

Customer Care Manual

- 1-Year Customer Care Program
- Home Maintenance and Care Tips
- Home Builder's Limited Warranty
- 10-Year Limited Structural Warranty





Dear Homeowner:

Congratulations on the purchase of your new home. In making this purchase, you join the more than 140,000 individuals and families who have purchased an M/I Home since our founding in 1976. Over the years, our company has established a strong reputation for service, design, and quality. We are committed to your satisfaction and truly appreciate your confidence in us.

This manual provides important information to help you enjoy and maintain your home for years to come. The manual is divided into three sections. The first section is devoted to an explanation of our One-Year Customer Care Program. This section also includes helpful maintenance and care tips. The second section contains a home maintenance checklist and FAQs about your home. The third section provides information regarding our Home Builder's Limited Warranty.

Please take the time to review this manual. Doing so will help you better understand what is required to properly maintain your home as well as understand the responsibilities of M/I Homes and the various trades people and suppliers involved in building your home.

Again, congratulations and thank you for choosing M/I Homes.

Sincerely,

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Robert H. Schottenstein Chairman and Chief Executive Officer

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M/I Customer Care Overview

Our representatives are building professionals who are ready to respond to your needs in a prompt and reliable manner. Realizing that a new home contains several thousand components and is constructed by numerous individual trade partners, it is possible that there will be conditions in need of service. Our commitment to you is set forth in the materials and warranties contained in this manual.

1-Year Customer Care Program

During the first year following closing, we will evaluate and, if appropriate, remedy minor problems in your home that might not otherwise be covered by a warranty. Throughout the first year all new homes go through a period of settlement and movement as the home reaches equilibrium. During this time, your home may experience some minor shrinkage, cracking, and other events, which are unavoidable and considered normal. While some conditions will be your responsibility as maintenance items, we will remedy certain conditions outlined in this manual. Keep in mind that you are responsible for proper home maintenance. This 1-year program is non-transferable to subsequent owners.

Home Maintenance Checklist

This checklist is designed to help you keep track of the regular maintenance recommended to keep your home in great condition.

Home Builder's Limited Warranty

A sample copy of the Home Builder's Limited Warranty (the "Home Builder's Warranty") is contained in this manual. The performance standards contained in this manual (the "Performance Standards") will be applied in determining whether a condition might constitute a construction defect covered under the Home Builder's Warranty. Where a Performance Standard is not enumerated for the condition, we will use the other factors referenced and identified in the Home Builder's Warranty to determine if a construction defect is present. During the period of coverage, the Home Builder's Warranty is extended to subsequent owners of the home.

Manufacturers' Warranties

Certain items in your home (e.g. appliances, windows, siding, and shingles) are covered by manufacturer's warranties. Copies of these warranties and/or website links will be supplied to you at closing.

M/I Customer Care Visits

New Home Orientation

Prior to closing, you will meet with your Construction Manager for your New Home Orientation to review the proper use and care of all components, appliances, and fixtures. The New Home Orientation is your opportunity to note adjustments that may need to be made as contemplated by this manual.

Post Closing Home Visit

Our Customer Care Department will contact you to schedule a convenient time to visit your home after closing (between 90 and 120 days following closing) in order to review any questions or concerns you have about your new home (the "Post Closing Home Visit"). At that time, we will address any problems or concerns covered by our One-Year Customer Care Program or one of our warranties. You may want to prepare a list of questions for your Customer Care Representative to address during your visit.

1-Year Customer Care Program

M/I Homes provides an exclusive One-Year Customer Care Program, which is designed to remedy minor problems in your home that might not otherwise be covered by a warranty. The standards in this section are used solely for the determination of what is covered under the 1-Year Customer Care Program, not what is covered by the Home Builder's Limited Warranty, the 10-Year Structural Warranty, or any manufacturer's warranty. In addition, each non-warranty repair or adjustment specified herein will be made one time only during your first year of ownership. Keep in mind that you are responsible for proper home maintenance. This section contains many helpful care tips to help you keep your new home functioning properly for years to come.

Interior Components

Baths and Kitchens

Cabinets

We will repair or replace cabinet doors and drawers which are identified as not operating properly at the New Home Orientation. Please note that replacement parts may not match exactly due to the nature of wood. In addition, we will:

- Repair or replace any door or drawer front that warps more than 1/4 inch from the front frame face to the point that the door or drawer warps most when it is in the closed position.
- Repair gaps between cabinets and the wall or ceiling that exceed 1/4 inch.
- Repair or replace cabinet faces that are more than 1/16 inch out of line.
- Make necessary adjustments if cabinet corners are more than 1/8 inch out of line.
- Repair or replace any scratches or blemishes found on cabinets, cabinet doors, and drawer fronts if noted at New Home Orientation.

Care Tips:

- Clean wood cabinets with products recommended by the manufacturer.
- Clean laminated plastic surface cabinets with mild soap and water and then dry thoroughly. Do not use abrasive cleaners.
- Do not allow wet cloths or water to accumulate near bottom/toe kicks of cabinet bases as they may cause damage.
- Loose hinges should be tightened immediately.
- Drawer glides should be lubricated as needed with a silicone spray.

Countertops

We will correct problems, such as scratches or chips, if they are identified at the New Home Orientation. In addition, we will:

- Make necessary repairs or replacement if countertops are more than 1/4 inch out of level.
- Make necessary repairs or replacement if seams in plastic laminated tops exceed 1/16 inch.

- Do not place electrical appliances or hot pans on any countertop surface. Use insulated pads.
- Do not use abrasive cleaners or steel wool.
- Clean up household bleach immediately.
- Do not allow wet cloths or water to accumulate near the corner of the countertop and back splash or other joints.
- Granite countertops can be sealed to help resist staining.
- Clean countertops with a damp, soapy cloth, rinse thoroughly, and then dry.
- Corian countertops may need to be buffed to maintain an even sheen.
- Do not use countertops as a cutting board or work bench.
- Caulk to seal dissimilar surfaces or joints especially after the house settles.

Bathtubs, Sinks, and Showers

We will correct problems provided they are noted at the New Home Orientation. Commodes are nationally mandated to be low flow water savers, typically 1.6 gallons per flush. The water flow in the faucets and shower heads is also restricted with water saving devices to conserve water.

Care Tips:

- Sinks, whether corian, marble, china, or porcelain on steel, should only be cleaned with a non-abrasive cleaner.
- Do not use bleach on stainless steel.

Porcelain Surfaces

We will correct problems provided they are noted at the New Home Orientation. After closing, you are responsible for caring for porcelain surfaces and for any problems that may arise, including rust spots that appear due to minerals in the water.

Granite Surfaces

Granite is a natural stone and will have color and surface variations. The seams in the granite will be visible due to the natural color. Granite can be chipped or stained by falling or hot pots or pans, or by using it as a butcher block. Natural stone will break or crack if extremely heavy objects fall on the surface. The stone may also crack or break if someone sits, jumps, or stands on it. Cracks, chips, and bad seams must be noted at the New Home Orientation.

Care Tips:

• We recommend sealing your granite when you move in and every year thereafter to protect against staining.

Vanity Tops

Some small specks and pits in vanity tops are normal due to the manufacturing process. We will repair or replace vanity tops that are cracked, improperly installed, or that show excessive specks and pits provided they are noted at the New Home Orientation.

Care Tips:

• The edge of the sink common to the vanity is sealed with caulk and needs to be re-caulked and maintained as does the connection of the side/back splash with the top.

Bathroom and Kitchen Tile

We will replace any cracked tile and secure loose tiles provided they are noted at the New Home Orientation. After closing, it is your responsibility to repair or replace cracked or loose tiles and to re-grout cracks. Use water resistant caulking materials designed for use with tile.

- Periodically wipe glazed wall tiles using a cloth or sponge dampened with a non oilbased household cleaner. Do not use ammonia; it could discolor grout.
- Unglazed wall and floor tiles can be cleaned with a similar manner using a solution of water and soapless detergent instead of an all-purpose cleaner.
- Recommended to apply sealer to grout and tile at least twice a year for a maximum stain protection.

Caulking

We will repair or replace caulking only if the problem is due to poor workmanship. Should the caulking in your home, including caulking around your bathtub(s), sinks, countertops, windows, or doors dry out or separate from the adjoining surface, it is your responsibility to promptly replace it. Caulk can become discolored over time from various soaps and cleaners. Discolored caulk is your responsibility to replace.

Doors and Windows

Interior Doors

We will replace or repair interior doors that warp in excess of 3/8 inch. Doors will be refinished to match existing doors as closely as possible. Seasonal changes may alter your door's positioning and require a minor adjustment.

Bi-fold Doors

We will reinstall any door that comes out of the track.

Care Tips:

- Keep channel of sliding doors and metal thresholds clean for ease of operation and drainage of rainwater.
- Apply silicone or beeswax to the tracks of bi-pass and bi-fold closet doors to make them operate more efficiently.
- Do not use oil on sliding door tracks as this will cause damage to the track and wheel assembly.

Garage Doors

Please refer to the section on Garages.

Exterior Doors

Any chips, dents, or gouges will be repaired provided they are noted at the New Home Orientation. Exterior doors will warp to some degree due to temperature changes. We will repair doors that are inoperable or fit poorly due to warping.

Insert panels on exterior doors may shrink and expand, causing raw edges to show. We will supply you with stain or paint during the first year to touch up these areas.

Care Tips:

• Maintain weather stripping, door sweeps, and threshold adjustments to avoid drafts and water intrusion.

Condensation

Condensation occurs wherever warm, moist air comes into contact with colder surfaces such as windows, basement walls, or exposed pipes. There is more condensation in homes today because they are built tighter, insulated better, and have improved doors and windows that virtually eliminate drafts and other air exchanges in the home. Condensation might range from a little frost on the lower corners of the windows to frost that blocks the entire window. Condensation in the home is usually greatest during the first year because many gallons of water are contained in the materials used in building your new home. If your home was constructed in the fall or winter, the frozen ground does not have a chance to settle appreciably until the spring thaw. Since frozen ground retains moisture longer than wet or dry ground, it can elevate the amount of water in the air of the basement it surrounds. In addition to causes which are a byproduct of home construction, a family of four can put as much as 18 gallons of water a week into the atmosphere of a home by doing laundry, bathing, showering, cooking, and dishwashing.

Condensation is normal and we assume no responsibility for any damage due to condensation.

Care Tips:

- Use exhaust fans in bathrooms to lessen humidity. These fans need to be kept clean for maximum performance.
- If your home is equipped with a humidifier, make sure it is adjusted properly.
- Make sure the clothes dryer is properly connected to the exterior vent and maintained in a clean, clear, and unobstructed manner. The connection and the duct will need to be cleaned periodically.
- Use a dehumidifier to reduce humidity.
- During cold temperature months, keep window treatments open. This allows an increase in airflow across the glass surface, reducing the amount of condensation on the glass and frame of window.

Screens

We will adjust screens that do not fit or operate properly provided they are identified at the New Home Orientation. We will replace any torn screen provided it is identified at the New Home Orientation.

Windows

We will fix windows that fail to operate with reasonable ease or that leak, provided the leakage is not due to extreme weather conditions. You may notice slight drafts around windows during periods of high wind. It is your responsibility to check and maintain weather stripping and caulking.

Glass

We will replace defective or broken glass provided it is noted at the New Home Orientation. All insulated glass is warranted by the manufacturer. Please refer to the information you receive at closing regarding your manufacturer's warranty.

During periods of extreme cold exterior temperatures, a convection of air may naturally be created over the glass' surface and will feel like a draft. This is not a window air leak, but a natural occurrence of cooler air temperatures settling from the glass surface.

Care Tips:

• When cleaning your windows, please refrain from using sharp objects such as razor blades or scrapers and use a generous amount of window cleaner to lubricate the surface and decrease the likelihood of scratches.

Fireplaces

At your New Home Orientation, check to make sure the damper opens and closes properly. Ventless fireplaces will not have a damper. Before using your fireplace, be sure the damper (if any) is open.

Gas and Direct Vent Fireplaces

Gas and direct vent fireplaces are appliances and are covered by the manufacturer's warranty. Qualified service technicians should be consulted for servicing the equipment. You should regularly clean the firebox walls, log grate, and glass. Check the venting system at the top and at the base of the firebox to ensure there are no obstructions.

Floors

Floor squeaks are often a temporary condition common to new homes. We will remedy extreme nail or seam popping, cracked or loose tile, and imperfections in the subfloor. Scratches, gouges, heel marks, and other visible surface defects identified at the New Home Orientation will be repaired. We are not responsible for surface defects identified after closing.

Carpets

We will correct or replace carpet that is not uniform in color or carpet seams with visible gaps provided it is noted at the New Home Orientation. In addition, we will:

- Re-stretch carpet or take other corrective action so that wrinkles do not appear in the carpet one time during your first year.
- Correct or repair open seams and reattach carpet to the tack strip.

