any and all repairs performed beyond such measures will not be the responsibility of the Builder or Centricity, unless You first obtain the permission of Your Builder. Emergency Conditions occurring after normal business hours, over a weekend and/or on a holiday must be reported to the Builder on the next business day.

ANY UNAUTHORIZED REPAIRS MADE BY YOU OR SOMEONE UNDER YOUR DIRECTION, OTHER THAN THOSE PERMITTED ABOVE, WILL NOT BE REIMBURSED OR COMPENSATED. THE DECISION AND DETERMINATION AS TO THE EXTENT OF EXPENSES THAT ARE REIMBURSABLE UNDER THE WARRANTY FOR EMERGENCY CONDITIONS IS THE SOLE DISCRETION OF THE BUILDER AND/OR Centricity IF NECESSARY.

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P.O. Box 33025 St. Petersburg, FL 33733 Phone: 800-345-6282

EXPRESS LIMITED MAJOR STRUCTURAL DEFECT WARRANTY

The Warranty Confirmation Page provides specific information on the Express Limited Major Structural Defect Warranty. Please review it carefully along with all the warranty provisions.

- A. Introduction**
- B. Coverage**
- C. Centricity Responsibilities**
- D. Your Responsibilities**
- E. How To Make A Claim**
- F. Alternative Dispute Resolution**
- General Warranty Provisions**

A. INTRODUCTION

THIS IS A WARRANTY AND NOT INSURANCE. THIS WARRANTY DOES NOT TAKE THE PLACE OF YOUR BUILDERS GENERAL LIABILITY INSURANCE OR YOUR HOMEOWNERS INSURANCE.

This warranty is on the Home. If the Home is sold, each successor in title to the Home, including a mortgagee in possession, is entitled to coverage under the warranty for its unexpired Warranty Period. There is no limit under this warranty to the number of successions during the Warranty Period.

B. Coverage

Commencing on the Warranty Start Date, Centricity warrants Your Home will be free from Major Structural Defects as such defects are defined herein. The Major Structural Defects warranty ends on the Structural Warranty Expiration Date shown on the Warranty Confirmation page.

A Major Structural Defect is:

1. Actual physical damage;
2. to the designated load-bearing portions of a Home;
3. caused by failure of such load-bearing portions that affects their load-bearing functions; and
4. to the extent that the Home becomes unsafe, unsanitary, or otherwise unlivable.

All four portions of the definition must be met to qualify the Home for Major Structural Defect Warranty coverage.

The **load bearing portions of the Home** are the framing members and other structural elements that transfer the load to the supporting ground. The covered load bearing portions of the Home are:

1. Load bearing foundation systems, piling, piers, stemwalls and footings;
2. Load bearing beams;
3. Load bearing girders;
4. Load bearing lintels;
5. Load bearing columns;
6. Load bearing walls and partitions;
7. Load bearing flooring sub systems; and
8. Load bearing roof framing systems, roof rafters and trusses.

Specific examples of **non-load bearing elements** of the Home include, but are not limited to:

1. Non-load bearing partitions and walls;
2. Wall tile or coverings;
3. Plaster, laths, or dry wall;
4. Flooring and sub-flooring material;
5. Brick, stucco, stone or veneer;
6. Any type of exterior siding;
7. Roof shingles, sheathing, flashing and tarpaper;
8. Heating, cooling, ventilating, plumbing, electric and mechanical systems;
9. Appliances, fixtures or items of equipment;

10. Doors, trim, cabinets, windows, hardware, insulation, paint, stains;
11. Basement, garage slabs and other interior concrete floor slabs.

There are specific exclusions in this warranty for which coverage is not provided. Refer to the Exclusions Section in the General Warranty Provisions.

C. Centricity's Responsibilities Under the Express Limited Major Structural Defect Warranty

Centricity will repair or replace a covered Major Structural Defect or pay You the reasonable cost of such repair or replacement. The repair of a Major Structural Defect consists of, and is limited to:

1. Repair or replace the load-bearing portions of Your Home necessary to restore the load-bearing function to eliminate any unsafe, unsanitary or otherwise unliveable condition;
2. Repair of those non-load bearing portions and systems of the Home damaged by the Major Structural Defect and whose repair is necessary to make Your Home once again safe, sanitary or otherwise liveable, such as restoration of the functionality of damaged windows, exterior doors, and the electrical, plumbing, heating, cooling and ventilating systems; and
3. Removal and repair or replacement of only those surfaces, finishes and coverings, original with the Home damaged by the Major Structural Defect or which require removal and replacement to repair the Major Structural Defect. Repair or replacement is limited to an attempt to match the condition of the affected area just prior to the Major Structural Defect as closely as practical, but not necessarily to a like new condition. In no event shall Centricity be liable for discontinued items, changes in dye lots, colors or patterns, or items not included in the original construction.

Centricity's total liability for the repair or replacement of Major Structural Defects is limited to the Warranty Limit shown on the Warranty Confirmation page, but in no case will Centricity's total liability for all warranties issued by Centricity on the Home exceed the Aggregate Warranty Limit shown on the Warranty Confirmation page. Centricity's costs of determining the existence and/or extent of a covered defect, costs of designing, making, and monitoring repairs (or payments to You or to another instead) are deducted from the Warranty Limit and Centricity's Aggregate Warranty Limit.

Centricity shall have the sole option to repair, replace or pay You the reasonable cost of repair and/or replacement of any Major Structural Defect. The design, method and manner of such repair are within the sole discretion of Centricity. By accepting enrolment of Your Home into the Centricity Warranty Program You agree to the method and manner of repair and/or replacement selected by Centricity.

No repair or replacement shall extend the Warranty Period or any applicable part thereof.

D. Your Responsibilities Under the Express Limited Major Structural Defect Warranty

You are responsible for any damage to any improvement, fixture or property not constructed, installed or provided by the Builder, which is damaged by a covered Major Structural Defect, or is damaged during the repair of a covered Major Structural Defect, and You shall pay for the cost of repair of such improvement, fixture or property necessitated by the repair of a covered Major Structural Defect. Before Centricity repairs or pays for the repair of a claim, You must assign to Centricity any rights You may have against any other person with respect to the claim including the Builder and/or its subcontractors or suppliers.

E. How to Make a Claim Under the Express Limited Major Structural Defect Warranty

If you believe Your Home has a Major Structural Defect that may be covered under the Express Limited Structural Warranty during the applicable part of the Warranty Period, You must completely fill out and transmit to Centricity the Centricity Structural Claim Form. This Claim form should be transmitted as soon as possible upon your detecting a defect and before the expiration of the Warranty Period. Any and all claims must transpire and be discovered within the Warranty Period. The Centricity Claim form must be received by Centricity no later than 30 days after the Warranty Expiration Date or You will have waived a claim for the defect and any claim submitted will be rejected. Any and all reports, estimates, diagrams and/or pictures that may exist regarding the nature and extent of the alleged defect should accompany the claim form. Telephone calls to Centricity shall not constitute a claim.

After Centricity receives the Structural Claim Form, You will be contacted to make arrangements to have the Home inspected either by a Centricity representative or other qualified construction professional. The inspection will be conducted to gather evidence regarding the alleged defects. You should cooperate in all respects with the Centricity representative or other qualified construction professional to ensure that all of the alleged defects are reviewed and/or discussed. If necessary, at the option of Centricity, additional inspections and/or testing may be called for to enable the claim to be thoroughly investigated and evaluated. After Centricity, at its sole discretion has completed its

investigation, Centricity shall notify You in writing as to the warranty coverage, if any, of the claimed Major Structural Defects.

If it is determined that the Major Structural Defects are covered by this warranty, You must provide Centricity with a full and unconditional release of all past rights and causes of action You may have with respect to all claimed Major Structural Defects determined to be covered under this warranty, including those rights and causes of action against the Builder, before Centricity will be obligated to pay a claim or make repairs. You shall return the signed release and/or assignment to Centricity within 60 days after receiving it from Centricity, or Centricity will void it.

F. Alternative Dispute Resolution For Express Limited Major Structural Defect Warranty

You, Your Builder and Centricity hereby agree that any dispute, controversy, claim or matters in question regarding the Major Structural Defect warranty between Builder, You, Your successors in interest and/or Centricity arising out of or relating to this Warranty including without limitation, a claim of subrogation, negligent or intentional misrepresentation or nondisclosure in the inducement, and breach of any alleged duty of good faith and fair dealing, (herein referred to collectively as a "Dispute"), shall be submitted to Mediation where the parties will endeavor to resolve the Dispute in an amicable manner.

The mediator's compensation fee, administrative fee and all expenses charged by the mediator and/or the mediation service shall be borne equally by the mediating parties. Each party shall pay their own attorney fees and expenses. Additional fees may be assessed in accordance with the mediation company rules and fees.

In the event any Dispute cannot be resolved by Mediation, You must submit the Dispute to binding arbitration pursuant to the terms and conditions of the Arbitration Section of this warranty.

In Florida: The binding nature of the arbitration proceedings described herein shall not apply, however the arbitration required herein shall be a condition precedent to any and all litigation and/or formal court proceedings.

CENTRICITY (formerly known as)
BONDED BUILDERS WARRANTY GROUP (“herein Centricity”)
P.O. Box 33025 St. Petersburg, FL 33733 Phone: 800-345-6282

GENERAL WARRANTY PROVISIONS

These General Warranty Provisions apply to each warranty to which they are attached and identified on the Warranty Confirmation Page.

- A. DEFINITIONS**
- B. EXCLUSIONS – Items Not Covered By The Warranty**
- C. ARBITRATION PROVISION**
- D. GENERAL CONDITIONS**
 - 1. Access to Your Home**
 - 2. Mortgage Clause**
 - 3. Resale – Transfer of Warranty**
 - 4. Delay**
 - 5. Assignment of Insurance Proceeds**
 - 6. Exclusive Remedy Agreement**
 - 7. Waiver of Implied Warranty**
 - 8. Independence**
 - 9. Attorney’s Fees and Costs Forbidden**
 - 10. Severability**
 - 11. Binding Nature**
 - 12. Gender**
 - 13. Choice of Law**
 - 14. Cancellation**

A. DEFINITIONS

Aggregate Warranty Limit – the maximum amount Centricity is liable for under all warranties issued by Centricity on the Home. The Aggregate Warranty Limit is shown on the Warranty Confirmation page.

Alternative Dispute Resolution – The Conciliation®, Claim Review Group, Mediation and/or the Arbitration processes used by Centricity to resolve issues arising only from the terms and conditions of a Centricity warranty.

Arbitration – An Alternative Dispute Resolution process wherein the designated neutral third party conducts a hearing wherein the parties present live testimony and evidence to the arbitrator. The arbitrator shall render a decision as to the party’s responsibility under the terms and conditions of the warranty and the applicable law.

Centricity – the Warranty Company underwriting this program or its assigned authorized representatives.

Builder – The person, corporation, partnership or other entity registered under the Centricity program and who may have obtained this warranty on the Home. Builder is shown on the Warranty Confirmation page.

Claim Review Group – An Alternative Dispute Resolution process wherein a Centricity selected Conciliator, a qualified representative of You and a qualified representative of the Builder review the claim information and the terms and conditions of the warranty and shall issue, either by majority or unanimous vote, a claims decision, which shall be presented to You and the Builder with a copy to Centricity.

Complete Warranty Document – The entire warranty contract between You, Your Builder and Centricity consisting of the Warranty Coverage Application, the Warranty Confirmation page, any Warranty Amendments and the Warranty Document.

Conciliation® – An Alternative Dispute Resolution process conducted by Centricity to work with You and the Builder to amicably resolve any and all warranty disputes that may arise. The Centricity selected Conciliator shall render a non-binding opinion as to the rights and obligations of each party under the terms and conditions of the warranty.

Consequential Damage – Any property damage or bodily injury which follows as a result of structural damage or any other items covered under this warranty, including defects in plumbing, electrical, heating, cooling or ventilation systems. Consequential damage or resulting bodily injury or property damage are not covered under this warranty.

Home – A single or multi-family home, structure, dwelling or unit (herein called “Home”) individually owned and covered by the warranty. The Home covered is shown on the Warranty Confirmation page under “Property Address Covered by the Warranty”.

Mediation – An Alternative Dispute Resolution process wherein a neutral third party attempts to negotiate an amicable settlement between the parties and facilitate an agreed resolution that is accepted by the parties as a resolution to any and all complaints raised.

Warranty Confirmation Page – The page included as part of the Complete Warranty Document to identify the Home enrolled, the Warranty Limit, Aggregate Warranty Limit, Warranty Start Date, Warranty Expiration Date, any applicable Warranty Amendments, and other information specific to Your warranty.

Warranty Coverage Application – The required application form completed by Your Builder, and signed by You and Your Builder, to enroll Your Home.

Warranty Enrollment Fee – The fee paid for the warranty as indicated on the Warranty Confirmation page.

Warranty Expiration Date – The date the warranty ends as indicated on the Warranty Confirmation page or applicable Warranty Amendment.

Warranty Limit – The maximum amount payable under the terms of the warranty. The Warranty Limit is shown on the Warranty Confirmation page.

Warranty Period – The length of time Your Home is covered by the warranty for each type of coverage provided, beginning on the applicable Warranty Start Date and ending on the applicable Warranty Expiration Date.

Warranty Start Date – This is the date coverage under the warranty begins. It is the earlier of Your occupancy of the Home or the day that title transfers on Your ownership of the Home. The Warranty Start Date is shown on the Warranty Confirmation page.

You, Your, Yours – The Homeowner(s) who hold title to the Home covered by the warranty.

B. EXCLUSIONS – Items Not Covered By The Warranty

The following exclusions from warranty coverage apply to any and all warranties issued by Centricity, including Workmanship, Materials, Systems and Major Structural Defect warranties. The Home is warranted as constructed by the Centricity approved Builder. Centricity does not warrant deficiencies or defects regardless of (a) the cause of the excluded event; or (b) other causes of loss; or (c) whether other causes acted concurrently or in any sequence with the excluded events to produce the deficiency or defect. The following are excluded from coverage under this warranty:

1. Deficiency or defects to any property, or part of the property, that was not included in the Closing Contract Price shown on the Warranty Confirmation page;
2. Off-site improvements or any improvements installed after the Warranty Start Date whether provided by the Builder or others;
3. Drainage deficiencies that do not affect the structural integrity of the Home;
4. Any and all landscaping (including sodding, seeding, shrubs, trees, and plantings) and landscaping irrigation systems including but not limited to sprinkler systems, sprinkler heads and/or sprinkler control systems;
5. Fences, boundary walls, retaining walls and bulkheads, except those retaining walls and bulkheads that contain structural or foundation walls at the Home and/or provide structural support to the Home;
6. Outbuildings, sheds, storage buildings, porches, cabanas or any other detached structures including but not limited to detached carports and detached garages (except those outbuildings which contain the plumbing, electrical, heating, cooling or ventilation systems built or installed with and serving the Home);
7. Patios, decks, balconies, sidewalks, walkways, driveways, swimming pools, hot tubs, spas, exterior steam rooms, covered screen enclosures, and/or other recreational facilities;
8. Any damage caused by soil movement, if compensation is provided by state legislation or covered by other insurance;
9. Any damage as a result of insufficient (or change in) load-bearing capacity of the soil, sub-soils or surfaces of the soil or sub-soils on a lot prepared by You, the Homeowner;
10. Any damage caused or made worse by inadequate, excessive or uneven watering of soils within close proximity of foundations in areas with active soil; or damage by trees planted within 10 feet of foundations;
11. After the first year, concrete floors of basements and attached garages that are built separate from foundation floors or other structural elements of the Home;
12. Failure of the Builder to complete construction of the Home or any component part of the Home in conformity with construction plans or specifications or to complete agreed upon walk-through “punch-out” items;
13. Failure of the Builder, their employees, agents, or subcontractors to perform pre-closing cleanup of any kind or failure to remove any spillage, or debris from construction site;
14. Any defects or deficiency caused by materials, design, construction, or work supplied by other than the original Builder of the Home, or their employees, agents, or subcontractors;
15. Changes, alterations or additions made to the Home by anyone other than those performed under obligations of this warranty;
16. Changes of the grading of the site by anyone other than the Builder originally building the Home or their employees, agents, or subcontractors;
17. Deficiency or defects caused or made worse by owners, occupants, or guests;
18. Any deficiencies or defects in workmanship, materials or structural portions normally covered by another warranty or insurance policy whether or not paid by such warranty or insurance policy;
19. Deficiency or defects resulting from accidents, riot, civil commotion, terror attacks, war, or Acts of God; including but not limited to fire, explosion, smoke, water escape, windstorm, mudslide, erosion, hail, lightning, hurricanes, tsunamis, falling trees, aircraft, vehicles, flood, earthquakes, sink holes, underground springs, volcanic eruptions, saturated soils or change in the level of the under ground water table;