- If carpet becomes wet, you should pull back the wet carpet from the tack strip.
- The cleaning residue on adjacent flooring can track onto carpeting and act as an adhesive for dirt, creating a premature wear pattern. Make sure to rinse adjacent laminate or tile flooring after cleaning.
- Carpeting is relatively easy to care for and a regular schedule of vacuuming will go far in maintaining the original appearance for many years. Prompt removal of spots and stains and regular removal of soil and dirt is recommended. For best results, follow the advice supplied by the manufacturer of the carpet to help maintain the life of the carpet.

Resilient Flooring

Resilient floors include vinyl, linoleum, cork, asphalt, and rubber tile. Your new home may have been equipped with resilient floors in the kitchen and bathroom and in some family rooms. These floors were chosen for their ease of maintenance and their resistance to wear. We will:

- Repair or replace resilient flooring if it becomes unglued or bubbles.
- Repair shrinkage gaps that exceed 1/16 inch in width.
- Correct nail pops that have broken through the surface.
- Repair visible depressions, seams, or ridges that exceed 1/8 inch in height or depth.
- Repair flooring if a seam has lifted.

Hardwood Floors

We will correct any scratches or other defects in the hardwood flooring provided they are identified at the New Home Orientation. After closing, you assume responsibility for the condition of the hardwood floors. We will repair separations in excess of 1/8 inch in hardwood flooring. Hardwood floors are very susceptible to changes in air humidity and may require installation of a humidity control device. Please refer to the care and maintenance instructions provided by the hardwood flooring manufacturer which has been included in your closing packet.

Care Tips:

- Do not allow water to stand on wood flooring.
- Keep your pet's nails trimmed to avoid damage to the finish of your hardwood flooring.
- Remove high heeled shoes prior to walking on any hardwood flooring.

Concrete Floors

We will repair or replace floors or slabs in rooms designed for habitability that have pits, depressions, or areas of unevenness exceeding 3/8 inch in 32 inches. This does not include basement floors or floors that have been designed for specific drainage purposes.

Ceramic Tile Flooring

We will replace any cracked tile and secure loose tiles provided they are noted at the New Home Orientation. Ceramic tile flooring may crack or become loose after the closing on your new home. It is your responsibility to repair or replace any loose or cracked tiles. We are not responsible for discontinued patterns or color variations. Cracks in the grouting of ceramic tile joints are commonly due to normal shrinkage conditions. Re-grouting or caulking of these cracks is your maintenance responsibility for the life of the home.

- The grout used between ceramic tiles can be cleaned using a brush and mild cleaner.
- Grout sealers are available to make grout more resistant to stains. These products can be purchased at home care centers.

Hardware

Hardware

We will repair or replace door handles and locks that do not work properly provided they are noted at the New Home Orientation. Otherwise, you are responsible for the condition and operation of all hardware and fixtures. Exterior fixtures will tarnish. Metal coach lights, door hardware, light fixtures, outside receptacles, as well as garage doors, will fade. These fixtures may need to be replaced every few years.

Care Tips:

- Wipe exterior locks and door handles occasionally with a damp cloth and polish with a soft, dry cloth.
- Lubricate exterior and interior locks periodically. For keyed exterior locks, powdered graphite (dry lubricant) blown into the keyhole and on the latch bolt will ensure smooth operation. For interior locks, use a few drops of sewing machine oil or similar light oil on the latch bolt.

Insulation and Weather Stripping

Insulation

R-value means resistance to heat flow. The higher the R-value, the greater the insulating power. The insulation in your home is installed in accordance with applicable building code requirements. The R-value of your insulation can be affected by anything disturbing the surface of the insulation, such as running new wire through the attic, or blowback from wind storms through the vents. It is the homeowner's responsibility to make sure the R-value is maintained over time.

Attic Access

Keeping your attic access sealed prevents warm, moist air from entering the attic space, which could cause further condensation concerns within the attic during freeze/thaw times of year.

Weather Stripping

To help prevent air infiltration into your home, we have applied weather stripping or seals around doors and windows. If you notice open cracks, improperly fitted doors and windows, or poorly fitted weather stripping, we will make the necessary adjustments once during your first year of ownership.

Care Tips:

• Check the weather stripping around doors and windows annually and replace weather stripping that is torn or separated.

Interior Trim and Railings

Interior Woodwork

We will make repairs to items provided they are noted at the New Home Orientation. We cannot guarantee that any repair work will match exactly.

Trim and Molding

Trim and molding, including baseboard quarter-round, may separate from the floor leaving a small space that will catch dust and dirt. We will repair or replace any loose trim or molding provided it is noted at the New Home Orientation. In addition, we will:

- Address cracks in joints in or between molding and adjacent surfaces that exceed 1/8 inch in width.
- Address gaps between miter edges in interior trim and molding that exceed 1/8 inch.
- Make necessary repairs or replacement if interior trim has splits that exceed 1/8 inch in width or one inch in length.

Stairs and Railings

At your New Home Orientation, check to make sure railings are sturdy and free of chips or cracks and that steps do not squeak. We will correct problems provided they are noted at the New Home Orientation. In addition, we will repair cracks between interior stair parts that exceed 1/8 inch in width.

Care Tips:

• Avoid the use of abrasive cleaners on metal railings or stairway balustrades. Instead, wipe with a damp cloth.

Interior Hardware Finishes

We will replace or repair any tarnished, scratched, or damaged hardware if noted at the New Home Orientation.

Care Tips:

• Avoid use of abrasive cleaners on faucets, doorknobs, cabinet pulls, and light fixtures. It is recommended to follow the manufacturer's cleaning and care guidelines.

Walls and Ceilings

Drywall

We will repair obvious defects, trowel marks, and cracked corner bead provided such items are noted at the New Home Orientation. Please keep in mind we do not guarantee paint touch-ups or repainting will match exactly.

Some nail popping or cracking will occur in drywall due to wood shrinkage. We recommend waiting a year (or at least one heating season) before painting or wallpapering rooms to allow your home to settle and for all drywall to completely dry out.

Painted Walls and Ceilings

We will correct any defects in painting on the interior walls, including streaked or missed areas, provided they are identified at the New Home Orientation. Please note we cannot guarantee any repainting will match exactly.

Care Tips:

- For long life and low maintenance cost, paint your home at regular intervals. Areas exposed to direct sunlight and those exposed to steam and condensation may require more frequent painting.
- The paint should be wiped clean (not scrubbed) with a soft sponge and mild soap. No abrasives are to be used in the care of painted walls.

Appliances

All appliances, including refrigerators, ranges, dishwashers, garbage disposals, and HVAC systems, are covered by the respective manufacturer's warranties. Please read the owner's manual for each appliance for proper operation, use, and care. Additionally, complete all warranty registrations in order to utilize the full manufacturer's warranty available to you.

Exterior Components

Driveways, Walks, Patios, and Steps

Although it is impossible to prevent cracking in concrete or asphalt, we have taken various measures to minimize problems. Cracking is a characteristic of concrete, not a flaw. As the foundation/driveway settles and cures, expands and contracts, there may be resulting cracks. Control joints are used to help direct the cracking. We are not responsible for cosmetic blemishes in concrete including flaking, minor cracking, pitting, scaling, spalling, and discolorations. We have no control over problems which are due to weather conditions, including severe frost, unequal subgrade settlement, sewers, water ditches, and aggravation from use of salt and other "de-icing" chemicals. You should take certain precautions to help maintain the condition of any concrete or asphalt surfaces. Please refer to the care tips outlined here.

Care Tips:

- Whether your driveway is constructed of asphalt or concrete, consider sealing the driveway surface no less than every other year.
- Pay close attention to ground settlement or soil erosion along the edges of your driveway and walks which can result in cracking.
- Clean spots of oil, gasoline, and similar substances immediately with sudsy water and then rinse thoroughly.
- Do not permit heavy equipment (such as concrete trucks or moving vans) to be driven on your driveway.
- Do not drive on new concrete for at least 1 week.
- Do not allow draining water to undermine the slab and cause settlement cracks.
- Do not allow snow and ice to accumulate on the slab.
- Refrain from using de-icing chemicals such as salt for snow and ice removal. Use sand for traction. Tires and shoes pick up salt and de-icing chemicals from the road which will cause pitting on driveways.
- Protect concrete from exposure to all fertilizers used for lawn treatment.
- To help prevent scaling, use a concrete sealer after 30 days of air drying, preferably when the air temperature is above 70 degrees. This will help eliminate water penetration which could contribute to surface scaling during freeze/thaw cycles.
- If your home's driveway has pavers, it will show your driving pattern over time.
- Driving on the edge of a paver driveway will cause the pavers to roll and become uneven.

Asphalt Driveways

We are not responsible for holes, tire marks, or grooves in asphalt driveways, or for damage caused by gasoline, oil, or sharp objects such as outdoor furniture and motorcycle or bicycle kick stands. We will patch or fill sunken areas which are three inches or more deep. We do not assume the responsibility of resurfacing an entire driveway because of sunken spots.

Concrete Driveways, Stoops, Steps, and Floors

We will:

- Repair cracks in garage slabs and exterior walks in excess of 1/4 inch.
- Repair or replace concrete stoops, steps, or garage floors that settle, heave, or separate in excess of one inch from the house structure.
- Repair or replace concrete stoops and porches on which the measurable water depth exceeds 1/4 inch.
- Please note: We cannot guarantee repairs will match existing concrete.

Garages

Floors

It is impossible to prevent concrete floors from settling, cracking, and having pop-outs from aggregate. We will repair cracks in excess of 1/4 inch width or 3/8 inch in vertical displacement. We are not responsible for repainting or re-sealing floors following repairs. We will not repair pop-outs from aggregate.

Care Tips:

• Once the garage floor cures (usually one year), you may apply a concrete sealer to help prevent pitting and scaling.

Garage Doors

Some snow or water may enter under certain weather conditions. We will adjust your door unless the problem is a result of your installation of an electric garage door opener or improper operation.

- Operate the door only when properly adjusted and free of obstructions.
- Repairs and adjustments should be performed only by qualified professionals.
- The moving parts on a garage door should be sprayed with silicone periodically. The screws that fasten the hardware should be tightened as needed.

Lot, Yard, and Landscaping

Lot Stakes

Lot stakes may have been placed to aid in the construction of your home. Do not rely on these stakes to establish property boundaries or to locate any improvements (e.g. fences) on your property.

Easements

Before digging for fencing, tree planting, and other purposes, contact your local utility company. They will be happy to stake the location of utility services.

Site Drainage and Grading

We have established grades and swales to ensure proper drainage away from your home. You are responsible for maintaining such grades and swales. The grade should slope away from the foundation at all times. It is normal for water to stand or pond for a period of time after a rain (or watering from irrigation) until it drains, usually no more than 48 hours. However, you may experience standing water in swales which drain other areas or in areas where sump pumps discharge after periods of heavy rain (generally for up to 72 hours). If you install fences, patio, or decks, this may impact the drainage grade.

Please keep in mind that backfilled ground will settle. Ground that settles eight inches or less is considered normal. If the ground settles more than eight inches during your first year of ownership, we will fill areas that require more than six yards of topsoil. If less than six yards are required, one time during the first year of ownership we will supply topsoil, but not the labor to spread the soil. You are responsible for the removal and replacement of any grass, shrubs, or other landscaping affected by placement of the fill.

Sod

New sod requires substantial and frequent watering. After closing, all subsequent care and maintenance is your responsibility. Proper watering, fertilizing, and maintenance are vital to ensuring your new sod will endure long after installation.

Seeded Yards

Seeded yards will yield grass if provided proper care, including watering and fertilization. We cannot promise the seeded lawn will be weed-free as other seeds which exist in the soil may germinate. You should use pre-emergent and weed control products the following season. As a part of the natural process, rocks may come to the surface.

Landscaping

The standard landscaping package is guaranteed to be healthy and growing when planted. It is your responsibility to ensure the landscaping plants receive sufficient water and fertilizer during the growing season.

Shrubs and Trees

We assume no responsibility for the existing trees or other plant material on the homesite or for any damage they may cause due to their root systems, falling branches, or other reasons. Periodic pruning is recommended and irrigation is essential.

Sprinkler System

If your system has an automatic timer, the timer setting should be checked after closing. Irrigation time has been adjusted to properly help the growing process once the sod is installed. Also check your timer after power outages. The most effective time to water your lawn is just prior to sunrise as the sun evaporates water quickly during the day. Watering at night can cause a fungus which kills grass. It is your responsibility to clean and adjust the sprinkler heads as needed. Damage to sprinkler heads and their related components by lawn mowers and grass trimmers is not covered.

Masonry, Siding, Trim, and Exterior Paint

Siding

We will repair or replace siding if the problem is due to defective materials or workmanship. Slight color variations are normal and we will not replace siding as a result thereof.