20. Deficiency or defects resulting from burn holes, buried debris, or organic materials;
21. Any contamination caused or created by natural or man-made chemicals, compounds, or substances, or breakdown or adverse effects of chemicals, compounds, or substances used in the construction of the Home or site. Such contamination is not covered even if the Home is rendered unlivable;
22. Insect damage including termites;
23. Any damage caused by water intrusion, including but not limited to roof leaks, window sealants, plumbing or failure of vapor barriers, except as provided in the Workmanship, Materials and Systems warranty;
24. Dampness or condensation due to Your failure to maintain adequate ventilation;
25. Any loss, damages or other condition which is not a deficiency or defect of construction;
26. Consequential Damage: Any property damage or bodily injury which follows as a result of structural damage, or other defects covered under this warranty including defects in plumbing, electrical, heating and cooling;
27. Normal wear and tear or normal deterioration;
28. Cost of transportation, food, storage, moving contents, shelter, or other incidental expenses related to Your relocating during repair;
29. Any loss or damage which may arise while the Home is not being used primarily for residential purposes;
30. Any loss or physically inflicted damage which is not a construction deficiency or defect, including but not limited to chips, scratches, and dents in materials, fixtures, appliances, or other types of equipment;
31. Failure by You to give notice to the Builder and/or Centricity of any deficiencies or defects within a reasonable time or as specified in this warranty;
32. Negligence and/or improper maintenance or improper operation of items warranted under this warranty;
33. Failure of You or anyone to comply with the warranty requirements of manufacturers of appliances, equipment or fixtures;
34. Any loss or damage which You have not taken reasonable timely actions to minimize;
35. Any dispute received by Centricity later than 30 days after the applicable Warranty Expiration Date for claimed items of deficiency or defect;
36. Any alleged deficiency or defect for which there is no evidence of deficiency or defects at the time of the claims investigation; or which has been repaired prior to a Centricity claims investigation unless such deficiency or defect is considered by Centricity to be an emergency repair which was repaired by You after the Builder failed to respond within a reasonable time. Emergency items will be determined by Centricity considering imminent danger of resulting damage to the Home. Emergency items will not include items of comfort to You such as but not limited to problems with air conditioners;
37. Any condition which does not result in actual physical damage to the covered Home;
38. Diminished market value of Your Home.

C. ARBITRATION PROVISION

In the event any Dispute under any Centricity warranty, including without limitation, a claim of subrogation, negligent or intentional misrepresentation or nondisclosure in the inducement, breach of any alleged duty of good faith and fair dealing, and/or any dispute over the scope of this Arbitration Provision, cannot be resolved by one of the Alternative Dispute Resolution processes described herein, You, the Builder and Centricity agree to submit the Dispute to binding arbitration. You will have the right to select the arbitration company from the list of approved arbitration companies Centricity will provide to You when arbitration is requested. The arbitration will be conducted under the arbitration company's rules in effect at the time of the arbitration.

The decision of the arbitrator shall be final and binding on all parties and may be entered as a judgment in any State or Federal court of competent jurisdiction. **By accepting the warranty, You are agreeing to waive Your right to a trial by either judge or jury in a court of law.**

The initiation or participation by any party in any judicial proceeding shall not be deemed a waiver of the right to enforce this arbitration provision and notwithstanding any provision of law to the contrary, shall not be asserted or accepted as a reason to delay, to refuse to participate in, or to refuse to enforce this arbitration provision. Any party who shall commence a judicial proceeding concerning a dispute, which is arbitrable hereunder, shall also be deemed to be a party requesting arbitration within the meaning of this paragraph. Any party shall be entitled to recover reasonable attorney's fees and costs incurred in enforcing this arbitration provision, and the arbitrator shall have sole authority to award such fees and costs.

The arbitrator's compensation fee, administrative fee and all expenses charged by the arbitrator and/or the arbitration service shall be borne equally by the arbitrating parties. Each party shall pay their own attorney fees and expenses. Additional fees may be assessed in accordance with the arbitration company rules and fees. The arbitrator shall have the discretion to reallocate such fees and expenses, save and except attorney's fees, in the interest of justice.

The parties agree that this arbitration provision involves and concerns interstate commerce and is governed by the Federal Arbitration Act (Title 9 of the United States Code), now in effect and as same may from time to time be amended, to the exclusion of any different or inconsistent state or local law, ordinance or judicial rule; and to the extent that any state or local law, ordinance or judicial rule shall be inconsistent with any provisions of the rules of the arbitration company under which the arbitration proceeding shall be conducted, the rules of the arbitration company shall govern the conduct of the proceeding. Any party who fails or refuses to submit to arbitration following a demand by any other party shall bear all costs and expenses incurred by such other party in compelling arbitration of any Dispute. Arbitration may be demanded at any time, but only after completion of all conditions precedent, and may be compelled by summary proceedings in Court. The institution and maintenance of any action for judicial relief or pursuit of a provisional or ancillary remedy shall not constitute a waiver of the right of any party, including the plaintiff, to submit the controversy of claim to arbitration if any other party contests such action for judicial relief.

The resolution of any Dispute shall not be consolidated with disputes of other Homeowners or included in any class proceeding. No arbitrator or other party to an arbitration proceeding may disclose the existence, content or results thereof, except for disclosures of information by a party required in the ordinary course of its business or by applicable law or regulation. If more than one agreement for arbitration by or between the parties potentially applies to a Dispute, the arbitration provision of this warranty shall apply to all warranty Disputes. This arbitration provision shall survive termination, amendment or expiration of any of the documents or any relationship between the parties.

Centricity shall have the right, in advance of the arbitration proceeding, to re-inspect any Home which is the subject of the arbitration proceeding if the request for arbitration is made more than 60 days following the last claim decision of Centricity concerning such Home. No arbitration proceeding shall involve more than one single-family detached Home or, single unit in a multi-family building. However, at Centricity's sole option, multi-family buildings, including but not limited to condominiums, could be heard together in the same proceeding.

If any provision of this arbitration agreement shall be determined to be unenforceable by the arbitrator or by the court, the remaining provisions shall be deemed to be severable there from and enforceable according to their terms.

In Florida: The binding nature of the arbitration proceedings described herein shall not apply, however the arbitration required herein shall be a condition precedent to any and all litigation and/or formal court proceedings.

D. GENERAL CONDITIONS

- 1. Access to Your Home** – In order for the Builder or Centricity to fulfil their respective obligations under the terms and conditions of the warranty, access will be required to the Home. By having Your Home enrolled in the Centricity warranty program, You hereby grant access to Your Home during normal business hours for the purpose of allowing the Builder, Centricity, their agents, contractors and/or inspectors to conduct inspections, assess claims, make repairs and to conduct tests as may be determined as necessary. **Refusal To Allow Access To Your Home Will Void The Warranty.**
- 2. Mortgage Clause** – Centricity may, where applicable, make payment for any claim for \$1,000.00 or more to You and the Mortgagee as your respective interests may appear. The Mortgagee will be bound by the adjustment of any claim made with You.
- 3. Resale – Transfer of Warranty** – Each successor in title to the Home including, "Mortgagee in possession", is automatically entitled to coverage under this warranty up to the remaining amount of the Aggregate Warranty Limit for the unexpired Warranty Period. The transfer fee for this warranty shall not exceed \$40.00. There is no limit to the number of successions during the Warranty Period.
- 4. Delay** – If the Builder's or Centricity's performance of any of its obligations is delayed by any event not resulting from their own conduct, they will be excused from performing until the effects of that event are remedied. Examples of such events are: Acts of God or common enemy, war, riot, civil commotion, sovereign conduct, or acts of persons who are not parties to this warranty.
- 5. Assignment of Insurance Proceeds** – In the event Your Builder or Centricity repairs or replaces, or pays the cost of any defect covered by the Warranty for which You are covered by other insurance or warranties, You must, upon request by Your Builder or Centricity, assign the proceeds of such repair, replacement, payment and/or the right to pursue recovery for such payment to Your Builder or Centricity. This assignment includes but is not limited to Your homeowners insurance carrier, product manufacturer or any other entity or individual.

6. **Exclusive Remedy Agreement** – Except as provided herein, You have waived the right to seek damages or other legal or equitable remedies from the Builder, its principles, his subcontractors, agents, vendors suppliers, workers, material men, and/or design professionals under any and all causes of action whether statutory or at common law, including but not limited to negligence and/or strict liability. The agreement contained herein shall be enforceable to the fullest extent permissible by the law of the state in which the property is located and shall apply to any claim thereafter made against the Builder or any other person. Your sole remedy, in the event of a defect in Your Home or in the real property upon which it is situated, is as prescribed in the terms and conditions of the Centricity Warranty issued on the Home. Nothing in this paragraph shall effect or be applicable to any other express written warranty You may have received from any single vendor or manufacturer who has supplied any appliance or component for the Home.
7. **Waiver of Implied Warranties – (Habitability, Merchantability, Fitness for a Particular Purpose and/or Good and Workmanlike Construction)** – By receiving, accepting and/or agreeing to the Centricity Express Limited Warranty including but not limited to the terms and conditions contained herein, You hereby waive any and all other express or implied warranties, including but not limited to any oral or written representations or statements made by the Builder or any other implied warranty including but not limited to warranties of habitability, merchantability, fitness for a particular purpose and/or good and workmanlike construction. This waiver shall not apply to the extent not permitted by the law of the state in which the property is located.
8. **Independence** – The Centricity Warranty is independent of the contract between You and Your Builder for the construction of the Home and/or its sale to You. Contract disputes, which are not warranty disputes, as covered under this warranty are not eligible for dispute resolution hereunder. Nothing contained in any other contract between You and Your Builder can restrict or override the provisions of the Centricity Warranty.
9. **Attorney's Fees and Costs Forbidden** – Each party shall bear its own costs of litigation and under no circumstances shall any party, prevailing or otherwise be entitled to an award and/or judgment which includes or provides for attorney's fees and/or court costs.
10. **Severability** – Should any provisions of this contract be deemed by a court of competent jurisdiction to be unenforceable, the remaining portions of this warranty shall be given full force and effect and the determination will not affect the enforceability of the remaining provisions.
11. **Binding Nature** – The Warranty is to be binding upon the Builder, You, Your heirs, executors, administrators, successors and assigns.
12. **Gender** – The use of one gender in the Warranty includes all other genders; and use of the plural includes the singular as may be appropriate.
13. **Choice of Law** – The warranty is to be construed in accordance with the laws of the state in which the Home is located.
14. **Cancellation** – You may return the warranty for cancellation within 30 days of Your receipt of it. If returned the warranty will be cancelled and the full Warranty Enrollment Fee will be refunded to the Builder. Cancellation of this warranty does not extend or alter the Builder's responsibilities.

CENTRICITY (formerly known as)
BONDED BUILDERS WARRANTY GROUP (“herein Centricity”)
P.O. Box 33025 St. Petersburg, FL 33733 Phone: 800-345-6282

CONSTRUCTION PERFORMANCE STANDARDS

These Construction Performance Standards apply to the Workmanship, Materials and Systems warranty to which they are attached and identified on the Warranty Confirmation Page.

The following Construction Performance Standards are the official standards used by Centricity in determining coverage under the Workmanship, Materials and/or Systems Warranty. This warranty does not warrant that the Home has been built in compliance with federal, state or local building standards or codes even though the Builder is required to comply with such standards or codes. **Items covered by a manufacturing warranty ARE NOT warranted under this express limited warranty.**

In no event shall Builder, or Centricity be liable for discontinued items, changes in dye lots, colors or patterns, or items not included in the original construction.

The Performance Standards set forth in the following pages are meant to be demonstrative of the most frequent deficiencies of concern. The validity of all claims not covered by these Performance Standards shall be determined on the basis of the National Home Builders Association Residential Performance Guidelines.

Important Notice: When determining responsibility under the Construction Performance Standards, only reports from Centricity approved construction consultants (inspection firms, contractors etc.) will be considered. Some firms and individuals feel it is their responsibility to locate possible problems rather than to resolve issues under consideration and they regularly address items not covered under the terms of the warranty.

Index to Construction Performance Standards

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| 1. SITE WORK | 8. SPECIALTIES |
| 2. CONCRETE | 9. PLUMBING |
| 3. MASONRY | 10. HEATING |
| 4. WOOD AND PLASTIC | 11. COOLING |
| 5. THERMAL AND MOISTURE PROTECTION | 12. CONDENSATION LINES |
| 6. DOORS AND WINDOWS | 13. AIR DISTRIBUTION |
| 7. FINISHES | 14. ELECTRICAL |

Definitions:

POSSIBLE DEFICIENCY – a brief statement in simple terms of the problems to be considered.

PERFORMANCE STANDARD – a performance standard relating to a specific deficiency.

BUILDER RESPONSIBILITY – possible corrective action(s) suggested to the Builder to repair the defect.

YOUR RESPONSIBILITY – items expressly excluded from the warranty and which are considered part of the general maintenance of Homeownership.

1. SITE WORK

	POSSIBLE DEFICIENCY	PERFORMANCE STANDARD	BUILDER RESPONSIBILITY	YOUR RESPONSIBILITY
SITE GRADING	Settling of ground around foundation, utility trenches, or other areas.	Settling of ground around foundation, utility trenches or other filled areas shall not interfere with water drainage away from the Home.	Fill those areas where proper drainage has been affected. This shall be done one time only, during the first year of the Warranty Period. The Homeowner(s) shall be responsible for replacement of all grass, shrubs and landscaping in the affected area.	
SITE DRAINAGE	Improper drainage of the site.	Necessary grades and swales will be completed to insure proper drainage away from the Home. Standing or ponding water shall not remain for extended periods next to the Home after a rain (generally no more than 24 hours). The possibility of standing water after a heavy rainfall should be anticipated. Grading determination shall not be made while there is frost on the ground, or while the ground is saturated.	For initial establishment of proper grades and swales only.	Maintaining proper grades and swales once they have been properly completed. Damage caused by decks, pools, patios, planters, etc. You installed, which interfere with proper site drainage, are not covered. Erosion control is Your responsibility.

2. CONCRETE

	POSSIBLE DEFICIENCY	PERFORMANCE STANDARD	BUILDER RESPONSIBILITY	YOUR RESPONSIBILITY
RANDOM CONCRETE CRACKS	Random cracks in concrete.	Normal shrinkage due to the dehydration of the concrete can cause random cracking in concrete slabs.	None	
CAST-IN-PLACE CONCRETE	Basement or foundation wall cracks.	Shrinkage cracks greater than 1/8 inch in width will be repaired.	Repair cracks in excess of 1/8 inch in width.	
	Cracking of basement floor.	Minor cracks in concrete basement floors are normal. Cracks exceeding 1/4 inch in width or 3/16 inch in vertical displacement shall be repaired.	Repair cracks exceeding maximum tolerances by surface patching or other methods as required. Builder is not responsible for color variation.	
	Cracking of slab in attached garage.	Cracks in garage slabs in excess of 1/4 inch in width or 1/4 inch in vertical displacement will be repaired.	Repair cracks exceeding maximum tolerances by surface patching, or other methods as required. Builder is not responsible for color variation.	
	Uneven concrete floors/slabs.	Except for basement floors or where a floor, or portion of a floor, has been designed for specific drainage purposes, concrete floors in rooms designed for habitability shall not have pits, depressions or areas of unevenness exceeding 1/4 inch in 36 inches.	Correct or repair deficiencies exceeding maximum tolerances. Builder is not responsible for color variation.	
	Cracks in concrete slab-on-grade floors with finish flooring.	Cracks which rupture the finish flooring material shall be repaired.	Repair cracks, so they are not readily apparent.	

	POSSIBLE DEFICIENCY	PERFORMANCE STANDARD	BUILDER RESPONSIBILITY	YOUR RESPONSIBILITY
	Pitting, scaling or spalling of concrete work covered under this Limited Warranty.	Concrete surfaces shall not disintegrate to the extent that the aggregate is exposed and loosened under normal conditions of weathering and use.	Take corrective action to repair or replace defective concrete surfaces. Builder is not responsible for deterioration caused by salt, chemicals, mechanical implements and factors not under Builder's control. Unless otherwise specified, Builder is not responsible for roof water run-off onto patios, walkways or driveways.	Avoid damaging the surface by the use of salts and chemicals not specifically designed for use on these surfaces.
	Settling, heaving, or separating of stoops, steps or garage floors structurally attached to the Home.	Stoops, steps or garage floors should not settle, heave or separate in excess of 1 inch from the house structures.	Take whatever corrective action is required to meet the Performance Standard.	
	Standing water on stoops.	Water should drain from all outdoor stoops and steps. Minor water standing on stoops for a short period after rain is a possibility.	Provide proper drainage of steps and stoops. Builder is not responsible for color variation of repair.	

3. MASONRY (stucco see Finishes)

	POSSIBLE DEFICIENCY	PERFORMANCE STANDARD	BUILDER RESPONSIBILITY	YOUR RESPONSIBILITY
UNIT MASONRY	Non-structural foundation wall cracks.	Small cracks not affecting structural stability are not unusual in mortar joints of masonry foundation walls. Cracks greater than 1/8 inch in width will be repaired.	Repair cracks in excess of 1/8 inch by pointing or patching. These deficiencies shall be reported and repairs made during the first year of the Warranty Period. Builder is not responsible for color variation.	
	Cracks in masonry walls or veneer.	Small cracks due to shrinkage are common in mortar joints in masonry construction. Cracks greater than 3/8 inch in width will be repaired.	Repair cracks in excess of 3/8 inch by pointing or patching. These repairs shall be reported to the Builder, but made close to the end of the first year of the Warranty Period to allow expansion, contraction and normal settling. Builder is not responsible for color variation.	Periodic sealing of mortar joint cracks to preclude water intrusion.

4. WOOD AND PLASTIC

	POSSIBLE DEFICIENCY	PERFORMANCE STANDARD	BUILDER RESPONSIBILITY	YOUR RESPONSIBILITY
ROUGH CARPENTRY	Floors or stairs squeak or sub-floor seems loose.	A squeak-proof floor/stair cannot be guaranteed.	Correct the problem only if caused by an underlying construction defect.	
	Uneven wood floors.	Floors shall not be more than 1/4 inch out of level within any 32-inch horizontal measurement.	Correct or repair to meet Performance Standard.	