Vinyl Siding

Vinyl siding is covered by the manufacturers' warranties. We will repair defects on siding provided it is noted at the New Home Orientation. We are not responsible for damage resulting from objects striking the siding or other factors beyond our control, including high winds and distortion caused by the sun's reflection. Siding may expand and contract in response to changes in humidity and temperature. Slight waves are visible in siding under moist weather conditions; shrinking and separations will be more noticeable under dry conditions. These behaviors cannot be eliminated.

Fiber Cement

Fiber cement siding is covered by the manufacturer's warranty.

Cedar Siding and Trim

You can expect minor cracks to occur in cedar siding and trim due to shrinkage of the material. These do not need to be corrected, as they do not alter the structural integrity of the material.

Masonry

The masonry walls of your home have been constructed by qualified professionals. However, we do not guarantee each brick, block, or stone used in constructing your home is perfect. Surface chips or cracks and slight variations in size, color, and placement are normal and do not impact the structural integrity of your home. Weep holes should not be sealed closed and need to remain open and operational.

Stucco

Cracks in stucco finishes are common and unavoidable, and they must be addressed promptly to avoid potential water intrusion. You should inspect the exterior stucco walls of your home for cracks routinely, at least quarterly, as set forth in the Home Maintenance Checklist. During the first year, we will repair any such cracks that are greater than 1/8 inch, provided you promptly notify us of such cracks. All other cracks are your responsibility to repair.

You should also inspect the exterior caulking of your home routinely, at least quarterly, as set forth in the Home Maintenance Checklist. Any cracking or separating of the exterior caulking, including areas where stucco adjoins other surfaces, should be addressed promptly to avoid potential water intrusion.

Your failure to inspect and maintain the exterior stucco walls and caulking, and your failure to re-paint as needed as set forth elsewhere in this Customer Care Manual, may result in damage to your home that is not covered by the Home Builder's Warranty.

- Inspect the exterior stucco walls of your home for cracks routinely, but at least quarterly.
- Promptly repair all cracks in the stucco.
- Inspect the exterior caulking of your home routinely, but at least quarterly.
- Promptly repair any cracking or separating of the exterior caulking.
- Avoid exposing wood and/or stucco surfaces to excessive and prolonged moisture. Ivy or shrubbery planted too near walls tends to promote water retention.
- To help prevent excessive moisture in wood siding, keep sprinklers from hitting the house.

Exterior Trim

We will repair or replace the following:

- Cracks in the joints between exterior trim materials that exceed 3/8 inch in width.
- Exterior trim boards that are twisted in excess of 5/16 inch in eight feet, cupped more than 1/4 inch in 5 ½ inches, or split more than 1/8 inch at any point.
- Joint separations in wood trim exceeding 1/8 inch.

Exterior Painting

If repainting is required due to defects in materials or workmanship, we will match the color as closely as possible. We cannot guarantee a perfect color match. Please keep in mind that sunlight causes paint to fade, but any such fading does not mean there is a defect in the paint itself or how it was applied to your home. It is your responsibility as owner to ensure that the home is regularly painted and caulked in accordance with applicable manufacturers' specifications and instructions, as your failure to perform this regular maintenance may result in damage to your home that is not covered by the Home Builder's Limited Warranty.

In the event your home's exterior contains stucco, please understand that other exterior materials that come in contact with the stucco may experience a naturally occurring "bleeding" or cosmetic transfer from the stucco, which is not preventable (and is not a defect). Regular repainting in accordance with manufacturers' specifications and instructions is the most effective way to mitigate and/or resolve this transfer.

Care Tips:

- All seams around windows and where two pieces of wood trim abut each other should be sealed with caulking prior to repainting to prevent water intrusion.
- Routinely inspect the exterior trim and windows for cracking and gapping.
- Brilliant and/or dark paint colors may fade more rapidly on southern and western exposures. They will require frequent repainting to maintain their original appearance.
- Follow the manufacturers' recommendations for type of paint to use and for surface preparation.

Roofs, Gutters, and Downspouts

Gutters and Downspouts

Gutters and downspouts may overflow during a heavy rain. It is your responsibility as a homeowner to keep gutters and downspouts free of leaves, debris, bird nests, toys, and other objects. We will correct problems due to defective materials or workmanship.

Roof Install and Flashing

We will repair leaks in roof flashing due to defects in materials or workmanship. We are not responsible for leaks due to natural disasters, severe weather conditions, and events beyond our control.

Shingles

Your shingles are covered by the manufacturers' warranty. However, during your first year of ownership, we will repair any leaks caused by defects in materials or workmanship. We are not responsible for leaks due to natural disasters, severe weather conditions, and events beyond our control. Shingles sticking up to or not sealing down may be replaced or repaired if the shingles have had an opportunity to seal from the heat or the sun. Shingles need heat from the sun to get the full effect of the seal. In below-freezing climates where there is a lack of heat from the winter sun, these performance standards may vary in how long it takes for the shingles to become sealed.

Roof Tiles

Tile roofs have an asphalt roofing system applied to the sheathing that is the waterproofing part of a tile roof. Concrete tiles cover and help protect against weathering, but are primarily an aesthetic material covering the roof. Concrete roof tiles may crack, chip, or spall if walked on or subjected to heavy loads. Be aware that anyone walking on the roof subjects the roof tiles to potential cracking. Manufacturers cannot avoid color shading differences even with the same factory run.

Care Tips:

- Always check for loose, broken, or missing shingles or tiles following heavy windstorms and repair as soon as possible.
- If you have to walk on your roof for any reason, be careful not to damage the surface or flashing. Please consider having a professional roofing contractor regularly inspect your roof.
- When an ice build-up occurs, clean the snow off the roof, particularly at the eaves, and knock ice formations from the eaves and valley ends.

Ice Dams

Ice dams occur when snow covered roofs go through a freeze/thaw cycle from day into evening. Melted snow runs down the roof until it reaches the edge, then freezes once it hits the freezing temperatures. This will result in a ridge of ice, known as a dam. As the snow continues to melt, the ice dam stops the water from running off the edge of the roof. The water can back up under the shingles and leak into the attic and walls causing significant damage. It is the responsibility of the homeowner to have ice dams removed. We do not recommend homeowners go on their roof. If you have an ice dam, take the following steps to help prevent damage:

- Call a roofing professional who removes snow and ice as soon as possible. Check with your state's Department of Commerce to ensure the company you use is licensed, bonded, and insured.
- The use of a roof rake to remove snow and ice should be done from the ground. If you try this, be careful not to drop ice down upon yourself, damage your shingles, and not to hit any overhead power lines.

Preventing Water Intrusion

You should take any and all reasonable steps to prevent water intrusion. In the event of any water intrusion, take immediate action to prevent further damage.

- Keep gutters and downspouts clear of all debris such as leaves and ice. Be sure to keep alert for tennis balls, foreign objects, etc. which may become lodged at the downspout.
- Ensure positive fall away from the foundation, especially near downspouts.
- Maintain a positive grade away from the foundation.
- Inspect annually and maintain all exterior caulk.
- Control humidity in the home. Condensation on windows indicates excessive moisture on the inside and lack of air circulation. Proper thermostat settings and clean filters will assist the system in removing humidity from the home.
- Always use the bath fan when showering or bathing. Allow the fan to operate for several minutes after the water is turned off.
- If your home has a sump pump, it should be tested several times a year for correct operation.
- For homes with a walk-out basement and no sump pump, check the daylight drain to make sure it is free flowing and without obstruction.
- Maintain interior and exterior caulking and weather stripping on windows and doors.
- Promptly remove any water within the home that results from spills, overflows, or similar incidents.
- Mildew may occasionally appear on the shaded side of the house and can be treated with a mildewcide sprayed on the affected area and allowed to dry.
- After a storm with wind exceeding 30mph there may be water seepage at doors, windows, and roof vents. It is your responsibility to dry out these areas to prevent water damage.

Systems

Basements, Foundations, Crawl Spaces, and Chimneys

Waterproofing

Due to condensation, humidity and other factors, your basement may be slightly damp. We have taken steps to help guard against water infiltration, including applying waterproofing material around the outside of your foundation and establishing a positive grade away from your home.

Walls and Foundations

Cracks in the foundation of a new home commonly occur due to temperature changes and the settling of the soil upon which the foundation rests. We will repair cracks that exceed 1/8 inch in width or vertical displacement by surface patching or other means. Cracks appearing after these repairs are completed are your responsibility and should be repaired by caulking with a concrete patching material. If a problem with foundation walls requires corrective action, you are responsible for removing and/or replacing any improvements you have made to the foundation walls. We are not responsible for any interior or exterior homeowner improvements or additions, including decks, patios, basement finishes, or landscaping.

Please note that the Home Builder's Limited Warranty does not cover loss or damage resulting, either directly or indirectly, from soil subsidence or sinkholes now existing or hereafter arising, as more specifically described in Section V of the Home Builder's Warranty.

More information about Florida homes, sinkholes and insurance is available from the Florida Department of Financial Services, Office of Insurance Regulation. We recommend that you consider securing insurance to provide some protection against soil subsidence or sinkholes.

Crawl Spaces

You should regularly monitor the crawlspace for moisture. Vents should be kept open year round except during extended periods of sub-freezing temperatures. Vapor barriers and crawl drains should be maintained to control crawl space moisture.

Basement Floors

Cracks in basement floors are normal due to the settling of the foundation and temperature changes. Expansion joints are intentionally placed in some concrete surfaces to allow sections of concrete to expand and contract to control cracking as concrete cures. Expansion and control joints often have inserted plastic barriers or have been grooved/notched during concrete placement and will have a tendency to move or crack in the joint area. We will repair cracks in basement floors that are larger than 3/16 inch in width or 3/16 inch in vertical displacement using surface patching or other methods. You are responsible for smaller cracks and should use a tube-type concrete caulking.



Care Tips:

- If you paint the basement floor, use an alkali-resistant product recommended specifically for that purpose. The paint used should permit continued curing of the new floor.
- Do not plant shrubbery too close to the foundation (three feet is a good minimum).
- If the ground settles around the foundation, fill it in to maintain positive drainage away from the foundation.
- Do not water toward the foundation or apply a sprinkler directly to the exterior of the home. Direct spray to the exterior can cause water to seep through the foundation, a problem we cannot remedy.

Carpentry

Dimensional Lumber

You can expect a certain amount of shrinkage in the wood found in joists, studs, framing, and rafters. We will repair or replace defective pieces that exceed the following:

- Bow: should not exceed 1 ¹/₄ inch over 14 foot length.
- Crook: should not exceed ⁵/₈ inch over 14 foot length.
- Twist: should not exceed 1 ³/₄ inch over 14 foot length.
- Cup: should not exceed 3/8 inch when compared to a straight line.

We will also replace members of unequal size if they vary in dimension by more than 1/2 inch. We will repair cracks or splits in joists, studs, framing, or rafters if they exceed 3/8 inch.

Millwork

Molding or trim may shift from their original positions. Joints in the woodwork may open, doors may warp, and cracks may appear in drywall. Shrinkage and expansion of wood due to humidity and dryness may cause joints in millwork to develop separations or gaps. We will repair the following:

- Cracks in the joints in molding or between molding and adjacent surfaces if exceeding 1/8 inch in width.
- Gaps between cabinets, ceilings, or walls that exceed 1/4 inch.
- Cracks in excess of 1/4 inch appearing in joints between exterior trim elements, including siding.

Floors

We will repair the following:

- Wood floor systems that are more than 1/2 inch out of level in a 15-foot area.
- Floors that have more than 3/8 inch ridge or depression within any 32 inch measurement when measured parallel to the joists.

Systems (continued)

Caulking

All joints and cracks in exterior wall surfaces and around openings have been constructed and caulked to prevent the entry of water. It is your responsibility to inspect, repair, or replace caulking.

Wood Decking

We will remedy problems resulting from defective materials or workmanship during your first year of ownership. Some changes in color, fading, cracking, or warping are common and natural reactions to weather and age and are beyond our control. Follow a regular preventative maintenance plan to minimize these effects.

Electrical System

Electrical

We will repair or replace any electrical switches, fixtures, or outlets that do not function properly if they are noted at the New Home Orientation. You are responsible for replacing or repairing light bulbs, broken light fixtures, switches, and outlet covers after closing. Drafts from electrical junction boxes on exterior walls are normal in new home construction. Appliances and other electrical equipment connected to the system at outlets are not considered part of the electrical system.

When electrical outlets fail, it usually means that a circuit breaker has been tripped. Frequent causes are overloading a circuit, short circuits from worn appliance cords, defective plug connections, or the "start-up load" of some electrical motors. The electrical wiring and equipment in your new home are protected by circuit breakers located in a main electrical panel. The circuit breakers are the safety valves of your electrical system. Before calling an electrician, check your circuit breaker panel. We recommend you locate this panel and identify all circuits in writing on the panel soon after moving in and before an emergency occurs.