	POSSIBLE DEFICIENCY	PERFORMANCE STANDARD	BUILDER RESPONSIBILITY	YOUR RESPONSIBILITY
	Bowed walls or ceilings.	Walls and ceilings shall not be more than 1/2 inch out of level within any 32-inch horizontal measurement, not including drywall corner bead.	Repair to meet the Performance Standard.	
	Out of plumb walls.	Walls should not be more than 1/4 inch out of plumb for any 32-inch vertical measurement.	Repair to meet the Performance Standard.	
FINISH CARPENTRY (INTERIOR)	Poor quality of interior trim workmanship.	Joints in moldings or joints between moldings and adjacent surface shall not result in open joints exceeding 1/8 inch in width.	Repair defective joints as defined. Caulking is acceptable. Builder is not responsible for color variation.	Periodic caulking of seams between baseboard and finished floor.
FINISH CARPENTRY (EXTERIOR)	Exterior finish siding has open joints between pieces of trim.	Joints between exterior trim elements, including siding and masonry, shall not result in open joints in excess of 3/16 inch.	Repair only once during the first year of Warranty Period. Caulking is acceptable.	Maintain the exterior finish by periodic caulking and painting.
	Inadequate clearance of wood siding from finished grade.	There should be a 6-inch clearance between the wood siding and the finished grade at the time of closing or first occupancy, whichever comes first.	Builder will insure that there is a minimum 6-inch clearance between the wood siding and the finished grade at the time of closing or first occupancy, whichever comes first.	Maintain a 6 inch clearance between the siding and finished grade.
	Delamination of veneer siding or joint separation.	All siding shall be installed according to the manufacturer's and industry's accepted standards. Separations and delaminations shall be repaired or replaced.	Repair or replace affected siding, as needed, unless caused by manufacturer's defect or Homeowner(s) neglect to maintain siding properly. Manufacturing defects are not covered under this warranty and must be reported to that manufacturer. Repaired area may not match in color and/or texture. For surfaces requiring paint, Builder will paint only the new materials. The Homeowner(s) can expect that the newly painted surface may not match original surface in color.	

5. THERMAL AND MOISTURE PROTECTION

	POSSIBLE DEFICIENCY	PERFORMANCE STANDARD	BUILDER RESPONSIBILITY	YOUR RESPONSIBILITY
WATERPROOFING	Leaks in foundation and basement.	Leaks resulting in actual trickling of water shall be repaired. Leaks caused by improper landscaping or failure to maintain proper grades are not covered by this Limited Warranty. Dampness of the walls or floors may occur in new construction and is not considered a deficiency.	Take such action as necessary to correct covered leaks except where the cause is determined to result from Homeowner(s) action or negligence.	Maintain proper grades and drainage around the Home.

	POSSIBLE DEFICIENCY	PERFORMANCE STANDARD	BUILDER RESPONSIBILITY	YOUR RESPONSIBILITY
	Covered leaks in exterior wall not adequately sealed or caulked.	Joints and/or cracks in exterior walls and openings shall be sealed and/or caulked to prevent water penetration in accordance with industry standards.	Repair any deficiency once during the first year of the Warranty Period only. Builder is not responsible for color variation.	Maintain caulking and sealing in exterior walls.
	Mold, mildew or fungus.	Mold, mildew or fungus can form as a result of leaks or condensation. This is considered consequential damage.	None	Mold, mildew or fungus control is Your responsibility; see Homeowner Maintenance Manual available from Centricity.
INSULATION	Insufficient insulation.	Insulation will be installed in accordance with local applicable energy and building code requirements or, as applicable, FHA and VA requirements.	Insulate the Home as required to meet local energy and building code requirements. This will not make a room sound proof.	
LOUVERS AND VENTS	Leaks due to snow or rain driven into the attic through louvers or vents.	Attic vents/louvers must be provided for proper ventilation of the attic space of the structure.	None	
ROOFING	Ice build-up on roof.	During prolonged cold spells, ice build-up is likely to occur at the eaves of a roof. This condition occurs when snow and ice accumulate and gutters and downspouts freeze up.	None	Prevention of ice build-up on a roof is a Homeowner(s) maintenance item.
	Roof or flashing leaks.	Roofs or flashing shall not leak under normally anticipated conditions, except where cause is determined to result from ice build-up or Your action or negligence.	Repair any verified roof or flashing leaks not caused by ice build-up or by Your action or negligence.	Maintain the roof and periodically remove leaves, pine needles and other debris from the roof surface, valley gutters and down spouts.
	Standing water on flat roof	Water shall drain from a flat roof except for minor ponding immediately following a rainfall unless the roof is specifically designed for water retention.	Take corrective action to assure proper drainage of roof.	
SHEET METAL	Gutters and/or downspouts leak.	Gutters and downspouts shall not leak but gutters may overflow during heavy rain.	Repair leaks one time during the first year of the Warranty Period. Caulking is acceptable.	Keep leaves and debris out of gutters and downspouts to assure proper water flow.
	Water standing in gutters.	When gutters are unobstructed by debris, the water level shall not exceed one (1) inch.	Correct to meet Performance Standard. Small amounts of water may stand in certain sections of gutter immediately after a rain.	Keep leaves and debris out of gutters and downspouts to assure proper water flow.

6. DOORS AND WINDOWS

	POSSIBLE DEFICIENCY	PERFORMANCE STANDARD	BUILDER RESPONSIBILITY	YOUR RESPONSIBILITY
WOOD AND PLASTIC DOORS	Warpage of exterior doors.	Exterior doors may warp to some degree due to temperature differential on inside and outside surfaces. However, they shall not warp to the extent that they become inoperable or cease to be weather resistant.	Correct or replace and refinish defective doors during the first year of the Warranty Period. Repairs or replacements may not match the original door, but will match as closely as possible.	If You paint or stain the outside doors, the surfaces must be properly prepared before applying paint or stain.

	POSSIBLE DEFICIENCY	PERFORMANCE STANDARD	BUILDER RESPONSIBILITY	YOUR RESPONSIBILITY
	Warpage of interior passage and closet doors.	Interior doors (full openings) shall not warp to the extent that the door becomes inoperable.	Correct or replace and refinish defective doors to match existing doors as nearly as possible during the first year of the Warranty Period.	
	Shrinkage of insert panels reveal raw or unpainted wood edges.	Panels will naturally shrink and expand and may expose unpainted surface(s).	None	
	Split in door panel.	Split panels shall not allow visible light or weather intrusion through the door.	If light is visible, fill split and match paint or stain as closely as possible, one time in first year of the Warranty Period.	
	Malfunction of door locks and hardware.	Door locks and hardware shall operate as designed.	Correction of any defect shall be agreed upon prior to acceptance of the Home.	
GLASS	Glass broken or scratched.	If reported prior to first occupancy, glass or mirror surfaces shall not have scratches visible from 10 feet under normal lighting conditions.	Defective glass reported to the Builder prior to closing.	
SLIDING DOORS	Sliding doors do not operate properly.	The Builder will assure that sliding doors are installed according to manufacturer's specifications. It is acceptable for small amounts of water to stand in the bottom of the track for a period of time after a rain.	Adjust or repair inoperative sliding doors, one time only, during the first year of the Warranty Period.	Maintain the sliding doors per manufacturer's specifications. The slide tracks must be kept clean and free of debris, the rollers lubricated and adjusted.
GARAGE DOORS ON ATTACHED GARAGES	Garage doors fail to operate properly under normal use.	Garage doors shall operate properly.	Correct or adjust garage doors as required, except where the cause is determined to result from Your negligence. If You install a garage door opener, the Builder will no longer be responsible for the operation of the garage door.	Lubricate all moveable parts as mentioned in the operating manual.
	Garage doors allow intrusion of water or snow.	Garage doors will be installed as recommended by the manufacturer. Some intrusion of the elements can be expected under abnormal conditions.	Adjust or correct garage doors one time only, unless caused by Your negligence.	
WOOD, PLASTIC, AND METAL WINDOWS	Malfunction of windows.	Windows will operate with reasonable ease, as designed.	Correct as required.	Keep tracks and rollers cleaned, lubricated and adjusted.
	Condensation and/or frost on windows.	Windows will collect condensation on interior surfaces when extreme temperature difference and high humidity levels are present. Condensation is usually the result of climactic/humidity conditions, sometimes created by the Homeowner(s) comfort preference.	Unless attributed to faulty installation, window condensation is a result of conditions beyond the Builder's control. No corrective action required.	If a humidifier is installed, You will follow the manufacturer's recommendations for proper setting of the humidistat.

	POSSIBLE DEFICIENCY	PERFORMANCE STANDARD	BUILDER RESPONSIBILITY	YOUR RESPONSIBILITY
WEATHER-STRIPPING AND SEALS	Interior water seepage.	Caulking in areas where water is supplied, such as sinks, tubs, showers and hose bibs, is required to prevent water intrusion.	Once during the first year repair any area deemed to be deficient to meet the performance standard. Builder is not responsible for color variation.	Caulking is an on-going responsibility of Yours.
	Air and/or water infiltration around doors and windows.	Infiltration is normally noticeable around doors and windows, especially during high winds. Poorly fitted weather-stripping shall be adjusted or replaced.	Adjust or correct improperly fitted doors, windows and weather stripping one time in the first year of the Warranty Period.	To have storm doors and windows installed to provide satisfactory solutions in high wind areas.

7. FINISHES

	POSSIBLE DEFICIENCY	PERFORMANCE STANDARD	BUILDER RESPONSIBILITY	YOUR RESPONSIBILITY
LATH AND PLASTER	Cracks in interior wall and ceiling surfaces.	Hairline cracks are not unusual in interior wall and ceiling surfaces. Cracks greater than 1/8 inch in width are considered excessive.	Repair cracks exceeding 1/8 inch in width as required, one time only, during the first year of the Warranty Period. Builder is not responsible for color variation.	
GYPSUM WALLBOARD (DRYWALL)	Defects, which appear during the first year of the Limited Warranty such as, nail pops, blisters in tape, or other blemishes.	Slight blemishes such as nail pops, seam lines and cracks not exceeding 1/8 inch in width are common in gypsum wallboard installations and are considered acceptable.	Repair only cracks exceeding 1/8 inch in width, one time only, during the first year of the Warranty Period. Builder is not responsible for color variations in the paint or differences in finished texture.	
CERAMIC OR MARBLE TILE	Ceramic or marble tile cracks or becomes loose or hollow sounding.	Ceramic or marble tile cracks or becomes loose as a result of expansion or contraction of the surface upon which it is placed. The Builder responsibility in this event should be discussed prior to closing (contract Homes) to avoid misunderstandings. Unless otherwise agreed, the following Builder responsibility applies.	Replace cracked tiles and resecure loose tiles only once during the first year of Warranty Period, unless the defects were caused by Your action or negligence. Builder will not be responsible for discontinued patterns or color variations in ceramic tile or grout. Hollow sounding tile is not considered a defect.	RegROUT cracks after initial repairs have been made.
	Cracks appearing in grouting of ceramic or tile joints.	Cracks in grouting of ceramic tile joints are commonly due to normal shrinkage conditions. Homeowner(s) is responsible for maintenance of grouted areas.	Repair grouting if necessary, one time only, during the first year of the Warranty Period. Builder will not be responsible for discontinued tile patterns, color variations, or discontinued colored grout. RegROUTING of cracks is a maintenance responsibility of the Homeowner(s) within the life of the Home.	RegROUT cracks after initial repairs have been made.
	Lippage of adjoining ceramic or marble tile.	Lippage (vertical displacement) in excess of 1/4 inch will be repaired, except where the materials are designed with an irregular height (such as hand-made tile).	Repair to meet the accepted tolerance. Builder will not be responsible for discontinued tile patterns, color variations, or discontinued colored grout.	

	POSSIBLE DEFICIENCY	PERFORMANCE STANDARD	BUILDER RESPONSIBILITY	YOUR RESPONSIBILITY
FINISHED WOOD FLOORING	Wood flooring does not adhere	Wood flooring shall not lift or become unglued.	Repair or replace, at Builder's sole option, the affected wood flooring as required. Builder shall not be responsible for color variation of wood flooring or for problems caused by Your neglect or abuse.	
	Cracks developing between floor boards.	Cracks in excess of 1/8 inch in width shall be corrected.	Repair cracks in excess of 1/8 inch within the first year of the Warranty Period by filling or replacing, at Builder's option.	
RESILIENT FLOORING	Nail-pops appearing on the surface of resilient flooring	Readily apparent nail pops will be repaired.	Correct nail pops, which are above the surface. Repair or replace, at Builder's sole option, resilient floor covering in the affected area with similar material. Builder will not be responsible for discontinued patterns or color variations in the floor covering.	
	Depressions or ridges appear in the resilient flooring due to sub-floor irregularities.	Readily apparent depressions or ridges exceeding 1/4 inch in 36 inches shall be repaired. Visible cracks in the underlying slab are unavoidable and are considered acceptable unless the cracks rupture the resilient flooring.	Take necessary corrective action to bring the defect within acceptable tolerance so that the affected area is not readily visible. Builder shall not be responsible for discontinued patterns or color variations in floor covering.	
	Cuts and gouges appear in the surface of the resilient flooring.	The Builder will assure that the surface of the flooring does not have any observable cuts and gouges.	Repair cuts and gouges reported in writing prior to closing or first occupancy, whichever occurs first.	Protect the resilient floor surface by having chair and furniture protective devices installed and/or maintained.
	Resilient flooring does not adhere.	Resilient flooring shall not lift, bubble or become unglued.	Repair or replace, at Builder's sole option, the affected resilient flooring as required. Builder shall not be responsible for discontinued patterns or color variation of floor covering, or for problems caused by Your neglect or abuse.	
	Seams or shrinkage gaps show at resilient flooring joints.	Gaps shall not exceed 1/16 inch in width in resilient floor covering joints. Where dissimilar materials abut, a gap not to exceed 1/8 inch is permissible.	Repair or replace, at Builder's option, the affected resilient flooring as required. Builder shall not be responsible for discontinued patterns or color variation of floor covering, or for problems caused by Your neglect or abuse.	

	POSSIBLE DEFICIENCY	PERFORMANCE STANDARD	BUILDER RESPONSIBILITY	YOUR RESPONSIBILITY
PAINTING	Exterior paint or stain peels, deteriorates or fades.	Exterior paints or stains should not fail during the first year of the Warranty Period. Fading is normal and the degree is dependent on climactic conditions.	Prepare and refinish affected areas, if paint or stain is defective, matching color as close as practicable. Where finish deterioration affects the majority of a wall area, the whole area will be refinished.	Maintain the exterior surfaces per the manufacturer's specifications.
	Additional painting required due to other repair work that is the Builder's responsibility.	Painting repair required under this Warranty shall be finished to match surrounding areas as closely as practicable.	Refinish repair area as indicated.	
	Deterioration of varnish or lacquer finishes.	Natural finishes on interior woodwork shall not deteriorate during the first year of the Warranty Period. Varnish type finishes used on the exterior will deteriorate rapidly and are not covered by this Warranty.	Retouch affected areas of natural finish interior woodwork, attempting to match the color as closely as practicable.	Maintain these surfaces per the manufacturer's specifications.
	Mildew or fungus on painted surfaces.	Mildew or fungus may form on a painted surface if the structure is subject to abnormal exposures or weather conditions.	None. Mildew or fungus is a condition the Builder cannot control.	Mildew control is Your responsibility. You are responsible for cleaning and maintaining surfaces in order to minimize the presence of mildew and fungus. See Homeowner's Maintenance Manual (available from Centricity) for additional information.
WALL COVERING	Peeling of any wall covering.	Peeling of wall covering shall not occur.	Repair or replace defective wall covering applications	
	Edge mismatching in pattern of wall covering.	Not a construction defect, and should be called to Builders attention prior to closing.	None	
CARPETING	Open carpet seams or stretching occurs.	Wall to wall carpeting, when stretched, shall not come loose from the point of attachment. Carpet seams may show but no separation at seam should occur.	Correct if original installation was at direction of the Builder.	
	Spots on carpet, minor fading.	Exposure to light can cause spots on carpet and/or minor fading.	None	
	Edge mismatching in pattern of wall covering and/or other floor coverings.	Not a construction defect, and should be discussed with the Builder prior to closing.	None	
STUCCO	Cracking occurs in exterior stucco wall surfaces.	Cracks are not unusual in exterior stucco wall surfaces. Cracks greater than 1/8 inch in width shall be repaired.	Surface repair cracks exceeding 1/8 inch in width, one time only, during the first year of the Warranty Period. Builder is not responsible for color variation.	Maintain normal expansion/contraction cracking in stucco to preclude water intrusion.

	POSSIBLE DEFICIENCY	PERFORMANCE STANDARD	BUILDER RESPONSIBILITY	YOUR RESPONSIBILITY
ROOF TILE	Broken roof tile.	Not a construction defect, and should be called to Builder's attention prior to closing.	Improper treatment can cause roof tile to crack. Broken roof tile not reported to the Builder prior to closing is Your responsibility.	
ROOF SHINGLES	Sheathing nails have loosened from framing and raised asphalt shingles.	Nails shall not loosen from roof sheathing to raise asphalt shingles from surface.	Repair all areas as necessary to meet the Performance Standard.	