To renew current, you will need to reset the circuit. If the home is equipped with a circuit breaker system, a switch will have automatically been thrown to the "off" position. In some cases, the circuit breaker may not be in the "off" position because of the manufacturer's design. It will appear to the touch as if the switch is loose. You should move the switch to the "off" position, then switch it back to "on." If the same circuit fails repeatedly, it is essential to locate the cause. If it is the result of a short circuit, as opposed to an appliance overload, repairs should be made by an electrician.



Electrical Cont.

Several circuits in your home have been equipped with a "Ground Fault Circuit Interrupter" ("G.F.C.I."). The purpose of the G.F.C.I. is to provide special protection against possible electrical shocks. The G.F.C.I. is a very sensitive device that can be "tripped" so that the current is turned off at the outlet. Resetting the G.F.C.I. is very simple and can be done right at the outlet. You should familiarize yourself with this circuit and its operation. Repeated tripping of this circuit does not necessarily indicate a problem.

Several receptacles in your home may be protected by arc fault arrestors. The circuit breakers in the electrical panel will trip if any interruption occurs at connection or in the line.

Do not handle cords or fuses or attempt to plug in appliances when your hands are wet or if you are standing on a wet surface. Never touch anything electrical when you are in a tub or shower.

Children should be taught not to touch electrical sockets or fixtures. As a further precaution for small children, wall and baseboard outlets can be covered with adhesive tape when not in use, or secondary outlets can be attached with little expense or trouble. Specially designed child-proof plastic electrical wall outlet covers are available in hardware and electrical supply stores.

Heating and Cooling Systems

Heating and cooling systems are warranted by their respective manufacturers. Problems caused by malfunction of system equipment or appliances are subject to the terms of the manufacturers' warranty. We are responsible for ensuring the heating and electric systems, water heater(s), or heat pump were correctly installed.

At your New Home Orientation, be sure to ask your Customer Care Manager to explain in detail the operation and maintenance of your heating and cooling system. After closing, you are responsible for balancing grill dampers and registers and for other minor adjustments.

A heat pump combines the functions of heating and cooling into one compact unit and many times allows greater design flexibility within the home. Warm air leaving the registers with a heat pump system will feel much "cooler" to those persons accustomed to gas heat systems. This is normal.



Care Tips:

- Review all manuals supplied by manufacturers for the proper maintenance of the heating and cooling systems.
- Check your circuit breaker and/or furnace fuse before calling a service technician.
- Refer to manufacturers' recommendations for the frequency at which central heating and air conditioning filters should be replaced.
- Refer to manufacturers' instructions for recommended settings for your thermostat.
- Have your central heating / air conditioning system checked and cleaned periodically per manufacturers' instructions.
- Keep registers free of air flow obstructions such as carpets, furniture, etc., for maximum performance.
- DO NOT STORE ANY CLEANING SOLUTIONS, PAINT SUPPLIES, OR FLAMMABLE LIQUIDS on or near the water heater. Most gas water heaters have a safety device (Vapor Sensor) that will shut off the unit.

Air Distribution

The ductwork of your home should distribute air to all designated rooms. At times, you may hear noises from the ductwork that sounds like "ticking" or "cracking." This is caused when the metal is heated and expands, or when it cools and contracts. These noises can be generally expected.

If you are not receiving the distribution you desire, be certain that all room registers are open. If they are, try adjusting the individual dampers on the heat runs in the basement, crawl space, or attic. Some heating systems may not have these dampers. In many instances, insufficient heat is caused by a dirty air filter. These filters should be checked monthly and replaced or cleaned when necessary. Recommendation is to write the date replaced on the filter itself for easy tracking.

Attic Ventilation (Ridge Vents and /or Off-Ridge Vents)

Should the design of your home include an attic, it has been provided with sufficient ventilation to ensure good air exchange. Leaks may appear due to snow or rain being driven through ridge and/ or off-ridge vents. It is advisable to check your attic after a severe storm and remove any snow or water. If there are signs of a leak or damage from severe weather, call a professional to enter the attic space. ALWAYS make sure your attic access is resealed if the attic access is opened for any reason. The ridge and/or off-ridge vents have been provided to properly ventilate your house. Do not close off, block, or obstruct vents. If your vents become covered by now, it is recommended to hire a professional to clear the roof vents. We do not recommend you go on your roof.



Plumbing

We will replace any fixtures or fittings which do not work properly, provided they are noted at the New Home Orientation. Also, if you experience problems with the service connections to municipal water main and private water supplies, we will make the necessary repairs. We are not responsible for community or municipality water pressure or for problems resulting from conditions beyond our control which disrupt or eliminate water supplies.

Noise in the pipes can be caused by a variety of problems. Among the most common are a worn washer, a loose part in a faucet, and steam in the hot water pipe. The condition causing noisy pipes should be corrected promptly because sometimes the noise is accompanied by vibration. A strong vibration can cause the fittings to loosen and leak.

Leaks

Condensation on pipes is normal and is not considered a leak. We will repair or replace a leaking faucet or valve unless the leakage is due to a worn washer.

Clogs

The primary cause of clogs is the introduction of items into the system by the occupants of the home. Improper use of the garbage disposal can also result in clogs. Where defective construction is shown to be the cause, we will assume the cost of the repair; where owner negligence is shown to be cause, the owner shall assume all repair costs.



Disposals

At your New Home Orientation, check to make sure your disposal works correctly. Your disposal falls under the manufacturers' warranty after closing.

- Before using hot water for the first time, let it run from a faucet a few minutes to clear flux or sediment in the lines.
- In case of a serious water leak, turn off the water at the main water shut-off located at the meter.
- Clean aerators by removing them and then removing any debris. Rinse the washers and screens and replace them in their original order. Generally, it is recommended that you clean them every three or four months.
- Keep all grease, fat, and similar wastes, especially petroleum products, out of your plumbing system. Such materials tend to accumulate in the piping, reducing its efficiency. In addition, continuous or large-scale usage of this kind can affect municipal or private sewage treatment systems.
- To avoid clogging sewers, do not flush heavy tissue, sanitary products or other materials.
- Turn the temperature down on your hot water tank or switch the tank off prior to going on vacation.
- Drain and flush several gallons of water from your hot water tank once a year to remove sediment from the tank.
- Do not leave garden hoses connected to exterior spigots during freezing weather.
- Do not use abrasive cleaners on the smooth, glossy surfaces of plumbing fixtures.
- The back flow preventers required by some municipalities require annual service.
- Periodically inspect and tighten water pipe connections under sinks.
- Tankless water heaters should be flushed as per manufacturer's specifications.

Welcome home. Home Maintenance Checklist.

INITIAL MOVE-IN					
MAINTENANCE TASK	CHECK LIST				
Read Homeowner's Manual	O				
Water sod daily (at least for the first 14-30 days, depending on the weather)	O				
Before first use, run gas furnace, gas stove, and gas fireplace to release normal startup fumes	O O				
Purchase and install dehumidifier to prevent basement dampness	O				
Purchase and install proper gutter covers to prevent debris build-up (optional but recommended)	O				
Seal all grout on floor/wall (showers, baths, floors)	O				

MAINTENANCE TASK	SPRING	SUMMER	FALL	WINTER			
Inspect foundation for water penetration	O	O	O	O			
Check dryer exhaust vent for connections and blockage	O	O O	O	O			
Check washing machine hose connections for drips, cracks, and dry rot(refer to appliance owner's manual)	O	O O	O	O			
Clean and lubricate sliding glass door and window tracks	0	O O	o	O			
Inspect and caulk interior and exterior cracks, doors, windows, penetrations; paint as needed	0	O O	O O	O			

YEARLY				
MAINTENANCE TASK	SPRING	SUMMER	FALL	WINTER
Oil garage door(s)			O	
Replace smoke and fire alarm batteries	0		O	
Inspect and clean fireplace and chimney (prior to burn season on masonry chimney only)		O		
Clean and adjust humidifier on furnace	O			
Drain 3–5 gallons from your hot water heater				O
Service furnace and airconditioner			O	
Inspect weather stripping around doors and replace as needed prior to cold season			o	
Maintain 3' between foundation and all trees and shrubs	O			
Clean gutters and downspouts		O		
Check drainage around exterior of home	O			
Sealcoat garage floor (after first year)		O		
Sealcoat driveway every few years		O		
Perform pest control as recommended for your geographic area	0			
Pressure wash exterior of house as needed, caulk and paint crack		O		
Clean/vacuum heating ducts, grills, registers (based on allergies and pets)			0	
Fix loose or cracked caulking around tiles, sinks, tubs, showers, toilets, and counters			O	
Remove ice build-up, snow, or debris from roof to prevent ice-damming				O
Change furnace filter (based on filter purchased)			0	

FAQs

Customer Care

Q. How do I request non-emergency warranty services?

A. Preferred method is to log into "MyMIHome" buyer portal (<u>https://my.mihomes.com/login</u>). Alternatively, you can go to www.mihomes.com, click on the Warranty tab and complete and submit the form.

Q. What is considered an emergency?

A. Some warranty items are considered an emergency. Most emergencies are electrical, plumbing, heating, or cooling related, and are normally handled by the appropriate contractor or utility company. The names and service phone numbers of these important people are listed on the Emergency Contact List. Before calling for help with an emergency, please review the appropriate electrical, plumbing, heating, or cooling section in your Customer Care Manual to determine if the problem can be solved easily.

Q. How do I request emergency warranty service (Customer Care)?

A. For after-hours emergencies, please contact the proper contractor shown on the Emergency Contact List provided to you at closing or if previously instructed call Customer Care and you will be directed to our on call service for assistance.

Q. Can I schedule warranty service work on the weekends or evenings?

A. In an effort to provide the most cost effective service to all of our customers, warranty service requests must be scheduled during normal business hours Monday through Friday.

Q. I will not be home for the repairs. Can someone else let you in to do the work?

A. M/I Homes requires access to the home by a responsible adult 18 years of age or older. M/I Homes associates and contractors will not perform any work if minors are present unaccompanied by an adult

Q. How do I know if something is covered by my warranty?

A. Warranties are provided through M/I Homes and product manufacturers. Your Customer Care Manual will explain what items in your home are warranted and the extent and duration of the coverage.

Q. When does my warranty period start?

A. Your warranty period starts on the date of the transfer of title/closing date by the first homeowner.

Customer Care Cont.

Q. How might my customer care or warranty coverage be ended early?

A. Keep in mind that our obligations under the Home Builder's Warranty, Structural Limited Warranty and Customer Care Program are conditioned upon your cooperation with our employees and contractors. Behavior that is harassing, foul, abusive, threatening, offensive or otherwise inappropriate may result in the termination of our obligations under any of the Home Builder's Warranty, Structural Limited Warranty, or Customer Care Program.

Appliances

- Q. Are appliances covered under the M/I Homes Home Builder Limited Warranty?
- A. All appliances, including refrigerators, ranges, dishwashers, garbage disposals, and HVAC systems, are covered by the respective manufacturer's warranties. Please read the owner's manual for each appliance for proper operation, use, and care. Requests for GE[®] appliance service may be done online at geappliances.com.

Attic

Q. Can I use my attic as storage?

A. No. The framing components in your attic area were not designed to carry additional weight. Storing items in your attic may void your M/I Homes Structural Warranty as well as cause drywall damage on interior ceilings.

My Documents

Q. Can M/I Homes provide me with documents related to my home?

A. The myMIHome portal is active and stores documents related to your home. If you have not set up your account, please go to www.mihomes.com and click on MyMIHome link to sign up. Note: Closing documents are NOT located in the portal.

Cracks

Q. Are concrete cracks warranted?

A. Although it is impossible to prevent cracking in concrete or asphalt, we have taken various measures to minimize problems. Cracking is a characteristic of concrete, not a flaw. As the foundation/driveway settles and cures, expands and contracts, there may be resulting cracks. Control joints are used to help direct the cracking. We are not responsible for cosmetic blemishes in concrete including flaking, minor cracking, pitting, scaling, spalling, and discolorations. M/I Homes is responsible only for cracking due to defective labor or materials. We have no control over problems which are due to weather conditions, including severe frost, unequal subgrade settlement, sewers, water ditches, and aggravation from use of salt and other 'de-icing' chemicals. You should take certain precautions to help maintain the condition of any concrete or asphalt surfaces.

Q. Will drywall cracks and/or nail pops be repaired?

A. Minor drywall cracks, corner-bead cracks, and nail pops on interior walls and ceilings are caused by home settlement and drying of wood framing materials. We recommend waiting a year (or at least one heating season) before painting or wallpapering rooms to allow your home to settle and for all drywall to completely dry out.