8. SPECIALTIES

	POSSIBLE DEFICIENCY	PERFORMANCE STANDARD	BUILDER RESPONSIBILITY	YOUR RESPONSIBILITY
LOUVERS AND VENTS	Inadequate ventilation of attics and crawl spaces.	Attic/crawl spaces shall have a ventilation area as required by the approved building code.	Provide for adequate ventilation under code. Builder is not responsible for any alterations to the system.	
FIREPLACES	Fireplace or chimney does not draw properly.	Properly designed and constructed fireplaces and chimneys will function properly. It is normal to expect that high winds can cause temporary negative draft situations. Similar negative draft situations can also be caused by obstructions such as large branches of trees too close to the chimney. Some Homes may need to have a window opened slightly to create an effective draft when the Home has been insulated and weatherproofed to meet energy conservation criteria. Any existing manufacturing warranty will exclude coverage from this warranty.	Where there is a fireplace or chimney malfunction, the Builder will determine the cause and correct it, if the problem is one of construction.	
	Chimney separation from structure to which it is attached.	Newly built fireplaces will often incur slight amounts of separation. Separation shall not exceed 3/8 inch from the main structure in an 8-foot vertical measurement.	Determine the cause of separation and correct if standard is not met (one time only). Caulking is acceptable.	
	Firebox paint discolored by fire or heat.	None	None. Heat from fires will alter finish.	
	Cracked firebrick and mortar joints.	None	None. Heat and flames from "roaring" fires will cause cracking.	

	POSSIBLE DEFICIENCY	PERFORMANCE STANDARD	BUILDER RESPONSIBILITY	YOUR RESPONSIBILITY
CABINETS & COUNTERTOPS	Surface cracks, delamination and chips in high pressure laminate on vanity/kitchen cabinet countertop.	Countertops fabricated with high-pressure laminate coverings shall not delaminate.	Replace delaminated coverings to meet specific criteria. Builder will not be responsible for chips and cracks unless noted prior to closing.	Maintain these surfaces according to manufacturer's specifications. Joints in a laminate surface should be caulked to maintain a proper moisture barrier to assure proper performance of the covering. See Homeowner's Maintenance Manual (available from Centricity) for additional information.
	Kitchen cabinet door and/or drawer malfunctions.	Warpage not to exceed 1/4 inch as measured from face frame to furthest point of warpage with door or drawer front in closed position.	Correct or replace doors or drawer fronts. Builder is not responsible for color variation.	
	Gaps between cabinets, ceiling or walls.	Acceptable tolerance shall not exceed 1/4 inch in width.	Correct to meet Performance Standard. Caulking is acceptable. Builder is not responsible for color variation.	

9. PLUMBING

	POSSIBLE DEFICIENCY	PERFORMANCE STANDARD	BUILDER RESPONSIBILITY	YOUR RESPONSIBILITY
PLUMBING-WATER SUPPLY SYSTEM	Plumbing pipes freeze and burst.	Drain, waste/vent and water pipes shall be adequately protected, as required by code, during normally anticipated cold weather, and as defined in accordance with ASHRAE design temperatures to prevent freezing.	Correct to meet the code.	Drain or otherwise protect lines and exterior faucets exposed to freezing temperatures.
	Water supply system fails to deliver water.	All connections to municipal water main and private water supply (except equipment, pumps, motors, valves, switches and related items) shall be the Builders responsibility. Private systems shall meet applicable codes at time of construction.	Private systems shall be designed and installed in accordance with approved building, plumbing and health codes. Builder will repair if failure is the result of defective workmanship or materials. Builder has no responsibility for elimination of the sources of supply when the problem is beyond Builder's control. The Builder is not responsible for water quality.	
	Leakage from piping.	No leaks of any kind shall exist in any soil, waste, vent, or water pipe. Condensation does not constitute leakage.	Make repairs to eliminate leakage.	

	POSSIBLE DEFICIENCY	PERFORMANCE STANDARD	BUILDER RESPONSIBILITY	YOUR RESPONSIBILITY
	Stopped up sewers, fixtures and drains.	Sewers, fixtures and drains will operate properly.	Where defective construction is shown to be the cause, Builder will assume the cost of the repair. Builder shall not be responsible for sewers, sewer systems, fixtures and drains, which are clogged through Your negligence.	If a problem occurs, consult Your Builder for a proper course of action. Where Your negligence is shown to be the cause, You shall assume all repair costs.
	Leak in faucet or valve.	Valves or faucets shall not leak due to defects.	Repair or replace leaking faucets or valves when due to defects in workmanship or material. You are responsible for maintenance. Fixtures covered by a manufacturing warranty are not covered by this warranty.	
	Noisy water pipes.	There will be some noise emitting from the water pipe system due to the flow of water.	Eliminate "water hammer" or excessive noise only if due to improper installation. Builder cannot remove all water flow noises and pipe expansion.	
	Septic system fails to operate properly.	Septic system shall be designed and installed to comply with applicable, approved code requirements. Septic system shall function adequately and handle properly designed flow of household effluent specified by the governing health and building department regulations in effect at the time of construction and during all seasons, under normal local climactic conditions. Approval of the governing regulatory authority at the time of construction shall evidence Builder's compliance with this standard.	Repair or correct malfunctioning or non-operating systems, if failure is caused by inadequate design, faulty installation, or other cause relating to actions of the Builder or Builder's contractors, or subcontractors. Builder will not be responsible for system malfunction or damage, which is caused by Your negligence, lack of system maintenance, or other causes attributable to actions of You or Your contractors, not under the control of the Builder. These include, but are not necessarily limited to the addition of fixtures, items of equipment, appliances, pumps, motors, valves or switches, or other sources of waste or water to the plumbing system served by the septic system and damage, or changes, to the septic system installation or surrounding soil conditions that may be critical to the system's functioning.	Properly maintain the system by maintaining proper grades, landscaping, gutters and protecting the area from heavy vehicular traffic, which could cause soil compaction. Septic tanks may need to be pumped during periods of excessive use or extended rainfall. Seek a reliable septic tank contractor for this service. In case of dispute, if Builder has obtained approved permits from the governing health authority, You must provide proof system was installed improperly.
	Cracking or chipping of porcelain or fiberglass.	Chips and cracks on surfaces of bathtubs/sinks can occur when hit by sharp or heavy objects.	Builder will not be responsible for repairs unless damage has been reported to Builder prior to closing and/or listed on the original "walk-through/punch list".	

10. HEATING

	POSSIBLE DEFICIENCY	PERFORMANCE STANDARD	BUILDER RESPONSIBILITY	YOUR RESPONSIBILITY
	Inadequate heating.	Heating system shall be capable of producing an inside temperature of 70 degrees F, as measured in the center of each room at a height of 5 feet above the floor. Federal, state or local energy codes shall supersede this standard where such codes have been locally adopted.	Correct heating system to provide the required temperatures.	Maintain the heating system and assure that air filters are cleaned/changed per manufacturer's recommendations. Balance the dampers and registers to assure proper air distribution. See Homeowner's Maintenance Manual available from Centricity for additional information.

11. COOLING

	POSSIBLE DEFICIENCY	PERFORMANCE STANDARD	BUILDER RESPONSIBILITY	YOUR RESPONSIBILITY
	Inadequate cooling.	Where air-conditioning is provided, the cooling system shall be capable of maintaining summer design conditions as specified in ASHRAE handbook. In the case of outside temperatures exceeding 95 degrees F, a differential of 15 degrees F is acceptable. Federal, state, or local energy codes shall supersede this standard where such codes have been locally adopted.	Builder shall correct cooling system to meet temperature conditions in accordance with specifications.	The Homeowner(s) will maintain the cooling system and assure that air filters are cleaned/changed per manufacturer's recommendations. Balance the dampers and registers to assure proper air distribution. See Homeowner's Maintenance Manual available from Centricity for additional information.
	Cooling lines leak.	Cooling lines shall not develop leaks during normal operation.	Repair lines leaking refrigerant and re-charge unit, unless damage has been caused by the events or occurrences caused by You.	

12. CONDENSATION LINES

	POSSIBLE DEFICIENCY	PERFORMANCE STANDARD	BUILDER RESPONSIBILITY	YOUR RESPONSIBILITY
	Clogging of condensation lines.	None. Condensation lines will clog eventually under normal use.	Provide unobstructed condensation lines at time of first occupancy.	Maintenance is required. See Homeowner's Maintenance Manual (available from Centricity) for additional information.

13. AIR DISTRIBUTION

	POSSIBLE DEFICIENCY	PERFORMANCE STANDARD	BUILDER RESPONSIBILITY	YOUR RESPONSIBILITY
	Noisy ductwork.	When metal is heated it expands and when it cools it contracts. The result is a cracking sound, which is generally to be expected.	None	
	Ductwork separates or becomes unattached.	Ductwork should remain intact and securely fastened.	Re-attach and re-secure all separated or unattached ductwork.	