Q. I have a small crack in my brick mortar. Does this mean I have a foundation problem?

A. The masonry walls of your home have been constructed by qualified professionals. However, we do not guarantee each brick, block, or stone used in constructing your home is perfect. Surface chips or cracks and slight variations in size, color, and placement are normal and do not impact the structural integrity of your home. A small crack in the mortar of your brick veneer is usually not a sign of a foundation concern, but rather of minor expansion and contraction of the building materials. Also, brick and stone may develop a whitish staining over time known as efflorescence, which is also a normal occurrence. To lessen and possibly remove this staining, scrub with a stiff brush and a tablespoon of vinegar mixed with warm water. The brick on your home is a veneer and is considered non-structural.

Q. What are the small holes in the bottom portion of the brick wall?

A. The small holes or gaps you see in the brick mortar joints are called weep holes. By design, these holes allow moisture that has accumulated behind the brick to escape. Keep the weep holes clear of landscaping, mulch, or debris. Weep holes should not be sealed closed and need to remain open and operational.

Drains

Q. Why is there a smell coming from my drain?

A. The various plumbing drains in your home have a U-shaped trap that prevents sewer odors from re-entering your home. They do this by trapping a small amount of water in the line that blocks the sewer gasses. If you have a plumbing fixture or floor drain that is rarely used, run a small amount of water into the line every month to maintain the water level in the trap. You should also check under sinks and around any plumbing fixture monthly to verify that a leak has not occurred. A small leak, left unchecked, can cause major damage to cabinets and flooring as well as allow the growth of mold.

Electrical

Q. Why are my garage and exterior outlets not working?

A. Your home is equipped with circuit breakers (located at the main electrical panel) to prevent damage to the wiring during an overload. The most common cause of an overload is having too many appliances plugged into a single circuit. To reset a tripped breaker, locate the breaker of the tripped circuit. It will be the one that is set between the on and off position. Flip the breaker completely to the off position and then flip it to the on position. Your home is also equipped with GFCI or GFI circuits that are located near a water source such as in bathrooms, kitchens, laundry rooms, garages, and on the exterior of the home. Each circuit will have at least one outlet with a test breaker that serves all the outlets on that circuit. To test, press the T or test button. There should be a click as the circuit trips off. To reset, press the R or reset button until another click is heard. When a GFCI circuit has tripped, it can most often be reset at one of these outlets. If the outlet was not tripped, check the circuit breaker in the main electrical panel.

Q. Why does my vacuum cleaner consistently trip my bedroom electrical breaker?

A. Arc Fault Circuit Interrupters (AFCIs) are installed according to the National Electric Code in bedrooms and other specified areas in your home to help protect circuits against electrical fires caused by faulty cords and appliances. AFCIs are sensitive devices and homeowners may occasionally experience 'nuisance' tripping. The most common causes of nuisance tripping are damaged cords or plugs on lamps, small appliances, or other devices. Some newer vacuum cleaners and exercise equipment may not work on AFCI-protected circuits.

Faucets

- **Q.** The water pressure at my kitchen faucet seems to be dropping. Should I call the plumber for service?
- A. Before calling the plumber, unscrew the faucet aerator and check for debris in the aerator screen. Also, check to make sure the water shutoff valves for the faucet are fully open. Clean aerators by removing them and then remove any debris. Rinse the washers and screens and replace them in their original order. Generally, it is recommended that you clean them every three or four months.

Fireplace

Q. How do I use my fireplace?

A. Your home may include a gas-burning fireplace. Gas fireplaces use gas only. Never try to burn paper or wood in these types of fireplaces. Also, your fireplace may give off an odor during the first few times it is used. The smell is packing grease used to protect the unit before installation. This is a normal occurrence and should stop after a few uses. Gas and direct vent fireplaces are appliances and are covered by the manufacturer's warranty. Qualified service technicians should be consulted for servicing the equipment. You should regularly clean the firebox walls, log grate, and glass. Check the venting system at the top and at the base of the firebox to ensure there are no obstructions.

Flooring

Q. Why do my hardwood floors sometimes creak when I walk on them?

A. Hardwood flooring is a natural product, and its natural qualities make it desirable. Much like any wood product used in the construction of your new home, the hardwoods will expand and contract according to the humidity level in your home. Controlling humidity levels according to the hardwood manufacturer's recommendations will help control the dimensional stability of the hardwood.

Q. What products should I use to clean my new hardwood floors?

A. Sweep or vacuum your floor regularly since built-up grit can damage the surface of the wood. The vacuum head must be a brush or felt. Be certain the wheels of the vacuum are clean and do not damage the finish. Do not use a vacuum with a beater bar head. Remove spills promptly using a soft cloth and cleaning products recommended by the manufacturer. Never wet-mop, dampmop, or clean your floor with water or other products. This can severely damage the flooring and damage resulting from these actions will not be covered under warranty. Do not use hardwood floor cleaning machines or steam cleaners. Please refer to the care and maintenance instructions provided by the hardwood flooring manufacturer which has been included in your closing packet.

Q. How do I care for my vinyl floor?

A. Vinyl floors can be vacuumed, swept, or wiped down with a cloth. If liquid is spilled on the vinyl, wipe it up quickly to prevent staining and loosening of the vinyl from the floor. Dirt and mud should be swept up. Never use harsh cleaners such as turpentine, kerosene, or alcohol on your vinyl. High heels and other small, pointed, or sharp objects can dent or even cut your vinyl floor. Most manufacturers of flooring have specific care and maintenance products for their flooring. In some cases, if these products are not used, it may affect the warranty of the flooring.

Q. What is the best way to maintain my new carpet?

A. Carpeting is relatively easy to care for and a regular schedule of vacuuming will go far in maintaining the original appearance for many years. Prompt removal of spots and stains and regular removal of soil and dirt is recommended. For best results, follow the advice supplied by the manufacturer of the carpet to help maintain the life of the carpet.

Q. Why is my carpet shedding?

A. Your home's carpet will have a certain amount of shedding for the first few months after installation. This is a normal occurrence and your carpet should be vacuumed regularly to remove the loose fibers. As a general rule, you cannot over-vacuum your carpet.

Q. Do I need to seal the grout at my ceramic tile?

A. Water can penetrate grout seams and joints and can damage materials adjacent to and underneath the tile. In order to help prevent water penetration and grout staining, apply a silicone-based sealer after you move in and periodically thereafter according to the manufacturer recommendations.

Garbage Disposal

Q. What do I do if my garbage disposal jams?

A. If your garbage disposal jams, be sure to turn the disposal off and disconnect the power supply or shut off the main circuit breaker. Next, manually free the blades from the obstruction. Some disposals have been equipped with a disposal wrench that can be used for this purpose. The insertion point for the garbage disposal wrench is located at the center of the bottom of the garbage disposal. Once the blades are free, press the reset button and test the unit. Always run cool water into the unit when in use.

Gas

Q. How do I shut off the gas to my home?

A. The gas meter to your home is located on the exterior side of your home. The shut-off valve for the gas supply to your home is located here. Whenever the gas has been shut off, some gas appliances may need to be relit when the gas supply is returned. All gas appliances should be checked for proper orientation when the gas is returned. We recommend this be done by a licensed professional.

HVAC

Q. How often should the HVAC system be serviced?

A. Your furnace, A/C, and/or heat pump should be inspected and cleaned by a heating professional twice a year, preferably once in the spring and once in the fall, to keep the components in good working condition. Most reputable HVAC companies offer a service contract that would provide normal maintenance.

Q. How often should I replace the filters in my HVAC system?

A. Air filters should be replaced as the manufacturer recommends. To remove and replace air filters, turn off the furnace and fan using the thermostat control or shut-off switch, then pull out the old filter. Be sure to install new filter with the arrows pointing in the direction of the airflow.

Q. Why is the top floor of my home warmer than the lower floors?

A. Hot air rises, causing upper floors to be somewhat warmer than lower floors. This can be minimized with seasonal balancing of air flow by adjusting air dampers and/or individual room air supply registers. Partially opening and closing dampers and registers will release and restrict more air flow, respectively, and force more or less conditioned air to other areas of the home. You may also increase circulation by ensuring furnace filters are clean and utilizing ceiling fans. Closing blinds and drapes to deflect afternoon sunlight will also help minimize potential increases in interior temperature.

Lot Settlement

Q. Why is my yard not level?

A. We have established grades and swales to ensure proper drainage away from your home. You are responsible for maintaining such grades and swales. The grade should slope away from the foundation at all times. It is normal for water to stand or pond for a period of time after a rain until it drains, usually for no more than 48 hours. However, you may experience standing water in swales which drain other areas or in areas where sump pumps discharge after periods of heavy rain (generally for up to 72 hours).

Q. I have settlement around my home

A. Please keep in mind that backfilled ground will settle. Ground that settles eight inches or less is considered normal. If the ground settles more than eight inches during your first year of ownership, we will fill areas that require more than six yards of topsoil. If less than six yards are required, one time during the first year of ownership, we will supply topsoil, but not the labor to spread the soil. You are responsible for the removal and replacement of any grass, shrubs, or other landscaping affected by placement of the fill.

Paint

Q. How often should I repaint the exterior of my home?

A. It is strongly recommended that the home be repainted as needed, but not less frequently than every 3 to 4 years. Wood trim, non-vinyl siding, and eaves could have painted surfaces. Many things affect how often you should paint your home. Some dark colors are more affected by sun exposure and may need recoating more often than lighter colors. Some areas of your home may receive more exposure to sunlight and the elements than the rest of your home. Depending on the harshness of the climate where you live, peeling and cracking paint can occur more frequently than in other areas. This is the first sign that a home needs to be repainted. Peeling and cracking paint can allow moisture and other harmful elements to penetrate the wood framing and foundation of your home. It is wise to inspect your home annually for these telltale signs.

Plumbing Leak

Q. What do I do in the event of a plumbing leak?

A. If a plumbing leak is discovered in your home, immediately shut off the water supply to the affected area. Individual shut off valves at the fixture will isolate that location and allow the rest of the plumbing system in the home to be used. If the leak cannot be isolated in this manner, shut off the main water supply to the home. If the leak is covered under your M/I Homes warranty, notify us by using the procedures outlined in your Customer Care Manual. If the leak is not under warranty, call a licensed plumbing contractor to correct the problem.

Shower Grout

Q. What do I do about cracks in the grout of my shower?

A. Cracks in the grout/caulk are considered normal due to settlement of the home. It is important to keep these areas sealed with caulk. Inspect your shower frequently and re-caulk as needed. Use water-resistant caulking materials designed for use with tile.

Smoke & Carbon Monoxide Detectors

Q. Why are my smoke and/or carbon monoxide detectors chirping?

A. The detectors in your home operate using power from your home's electrical system. In addition, each detector has a battery backup to supply power to the detector during a power outage. The detectors should be tested every six months using the test button and the batteries replaced at that time. Chirping indicates low battery charge.

Snow/Ice & Concrete

Q. Can I use salt to melt snow and ice on the exterior concrete?

A. No. Salt and other de-icing chemicals will severely damage exterior concrete surfaces and cause pitting and spalling. These chemicals may be tracked in your vehicle's tires or accumulate in your vehicle's undercarriage. Remove snow and ice promptly from concrete surfaces. If a thin layer of ice cannot be removed, we recommend the use of sand or cat litter to provide safe traction.

Toilets

Q. Is it okay to use 'in-the-tank' toilet cleaners?

A. You should use regular toilet bowl cleaners and not those that are placed in the tank. They have chemicals that react to the rubber valves and gaskets in the tank and may cause a leak. Any consequential damages caused by these leaks are not covered under your warranty.

Q. Is there something wrong with the flow in my toilet?

A. Your toilets are the low flow varieties that are mandated by federal law. These toilets use only 1.6 gallons of water per flush and thereby greatly reduce your water consumption.

Water Heater

Q. At what temperature should the water heater be set?

A. Water temperature is set between 120 degrees Fahrenheit and 125 degrees Fahrenheit from the manufacturer. While lower settings reduce utility operating costs, bear in mind that dishwashers, which usually have their own heating element, might not sanitize properly with settings below 125 degrees Fahrenheit.

Q. Does my water heater require maintenance?

A. Small amounts of scale deposits will collect and settle at the bottom of the water tank. Remove this residue by periodically draining the tank. For electric water heaters, shut off the power first by using the appropriate circuit breaker in the electrical panel box. Then, open the valve at the bottom of the water heater, allowing a quart or two of residue to drain out until the water runs clear. If you live in a hard-water region, a water softener will reduce the need for more frequent draining. Do not completely drain an electric water tank without first shutting off the water heater circuit breaker. Otherwise, the heating element will burn out. For gas water heaters, it is recommended to have the unit periodically evaluated by a professional contractor. NOTE: If your home is equipped with an on demand water heater please refer to manufacturer instructions for specific maintenance information.

Windows

Q. How do I care for my windows?

A. Your windows do not require a great deal of care; however, you should vacuum the window tracks once a year to keep them clean from dirt and debris. Also, periodically check to make sure that the weep holes on the bottom exterior of your windows are clear to allow water to drain from the window. Failure to keep these clear could cause water to enter your home.

Wood Trim

- **Q.** Why do gaps form at caulked areas such as stairs, crown molding, baseboards, and around all wood trim?
- A. M/I Homes uses wood trim moldings. Separation of some wood moldings is normal and caused by home settlement and/or expansion and contraction of building materials due to changes in humidity. Maintain these areas by periodically re-caulking with a latex caulk.

Structural Defects

Q. What is covered by the structural warranty?

A. The structural warranty covers defects of load-bearing components of your new home.

Load bearing components are:

- 1. Roof framing members (rafters and trusses)
- 2. Floor framing members (joists and trusses)
- 3. Bearing walls
- 4. Bearing columns
- 5. Bearing lintels
- 6. Girders
- 7. Load-bearing beams
- 8. Foundation systems and footings

Non-load bearing component examples are:

- 1. Non-load bearing partitions and walls
- 2. Drywall or wall covering material
- 3. Floor covering or subfloor materials
- 4. Brick, decorative cementitious finish, stone, or veneer
- 5. Any type of exterior siding
- 6. Roof shingles, sheathing, tar paper
- 7. Heating, ventilation, airconditioning, plumbing, electrical, mechanical systems
- 8. Appliances, fixtures, equipment
- 9. Doors, windows, trim, cabinets, hardware, insulation, paint, stains
- 10. Concrete floors built separately from the foundation walls or other structural elements (attached garages, basements, etc.)

The Warranty Period

The Warranty Period for the Home Builder's Limited Warranty varies based on your purchase agreement and applicable laws in the state where your home is located. The Warranty Period in the states where M/I Homes builds homes currently is as follows:

Florida	Ohio
7 years	10 years
Illinois	South Carolina
10 years	8 years
Indiana	Tennessee
10 years	4 years

MichiganWisconsin6 years7 years

Minnesota 10 years

North Carolina 6 years

HOME BUILDER'S LIMITED WARRANTY

Administered by Professional Warranty Service Corporation ("PWC")

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Subsequent Home Buyer Acknowledgment and Transfer form

THIS AGREEMENT CONTAINS A BINDING ARBITRATION PROVISION, WHICH MAY BE ENFORCED BY EITHER PARTY

Throughout this **HOME BUILDER'S LIMITED WARRANTY**, referred to hereinafter as the "**LIMITED WARRANTY**", the words "YOU" and "YOUR" refer to the **HOMEOWNER**, including any subsequent owners, and, where applicable, a **HOMEOWNERS ASSOCIATION**. The words "**WE**", "**US**" and "**OUR**" refer to the **BUILDER**. The other words and phrases which appear in boldface uppercase type also have special meaning. Refer to the **Section IX. Definitions**, so that **YOU** will understand the terminology applicable to this **LIMITED WARRANTY**.

This LIMITED WARRANTY establishes an agreed method for determining when a CONSTRUCTION DEFECT exists and a clear understanding of OUR responsibilities for remedying any such CONSTRUCTION DEFECT. This LIMITED WARRANTY also helps distinguish a CONSTRUCTION DEFECT that is OUR responsibility from those minor imperfections that can reasonably be expected in a HOME or the COMMON ELEMENTS, or that result from normal wear and tear or the neglect of routine HOMEOWNER or HOMEOWNERS ASSOCIATION maintenance responsibilities.

This LIMITED WARRANTY contains the procedures YOU must use to notify US of a condition in YOUR HOME or the COMMON ELEMENTS which YOU believe may constitute a CONSTRUCTION DEFECT. In the event a condition occurs in the HOME or the COMMON ELEMENTS that YOU believe may constitute a CONSTRUCTION DEFECT, YOU agree to submit any request for warranty performance in accordance with the procedure described in this LIMITED WARRANTY. Based on the information YOU provide and, where WE deem it necessary, information obtained from OUR onsite investigation, inspection and/or testing of the HOME or the COMMON ELEMENTS, WE will determine whether WE agree with YOU that the condition constitutes a CONSTRUCTION DEFECT. If WE determine that the condition reported by YOU is a CONSTRUCTION DEFECT, WE will remedy the condition in accordance with the remedies prescribed in this LIMITED WARRANTY. WE will make this determination in accordance with Section II, OUR Warranty Obligations, contained in this LIMITED WARRANTY.

THIS **LIMITED WARRANTY** PROVIDES THAT ANY AND ALL CLAIMS AND DISPUTES BETWEEN **YOU** AND **US** WHICH **YOU** AND **WE** ARE UNABLE TO RESOLVE BY MUTUAL AGREEMENT, SHALL BE RESOLVED SOLELY AND EXCLUSIVELY THROUGH FINAL AND BINDING ARBITRATION IN ACCORDANCE WITH THE TERMS AND PROCESS DESCRIBED WITHIN THIS DOCUMENT. BY THIS AGREEMENT, BOTH **YOU** AND **WE** ARE WAIVING THE RIGHT TO LITIGATE DISPUTES IN COURT.

To the extent permitted by law, all express or implied warranties other than this **LIMITED WARRANTY**, including any oral or written statement or representation made by **US** or any other person, and any implied warranty of habitability, merchantability or fitness for a particular purpose, are hereby disclaimed by **US** and are waived by **YOU**. **YOUR** only remedy in the event of a **CONSTRUCTION DEFECT** in or to the **HOME** or the **COMMON ELEMENTS** or to the real property on which the **HOME** or the **COMMON ELEMENTS** is situated is that provided to **YOU** under this **LIMITED WARRANTY**.

Enclosed with this **LIMITED WARRANTY** is a Limited Warranty Validation Form. The Limited Warranty Validation Form is a part of the **LIMITED WARRANTY** and provides the dates on which the warranty coverage period begins and expires. It is important that this form be retained with the **LIMITED WARRANTY**.

WE have contracted with PWC for certain administrative services relative to this LIMITED WARRANTY. PWC's sole responsibility is to provide administrative services as set forth herein. Under no circumstances or conditions is PWC responsible for fulfilling OUR obligations under this LIMITED WARRANTY.

There may be instances where an additional **PWC** administered Builder's Limited Warranty is issued together with this **LIMITED WARRANTY**. If both of these warranties are issued to **YOU**, **YOU** agree to request warranty performance under either warranty relative to warrantable issues on the **HOME** or the **COMMON ELEMENTS**. **YOU** may not collect twice relative to the same issue.

If any provision of this **LIMITED WARRANTY** is determined to be unenforceable, such a determination will not affect the remaining provisions. If this **LIMITED WARRANTY** or any provision herein is determined to be

unenforceable as to a **HOMEOWNERS ASSOCIATION** or a specific **HOMEOWNER**, such a determination will not affect the enforceability of this **LIMITED WARRANTY** or such provision as to any other **HOMEOWNERS ASSOCIATION** or any other **HOMEOWNER**. Any dispute as to the enforceability of any provision of this **LIMITED WARRANTY**, including any dispute as to the scope or enforceability of the arbitration provision contained herein, shall be determined by binding arbitration as provided for in this **LIMITED WARRANTY**.

I. Warranty Coverage

Coverage under this LIMITED WARRANTY is expressly limited to CONSTRUCTION DEFECTS which occur during the WARRANTY PERIOD indicated on the Limited Warranty Validation Form and which are reported by YOU in accordance with the notification requirements of Section VI. Procedure to Request US To Perform Under This LIMITED WARRANTY. OUR obligations under this LIMITED WARRANTY apply to workmanship actually performed and materials actually installed in the HOME or the COMMON ELEMENTS. Any failure by US to complete construction of the HOME or COMMON ELEMENTS, where such failure is apparent and obvious, is not covered by this LIMITED WARRANTY and is not a CONSTRUCTION DEFECT.

During the WARRANTY PERIOD indicated on the Limited Warranty Validation Form, WE warrant that the HOME and the COMMON ELEMENTS will be free of CONSTRUCTION DEFECTS. OUR obligation to perform under this LIMITED WARRANTY requires that WE must receive <u>written notice</u> from YOU of the alleged CONSTRUCTION DEFECT as soon as reasonably possible after YOU become aware of a CONSTRUCTION DEFECT but not later than thirty (30) days after the expiration of the coverage. Telephonic or face-to-face discussion is not a substitute for required written notice and will not protect YOUR rights under this LIMITED WARRANTY (see Section VI. Procedure to Request US To Perform Under This LIMITED WARRANTY).

II. OUR Warranty Obligations

Upon OUR timely receipt of written notice from YOU alleging a CONSTRUCTION DEFECT during the WARRANTY PERIOD, WE, or parties acting on OUR behalf, will, where WE deem it necessary, inspect, investigate and/or test (including destructive testing) the condition alleged to be a CONSTRUCTION DEFECT. If WE determine that a CONSTRUCTION DEFECT exists, WE, or parties acting on OUR behalf, will (1) repair or replace the CONSTRUCTION DEFECT, (2) pay to YOU the actual amount it would cost US to repair or replace the CONSTRUCTION DEFECT, or (3) pay to YOU an amount equal to the diminution in fair market value caused by the uncorrected CONSTRUCTION DEFECT. Subject to the limitations described in Section IV. Coverage Limitations, if the HOME is rendered temporarily uninhabitable by a CONSTRUCTION DEFECT or by work necessary to repair a CONSTRUCTION DEFECT, WE shall pay the reasonable cost for YOUR alternate shelter until the HOME is restored to a habitable condition. Additionally, in connection with OUR remedy of a CONSTRUCTION DEFECT, and subject to the limitations described in Section IV. Coverage Limitations, WE shall repair, replace or pay the reasonable cost for:

- Those surfaces, finishes and coverings that are part of the **HOME** and that are damaged directly by a **CONSTRUCTION DEFECT** or that are damaged in the course of **OUR** repair of a **CONSTRUCTION DEFECT**.
- Home furnishings, carpet or personal property damaged directly by the **CONSTRUCTION DEFECT**.

The decision to repair, replace, or to make payment in lieu of repair or replacement is at **OUR** or **OUR** authorized representative's sole discretion. These remedies are **OUR** only obligations under this **LIMITED WARRANTY**.

A. Standards By Which the Existence of a CONSTRUCTION DEFECT Will Be Determined:

The following factors will be considered in determining whether a condition constitutes a **CONSTRUCTION DEFECT**. If **WE** dispute the existence of a **CONSTRUCTION DEFECT** and that dispute is submitted to binding arbitration, the parties agree these same factors will be considered by the arbitrator:

- 1. Any performance standards, tolerances or guidelines contained in documents provided to YOU by US at or prior to closing on the HOME or, in the case of a HOMEOWNERS ASSOCIATION, prior to transferring title or control to all the COMMON ELEMENTS. In the absence of a specific standard, tolerance or guideline in the documents for a condition occurring during the first year of the WARRANTY PERIOD, the Residential Construction Performance Guidelines published by the National Association of Home Builders, in effect at the time of construction of the HOME or, in the case of the HOMEOWNERS ASSOCIATION, at the time of construction of the COMMON ELEMENTS, shall apply. If no specific standard, tolerance or guideline is contained in any of the documents identified above, generally accepted local building practices and standards shall apply;
- 2. Consideration as to whether the condition:
 - materially affects the structural integrity of the HOME or COMMON ELEMENTS; or
 - has an obvious and material negative impact on the appearance of the HOME or COMMON ELEMENTS; or
 - jeopardizes the life or safety of the occupants of the HOME or the users of the COMMON ELEMENTS; or
 - results in the inability of the **HOME** or a **COMMON ELEMENT** to provide the functions that can reasonably be expected in such a **HOME** or **COMMON ELEMENT**.
- 3. Consideration as to whether a condition is the result of normal wear and tear. Conditions that are normal wear and tear, or that are caused by normal wear and tear are not **CONSTRUCTION DEFECTS**;
- 4. Consideration as to whether the condition was caused by, or in any way resulted from, the failure of the HOMEOWNER or HOMEOWNERS ASSOCIATION to perform normal or routine maintenance. Any condition that is determined to be a HOMEOWNER or HOMEOWNERS ASSOCIATION maintenance issue, or any condition that results from improper or inadequate HOMEOWNER or HOMEOWNERS ASSOCIATION maintenance, is not a CONSTRUCTION DEFECT;
- 5. Consideration as to whether the condition was caused by persons or entities other than US or someone acting on OUR behalf. Damage caused by persons or entities other than US or someone acting on OUR behalf is not a CONSTRUCTION DEFECT. For example, a large, visible scratch on marble tile in the entry foyer that was not noted in the pre-closing walk through inspection, but was reported after furniture was moved into the HOME, will not be considered a CONSTRUCTION DEFECT;
- Recognition that any condition resulting directly or indirectly from or worsened by changes, additions, alterations or other actions or omissions by persons or entities other than US or someone acting on OUR behalf, will not be considered a CONSTRUCTION DEFECT (this includes, for example, changes to the topography, drainage or grade of the property);
- 7. Any **Exclusions** contained in this **LIMITED WARRANTY**.