14. ELECTRICAL

	POSSIBLE DEFICIENCY	PERFORMANCE STANDARD	BUILDER RESPONSIBILITY	YOUR RESPONSIBILITY
ELECTRICAL CONDUCTORS, FUSES AND CIRCUIT BREAKERS	Failure of wiring to carry its designed load to the electrical box.	Wiring should be capable of carrying the designed load to the electrical box under normal residential use.	Check wiring for conformity with local, state, or approved national electrical code requirements. Builder shall repair wiring not conforming to code specifications.	
	Fuses blow or circuit breakers "kick out" (excluding ground fault interrupters).	Fuses and circuit breakers shall not activate under normal usage.	Check wiring circuits for conformity with local, state, or approved national electrical code requirements. Builder shall correct wiring not conforming to code specifications.	
OUTLETS, SWITCHES AND FIXTURES	Drafts from electrical outlets.	Electrical junction boxes on exterior walls may produce airflow whereby the cold air can be drawn through the outlet into a room. The problem is normal in new Home construction.	None	
	Defective wiring to electrical outlets, switches or fixtures.	Wiring to electrical outlets, switches and fixtures should operate as intended.	Check wiring and connections and repair. Builder is not responsible for defective or malfunctioning pieces of equipment.	
SERVICE AND DISTRIBUTION	Ground fault interrupter trips frequently.	Ground fault interrupters are sensitive safety devices installed into the electrical system to provide protection against electrical shock. These sensitive devices can be tripped very easily.	Install ground fault interrupter in accordance with approved electrical code. Tripping is to be expected and is not covered unless due to faulty installation.	

**CONSTRUCTION PERFORMANCE STANDARDS
FOR FOUNDATIONS AND MAJOR STRUCTURAL COMPONENTS
Texas Only**

The following Construction Performance Standards are added to the warranty for homes located in Texas only and are used by Centricity in determining coverage under the Express Limited Major Structural Defect warranty to which they are attached and identified on the Warranty Confirmation Page.

The following terms when used in these Construction Performance Standards are defined as follows:

Original Construction Elevations – actual elevations of the foundation taken prior to substantial completion of the residential construction project. Such actual elevations shall include elevations of porches and garages if those structures are part of the monolithic foundation. To establish original construction elevations, elevations shall be taken at a rate of approximately one elevation per 100 square feet showing a reference point, subject to obstructions. Each elevation shall describe the floor. If no such actual elevations are taken than the foundation for the habitable areas of the Home are presumed to be level +/- 0.75 inch (three-quarters of an inch) over the length of the foundation. The habitable areas of the Home shall be considered the enclosed area in a home that is suitable for year-round residential use excluding garages, porches and/or decks.

Code – the International Residential Code for One- and Two-Family Dwellings published by the International Code Council, or if the context requires, the National Electrical Code.

(a) Performance Standards for Slab Foundations.

- (1) Slab foundations should not move differentially after they are constructed, such that a tilt or deflection in the slab in excess of the standards defined below arises from post-construction movement. The protocol and standards for evaluating slab foundations shall follow the "Guidelines for the Evaluation and Repair of Residential Foundations" as published by the Texas Section of the American Society of Civil Engineers (2002), hereinafter referred to as the "ASCE Guidelines" with the following modifications:
 - a. Overall deflection from the Original Construction Elevations shall be no greater than the overall length over which the deflection occurs divided by 360 (L/360) and must not have more than one associated symptom of distress, as described in Section 5 of the ASCE Guidelines, that results in actual observable physical damage to the non-load-bearing elements of the Home.
 - b. The slab shall not deflect after construction in a tilting mode in excess of one percent from the Original Construction Elevations resulting in actual observable physical damage to the load-bearing portions of the Home.
- (2) If measurements and associated symptoms of distress show that a slab foundation does not meet the deflection or tilt standards stated in paragraph (1) of this subsection, a third-party inspector's recommendation shall be based on the appropriate remedial measures as described in Section 7 of the ASCE Guidelines together with the terms and conditions of this warranty. To the extent of conflict between the ASCE Guidelines and this warranty, the terms of this warranty shall prevail.

(b) Performance Standards for Major Structural Load-bearing Portions of a Home other than Slab Foundations.

- (1) Floor over pier and beam foundations.
 - a. A floor over pier and beam foundation shall not deflect more than L/360 from its Original Construction Elevations and have that movement create actual observable physical damage to the load-bearing portions of the Home identifiable in Section 5.3 of the ASCE Guidelines.
 - b. If a floor over pier and beam foundation deflects more than L/360 from its Original Construction Elevation and the movement has created actual observable physical damage to the non-load-bearing elements of a Home identifiable in Section 5.3 of the ASCE Guidelines, a third-party inspector's recommendation shall be based on applicable remedial measures as described in Section 7 of the ASCE Guidelines together with the terms and conditions of this warranty. To the extent of conflict between the ASCE Guidelines and this warranty, the terms of this warranty shall prevail.
- (2) Load-bearing portions.
 - a. A load-bearing portion of the Home shall not crack, bow, become distorted or deteriorate, such that it compromises the structural integrity of a Home or the performance of a structural system of the Home resulting in actual observable physical damage to a non-load-bearing element of the Home.
 - b. If a load-bearing portion of a Home cracks, bows, is distorted or deteriorates such that it results in actual observable physical damage to a load-bearing portion of the Home, Centricity shall take such action as necessary to repair, reinforce or replace such load-bearing portion to restore the structural integrity of the Home or the performance of the affected load-bearing portion of the Home.
- (3) Deflected load-bearing portion.
 - a. A load-bearing portion shall not deflect more than the ratios allowed by the Code.
 - b. If a load-bearing portion of the Home is deflected more than the ratios allowed by the Code, Centricity shall take such action as necessary to repair, reinforce or replace such load-bearing portion to restore the structural integrity of the Home or the performance of the affected load-bearing portion of the Home.
- (4) Damaged load-bearing portion.

- a. A load-bearing portion of the Home shall not be so damaged that it compromises the structural integrity or performance of the affected load-bearing portion of the Home.
 - b. If a load-bearing portion of the Home is so damaged that it compromises the structural integrity or performance of a load-bearing portion of the Home, Centricity shall take such action as necessary to repair, reinforce or replace such load-bearing portion to restore the structural integrity of the Home or the performance of the affected load-bearing portion.
- (5) Separated load-bearing portion.
- a. A load-bearing portion 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 load-bearing portion.
 - b. If a load-bearing portion 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 load-bearing portion of the Home, Centricity shall take such action as necessary to repair, reinforce or replace such structural component to re-establish the connection between the load-bearing portion and the supporting member, to restore the structural integrity of the Home and the performance of the affected load-bearing portion.
- (6) Non-performing load-bearing portion.
- a. A load-bearing portion of the Home shall function as required by the Code.
 - b. If a load-bearing portion of the Home does not function as required by the Code, Centricity shall take such action as necessary to bring the variance within the standard stated in subparagraph (A) of this paragraph.

SAMPLE

CENTRICITY (formerly known as)
BONDED BUILDERS WARRANTY GROUP (“herein Centricity”)
P.O. Box 33025 St. Petersburg, FL 33733 Phone: 800-345-6282

WARRANTY AMENDMENT

The warranty to which this Amendment is attached is modified as follows:

This Express Limited Warranty is designed to meet the criteria for acceptability of insured 10 year Protection Plans as set by the Department of Housing and Urban Development (HUD) published in the Federal Register Volume 55 No. 194. and the Department of Veterans Affairs (VA).

If the Home has a FHA, VA or Rural Development financed mortgage:

1. Workmanship, Materials and Systems Warranty - Section G Alternative Dispute Resolution:
 - a. The requirement to submit a Dispute to the Claim Review Group is deleted. After unsuccessful Conciliation You may seek judicial remedies or submit the Dispute to arbitration according to the Arbitration Provision of this warranty. If the Dispute is submitted to arbitration, the arbitration will be binding and judicial remedies are waived.
2. Express Limited Major Structural Defect Warranty - Section F Alternative Dispute Resolution:
 - a. The requirement to submit a Dispute to Mediation is deleted. If You do not agree with the claim determination after Centricity's inspection of the alleged defects, You may seek judicial remedies or submit the Dispute to arbitration according to the Arbitration Provision of this warranty. If the Dispute is submitted to arbitration, the arbitration will be binding and judicial remedies are waived.
3. General Provisions
 - a. Section A Definitions is modified by addition of the following:
 - i. Actual Physical Damage – a visually observable, adverse condition evidenced by distortion, denting, bowing, buckling, protrusion, cracking, or crushing in a portion of the Home.
 - b. Section C Arbitration Provision is modified by addition of the following:
 - i. You may seek judicial remedies before submitting the Dispute to arbitration if the applicable Alternative Dispute Resolution process in the warranty is unsuccessful. However, if the Dispute is submitted to arbitration, the arbitration will be binding and judicial remedies are waived.
 - c. Section D General Conditions, paragraph 14 is modified as follows:
 - i. In the event of FHA, VA or Rural Development financing this warranty cannot be canceled.
4. In the case of cash payments under the warranty, Builder and Centricity are required to make such payments to You and Your mortgagee. You must provide the name and address of Your mortgagee, the FHA, VA or Rural Development case number and the loan number when You file a claim.

All other terms and conditions of the Warranty Document remain unchanged.