III. Homeowner Maintenance Obligations

Maintenance of the **HOME** and the **COMMON ELEMENTS** is **YOUR** responsibility. All homes and common elements require periodic maintenance to prevent premature deterioration, water intrusion, and to ensure adequate performance of the **SYSTEMS**. **WE** will make a "Homeowner Maintenance Manual" or similar publication available to **YOU** upon request. Whether from this document or others that are readily available to **YOU**, **YOU** must understand and perform the maintenance that the **HOME** and **COMMON ELEMENTS** require. **WE** are not responsible for **HOME** or **COMMON ELEMENTS** maintenance issues or for damage that results from **YOUR** failure to maintain the **HOME** or the **COMMON ELEMENTS**.

IV. Coverage Limitations

Surfaces, finishes and coverings in the **HOME** which require repair due to damage caused by a **CONSTRUCTION DEFECT**, or such damage caused in the course of **OUR** repair of a **CONSTRUCTION DEFECT**, shall be repaired and restored to approximately the same condition as existed prior to the **CONSTRUCTION DEFECT**, but not necessarily to a like new condition. When repairing or replacing surfaces, finishes and coverings, the repair or replacement will attempt to achieve as close a match with the original surrounding areas as is reasonably possible, but an exact match cannot be guaranteed due to such factors as fading, aging and unavailability of the same materials.

Home furnishings, carpet or personal property damaged by a **CONSTRUCTION DEFECT** shall be repaired or replaced at market value of the item at the time of damage. "Market value" shall mean the amount it would cost to repair or replace the damaged item with material of like kind and quality, less allowance for physical deterioration and depreciation, including obsolescence.

Alternate shelter during such time as the **HOME** is uninhabitable due to a **CONSTRUCTION DEFECT** or uninhabitable during work to repair a **CONSTRUCTION DEFECT**, shall be limited to those shelter costs expressly pre-approved by **US** or **OUR** designated representative.

V. Exclusions

- A. This **LIMITED WARRANTY** does not cover:
 - 1. Any loss or damage resulting, either directly or indirectly, from the following causes, or occurring in the following situations:
 - a. Fire (unless caused by a **CONSTRUCTION DEFECT**);
 - b. Lightning;
 - c. Explosion (unless caused by a **CONSTRUCTION DEFECT**);
 - d. Riot and Civil Commotion;
 - e. Smoke (unless resulting from a **CONSTRUCTION DEFECT**);
 - f. Hail;
 - g. Aircraft;
 - h. Falling Objects;
 - i. Vehicles;
 - j. Floods;
 - k. Earthquake;
 - I. Landslide or mudslide originating on property other than the site of the **HOME** or the **COMMON ELEMENTS** or other property developed by the **BUILDER**;
 - m. Mine subsidence or sinkholes;
 - n. Changes in the underground water table not reasonably foreseeable by the **BUILDER**;

- o. Volcanic eruption; explosion or effusion;
- p. Wind including:
 - (i). Gale force winds;
 - (ii). Hurricanes;
 - (iii). Tropical storms;
 - (iv). Tornadoes;

(v). Rain or water intrusion or moisture within the **HOME** resulting from any wind forces described in p. (i) – (iv) above.

- q. Insects, animals or vermin;
- r. Changes to the grading of the ground, or the installation or alteration of improvements such as drain or gutter outlets by anyone other than **US** or **OUR** agents, or subcontractors which results in surface drainage towards the **HOME**, or other improper drainage that permits water to pond or become trapped in localized areas or against the foundation;
- s. Changes, additions, or alterations made to the **HOME** or the **COMMON ELEMENTS** by anyone after the **WARRANTY PERIOD** begins, except those made or authorized by **US**;
- t. Any defect in material or workmanship supplied by anyone other than US or OUR agents, or subcontractors, including any loss or damage to the HOME or the COMMON ELEMENTS resulting from material or workmanship supplied by anyone other than US or OUR agents, or subcontractors;
- u. Improper maintenance, negligence or improper use of the **HOME** or the **COMMON ELEMENTS** by **YOU** or anyone other than **US** that results in rot, dry rot, moisture, rust, mildew or any other damage;
- v. Dampness or condensation due to **YOUR** failure to maintain adequate ventilation;
- Damage resulting from the weight and/or performance of any type of waterbed or other furnishings which exceeds the load-bearing design of the HOME or the COMMON ELEMENTS;
- x. Normal wear and tear or normal deterioration of materials;
- y. Economic damages due to the **HOME'S** or the **COMMON ELEMENTS'** failure to meet expectations of the **HOMEOWNER** or **HOMEOWNERS ASSOCIATION**.
- Any loss or damage resulting from the actual, alleged or threatened discharge, dispersal, release or escape of POLLUTANTS. WE will not cover costs or expenses arising from the uninhabitability of the HOME or the COMMON ELEMENTS or health risk due to the proximity of POLLUTANTS. WE will not cover costs, or expenses resulting from the direction of any governmental entity to test, clean-up, remove, treat, contain or monitor POLLUTANTS;
- 3. Any loss or damage resulting from the effects of electromagnetic fields (EMF's) or radiation;
- 4. Any damage to personal property that does not result from a **CONSTRUCTION DEFECT**;

5. Any CONSEQUENTIAL OR INCIDENTAL DAMAGES;

6. Any **CONSUMER PRODUCTS**;

- Any CONSTRUCTION DEFECT as to which YOU have not taken timely and reasonable steps to protect and minimize damage after WE or OUR authorized representative have provided YOU with authorization to prevent further damage;
- 8. Any damage to the extent it is incurred after or as a result of **YOUR** failure to notify **US** in the manner and time required under this **LIMITED WARRANTY**;
- 9. Any costs or obligations paid or incurred by **YOU** in violation of **Section VI. C.** below;
- 10. Any non-conformity with local building codes, regulations or requirements where the condition does not meet the definition of a **CONSTRUCTION DEFECT**. While **WE** acknowledge **OUR** responsibility

to build in accordance with applicable building codes, this **LIMITED WARRANTY** does not cover building code violations in the absence of a **CONSTRUCTION DEFECT**;

- 11. Any deviation from plans and specifications where the condition does not meet the definition of a **CONSTRUCTION DEFECT**.
- B. OUR LIMITED WARRANTY does not cover any CONSTRUCTION DEFECT which would not have occurred in the absence of one or more of the excluded events or conditions listed in the Exclusions above, regardless of:
 - 1. The cause of the excluded event or condition;
 - 2. Other causes of the loss or damage; or
 - 3. Whether other causes acted concurrently or in any sequence with the excluded event or condition to produce the loss or damage.

VI. Procedure to Request US To Perform Under This LIMITED WARRANTY

If YOU become aware of a condition that YOU believe is a CONSTRUCTION DEFECT under this LIMITED WARRANTY, YOU have the following responsibilities:

A. Notification

YOU must notify US in writing as soon as reasonably possible after YOU become aware of a condition that YOU believe may constitute a CONSTRUCTION DEFECT, but in no event may YOUR written notice of a CONSTRUCTION DEFECT or YOUR written request for warranty performance be received by US later than thirty (30) days after this LIMITED WARRANTY has expired. This extended period for providing notice of a CONSTRUCTION DEFECT shall not operate to extend the WARRANTY PERIOD.

If the written notice is received by **US** more than thirty (30) days after the expiration of this **LIMITED WARRANTY**, **WE** shall have no obligation to remedy the **CONSTRUCTION DEFECT**. Because of the importance of this written notice requirement, **WE** recommend that notice always be sent by Certified Mail, return receipt requested, in order to establish a record.

B. Cooperate With US

YOU must give **US** and any third parties acting on **OUR** behalf reasonable help in inspecting, investigating, testing (including destructive testing), monitoring, repairing, replacing or otherwise correcting an alleged **CONSTRUCTION DEFECT**. Help includes, but is not limited to, granting reasonable access to the **HOME** or **COMMON ELEMENTS** for the forgoing purposes. If **YOU** fail to cooperate or provide **US** reasonable access to the **HOME** or **COMMON ELEMENTS**, **WE** will have no further obligation under this **LIMITED WARRANTY**.

C. Do Not Make Voluntary Payments

YOU agree not to make any voluntary payments or assume any obligations or incur any expenses for the remedy of a condition **YOU** believe is a **CONSTRUCTION DEFECT** without prior written approval from **US**, or other parties authorized to act on **OUR** behalf. **WE** will not reimburse **YOU** for costs incurred where **YOU** did not obtain prior written approval.

However, YOU may incur reasonable expenses in making repairs in an EMERGENCY CONDITION without prior written approval, provided the repairs are solely for the protection of the HOME or COMMON

ELEMENTS from further damage or to prevent an unsafe living condition and provided **YOU** notify **US** as soon as is reasonably possible. To obtain reimbursement for repairs made during an **EMERGENCY CONDITION**, **YOU** must provide **US** with an accurate written record of the repair costs.

D. Sign A Release

When **WE** or a third party acting on **OUR** behalf have completed repairing, replacing or paying **YOU** as to any **CONSTRUCTION DEFECTS** and related damage covered by this **LIMITED WARRANTY**, **YOU** may be requested to sign a full release of **OUR** obligation for the **CONSTRUCTION DEFECTS**. The release shall be applicable to the **CONSTRUCTION DEFECTS** and shall not prevent **YOU** from notifying **US** should **YOU** become aware of a subsequent **CONSTRUCTION DEFECT**.

E. If YOU Disagree With US

If YOU believe WE have not satisfactorily responded to YOUR request for warranty performance or satisfactorily worked with YOU to resolve any other claim or dispute between YOU and US, YOU should provide written notice to PWC requesting Mediation. Upon PWC's receipt of written notice from YOU, PWC may review and mediate YOUR request. PWC may communicate with YOU, US, and any other individuals or entities that PWC believes may possess relevant information. If after forty-five (45) days, PWC is unable to successfully mediate YOUR claim or dispute, or at any earlier time when PWC determines that YOU and WE are at an impasse, PWC will notify YOU that YOUR request remains unresolved and that YOU may elect to initiate binding arbitration. Binding arbitration as described in the following section is the sole remedy for the resolution of disputes between YOU and US.

VII. Binding Arbitration Procedure

Following commencement of the **WARRANTY PERIOD**, any claim, controversy or dispute (hereafter collectively referred to as "dispute") between **YOU** and **US**, or parties acting on **YOUR** or **OUR** behalf, including **PWC**, and any successor, or assign of either **YOU** or **US**, which relates to or arises from this **LIMITED WARRANTY**, or the design or construction of the **HOME** or the **COMMON ELEMENTS**, or the sale of the **HOME** or transfer of title to the **COMMON ELEMENTS**, will be resolved solely by binding arbitration and not through litigation in court before a judge or jury. This agreement to arbitrate is intended to inure to the benefit of, and be enforceable by, **OUR** contractor, subcontractors, agents, vendors, suppliers, design professionals, materialmen, and any of **OUR** direct or indirect subsidiaries or related entities alleged to be responsible for any **CONSTRUCTION DEFECT**. Disputes subject to binding arbitration include, but are not limited to:

- A. Any disagreement that a condition in the **HOME** or the **COMMON ELEMENTS** is a **CONSTRUCTION DEFECT**;
- B. Any disagreement as to the method or scope of repair required to correct a **CONSTRUCTION DEFECT** or whether a **CONSTRUCTION DEFECT** has been corrected in compliance with this **LIMITED WARRANTY**;
- C. Any alleged breach of this LIMITED WARRANTY;
- D. Any alleged violation of consumer protection, unfair trade practice, or any other statute;
- E. Any allegation of negligence, strict liability, fraud, and/or breach of duty of good faith, and any other claims arising in equity or from common law;
- F. Any dispute concerning the interpretation of this arbitration provision or the arbitrability of any issue;

- G. Any dispute concerning the timeliness of **OUR** performance and/or **YOUR** notifications under this **LIMITED WARRANTY**;
- H. Any dispute as to the payment or reimbursement of the arbitration filing fee;
- I. Any dispute as to whether this **LIMITED WARRANTY**, or any provision hereof, including, but not limited to, this arbitration clause and any waiver hereunder, is enforceable;
- J. Any other claim arising out of or relating to the sale, design or construction of **YOUR HOME** or the **COMMON ELEMENTS**, including, but not limited to any claim arising out of, relating to or based on any implied warranty or claim for negligence or strict liability not effectively waived by this **LIMITED WARRANTY**.

The initiating party may select one of the following independent arbitration service organizations: DeMars & Associates, Ltd. (www.demarsassociates.com; 800-279-5343) or Construction Dispute Resolution Services (www.constructiondisputes-cdrs.com; 888-930-0011). If these arbitration organizations are unable or unwilling to arbitrate the dispute, the party may select JAMS, the Resolution Experts (www.jamsadr.com; 949-224-1810), American Arbitration Association (AAA) (www.adr.org; 800-778-7879) or ADR Services, Inc. (www.adrservices.org; 213-683-1600). The parties also may mutually agree to use a different independent arbitration service. Owners who want copies of the rules and fee schedules should contact the providers through their websites or by phone. The arbitration service will administer the arbitration of any and all disputes required to be joined under the law.

This arbitration agreement is made pursuant to a transaction involving interstate commerce, and shall be governed by and interpreted under the Federal Arbitration Act now in effect and as it may be hereafter amended (the "FAA") to the exclusion of any inconsistent state law, regulation or judicial decision. The award of the arbitrator shall be final and binding and may be entered as a judgment in any court of competent jurisdiction.

Each party shall bear its own attorney's fees and costs (including expert's costs) for the arbitration. If **YOU** initiate the arbitration request, the arbitration filing fee and other fees charged by the arbitration service shall be divided and paid equally by **YOU** and **US**, unless **YOU** and **WE** have otherwise agreed in writing to a different allocation. If **WE** initiate the request for arbitration, **WE** shall pay the entire arbitration filing fee as well as all other fees charged by the arbitration service.

As part of any arbitration award, the arbitrator may, at his/her discretion, direct that **WE** reimburse **YOU** some or all of the arbitration filing fee and other arbitration fees **YOU** paid to the arbitration service, but under no circumstances shall **YOU** be required to reimburse **US** any portion of the arbitration filing fee and other arbitration fees **WE** paid.

Arbitration filing fees and other arbitration fees vary among arbitration service providers. Before submitting a Binding Arbitration Request Form, **YOU** may contact **PWC** to obtain information on the fees charged by the appointed arbitration service provider. The arbitration service's filing fee and other arbitration fees in effect at the time arbitration is requested shall apply.

The process for initiating arbitration is described below.

- Step 1 The Initiating Party Completes A Binding Arbitration Request Form And Mails It To PWC Along With Their Share Of The Arbitration Filing Fee. A Binding Arbitration Request Form is attached to this LIMITED WARRANTY. YOUR Binding Arbitration Request Form must be received by PWC no later than ninety (90) days after the WARRANTY PERIOD expires. Please Note that while YOU have ninety (90) days after the WARRANTY PERIOD expires to file for arbitration, this time period does not extend the WARRANTY PERIOD for CONSTRUCTION DEFECTS. Additionally, no investigation, inspection, testing, repair, replacement, or payment, nor any promise of same by US under this LIMITED WARRANTY, nor any dispute resolution efforts, shall extend the term of this LIMITED WARRANTY or extend or toll any statutes of limitations or any of YOUR rights or remedies.
- Step 2 The Arbitration Service Will Arrange For The Arbitration. The arbitrator or arbitration organization will notify YOU and US of the time, date and location of the arbitration hearing. If the dispute involves the allegation of a CONSTRUCTION DEFECT or OUR performance under this LIMITED WARRANTY, most often the hearing will be conducted at the HOME or, if applicable, the location of the COMMON ELEMENTS. Other disputes between YOU and US that are subject to arbitration, but which do not include a CONSTRUCTION DEFECT claim, may be scheduled for hearing at the HOME or another location within the county where the HOME is located. In scheduling the hearing the arbitrator will set a time and date that is reasonably convenient to all the parties.
- Step 3 <u>The Arbitration Hearing</u>. The parties at the arbitration hearing will include the arbitrator, YOU, US and/or a third party designated by YOU or US or acting on YOUR or OUR behalf. Any party to the proceeding may be represented at the hearing. All persons who are parties to the arbitration, as well as representatives and witnesses, are entitled to attend hearings.

After evidence is presented by **YOU**, **US** or **YOUR** or **OUR** representatives, a decision will be rendered by the arbitrator. The decision is final and binding on **YOU** and **US**. The arbitrator may grant any remedy, including statutory remedies, and other relief that the arbitrator deems just and equitable and within the scope of this **LIMITED WARRANTY** or other applicable agreements.

The arbitrator will decide any dispute between the parties, as described above. Where a **CONSTRUCTION DEFECT** is alleged, the arbitrator will determine whether the alleged **CONSTRUCTION DEFECT** exists and whether it is **OUR** responsibility. If the arbitrator finds **US** responsible for a **CONSTRUCTION DEFECT**, **WE** shall be obligated to perform in accordance with **OUR Warranty Obligations** as described in **Section II** above.

In connection with a **CONSTRUCTION DEFECT** dispute, the arbitrator retains jurisdiction and authority to decide any dispute as to the required scope of repair and the cost to repair the **CONSTRUCTION DEFECT**. In deciding such disputes, the arbitrator considers the terms of this **LIMITED WARRANTY**, any third-party evaluations, binding bids for repair work supplied by either of the parties, any estimates of diminished fair market value, and such other information submitted by the parties and deemed relevant by the arbitrator. Except where otherwise directed by the arbitrator's award, the decision to repair, replace, or to make payment to **YOU** in lieu of repair or replacement is at **OUR** or **OUR** authorized representative's sole option. The arbitrator will also render a decision as to any other claims, disputed matters or issues stated in the Binding Arbitration Request Form.

- Step 4 <u>OUR Arbitration Performance Obligations</u>. If an arbitrator concludes that WE are responsible for a CONSTRUCTION DEFECT, WE will perform in accordance with the arbitrator's decision within sixty (60) days from the date of the award or such greater time as may be allowed by the arbitrator's decision. Delays caused by circumstances beyond OUR or OUR representative's control shall be excused.
- Step 5 <u>Disputes As To Compliance With The Award.</u> If there is any dispute as to OUR compliance with an arbitrator's award, either party shall so inform PWC in writing at its mailing address specified in this LIMITED WARRANTY. PWC will mediate this dispute and if it cannot be resolved, either party may request a compliance inspection arbitration to decide the question of compliance with the arbitration award. If it is determined that WE have not properly performed, WE will be obligated to immediately

comply. As with the original arbitration award, any such subsequent arbitration rulings shall be enforceable by any court of competent jurisdiction.

VIII. General Conditions

A. Separation of This LIMITED WARRANTY From The Contract Of Sale

This **LIMITED WARRANTY** is separate and independent of the contract between **YOU** and **US** for the construction and/or sale of the **HOME** or transfer of the **COMMON ELEMENTS**. Except as otherwise expressly provided herein, the provisions of this **LIMITED WARRANTY** shall in no way be restricted or expanded by anything contained in the construction and/or sales contract or other documents between **YOU** and **US**.

B. Transfer to Subsequent HOMEOWNERS

This **LIMITED WARRANTY**, subject to all of its terms and conditions, including, but not limited to, its mandatory binding arbitration provision, will transfer to new owners of the **HOME** for the remainder of the **WARRANTY PERIOD**. **YOU** agree to provide this **LIMITED WARRANTY** to any subsequent purchaser of the **HOME** as a part of the contract of sale of the **HOME**. Please see the form "SUBSEQUENT HOME BUYER ACKNOWLEDGEMENT AND TRANSFER" contained at the end of this document.

C. Transfer of Manufacturer's Warranties

WE assign to YOU all the manufacturer's warranties on all appliances, fixtures and items of equipment that WE installed in the HOME. Should an appliance or item of equipment malfunction YOU must follow the procedures set forth in that manufacturer's warranty to correct the problem. OUR obligation under this LIMITED WARRANTY is limited to the workmanlike installation of such appliances and equipment. WE have no obligation for appliances and equipment defined as CONSUMER PRODUCTS.

D. Recovery Rights

If WE or a third party designated by US or acting on OUR behalf repairs, replaces or pays the cost to repair or replace CONSTRUCTION DEFECT, or other related damage to the HOME or the COMMON ELEMENTS covered by this LIMITED WARRANTY, or if WE elect to pay the diminished market value of the HOME in lieu of repair or replacement of a CONSTRUCTION DEFECT, WE are then entitled, to the extent of OUR cost or payment, to take over YOUR related rights of recovery from other people and entities, including but not limited to, other warranties and insurance. YOU have an obligation not to make it harder for US to enforce these rights. YOU agree to sign any papers, deliver them to US, and do anything else that is necessary to help US exercise OUR rights.

E. General Provisions

- If any provision of this LIMITED WARRANTY is determined to be unenforceable, such a determination will not affect the remaining provisions. If this LIMITED WARRANTY or any provision herein is determined to be unenforceable as to a HOMEOWNERS ASSOCIATION or a specific HOMEOWNER, such a determination will not affect the enforceability of this LIMITED WARRANTY or such provision as to any other HOMEOWNERS ASSOCIATION or any other HOMEOWNER. The issue of enforceability, as well as all other issues, will be determined by Binding Arbitration as provided for in this LIMITED WARRANTY.
- 2. This **LIMITED WARRANTY** and the binding arbitration process are binding on **YOU** and **US**. It is also binding on **YOUR** and **OUR** heirs, executors, administrators, successors, and assigns.
- 3. As may be appropriate, the use of the plural in this **LIMITED WARRANTY** includes the singular, and the use of one gender includes all genders.

IX. Definitions

BUILDER means the individual, partnership, corporation or other entity which participates in the Warranty Program administered by the Professional Warranty Service Corporation and provides **YOU** with this **LIMITED WARRANTY**. Throughout this document the **BUILDER** is also referred to as "**WE**", "**US**" and "**OUR**".

COMMON ELEMENTS means the property as specified in the recorded Covenants, Conditions and Restrictions as common area and any other property as to which the **HOMEOWNERS ASSOCIATION** has standing under the law to make a claim. This may include, but is not limited to, streets, slopes, the structure or components of enclosure or other parts of the **HOME**, corridors, lobbies, vertical transportation elements, rooms, balconies, clubhouses or other spaces that are for the common use of the residents of the development in which the **HOME** is located. **SYSTEMS** serving two or more **HOMES**, and the outbuildings that contain parts of such **SYSTEMS** are also included in this definition.

CONSEQUENTIAL OR INCIDENTAL DAMAGES means any loss or injury other than:

- A. **OUR** cost to correct a **CONSTRUCTION DEFECT** including the correction of those surfaces, finishes and coverings damaged by the **CONSTRUCTION DEFECT**;
- B. **OUR** cost to repair or replace, at market value, furniture, carpet or personal property damaged by the **CONSTRUCTION DEFECT**;
- C. **OUR** cost to repair damage to the **HOME** which occurs in the course of **OUR** repair or replacement of a **CONSTRUCTION DEFECT**;
- D. The reasonable cost of the **HOMEOWNER'S** alternative shelter when the **HOME** is temporarily unhabitable due to a **CONSTRUCTION DEFECT** and while the **HOME** is rendered uninhabitable by the work necessary to repair a **CONSTRUCTION DEFECT**.

Time YOU take off from work and/or YOUR inability to work from the HOME as a result of a CONSTRUCTION DEFECT or the repair/replacement of a CONSTRUCTION DEFECT, are among those damages considered "CONSEQUENTIAL OR INCIDENTAL DAMAGE" and are excluded under this LIMITED WARRANTY. Diminished fair market value of the HOME is also among those damages considered "CONSEQUENTIAL OR INCIDENTAL DAMAGE" and is excluded under this LIMITED WARRANTY notwithstanding that WE reserve the right to elect to pay YOU diminished fair market value in lieu of OUR repair, replacement or payment for the cost to repair or replace a CONSTRUCTION DEFECT.

CONSTRUCTION DEFECT(S) means a condition in the materials or workmanship used in constructing the **HOME** and/or the **COMMON ELEMENTS** that:

- materially affects the structural integrity of the HOME or the COMMON ELEMENTS; or
- has an obvious and material negative impact on the appearance of the HOME or the COMMON ELEMENTS; or
- jeopardizes the life or safety of the occupants of the HOME or the users of the COMMON ELEMENTS; or

• results in the inability of the **HOME** or the applicable **COMMON ELEMENTS** to provide the functions that can reasonably be expected in such a **HOME** or **COMMON ELEMENT**.

CONSUMER PRODUCT means any piece of equipment, appliance or other item that is a **CONSUMER PRODUCT** for purposes of the Magnuson-Moss Warranty Act (15 U.S.C.§ 2301, <u>et seq</u>.) installed or included in the **HOME**. Examples of Consumer Products include, but are not limited to, dishwasher, garbage disposal, gas or electric cook-top, range, range hood, refrigerator or refrigerator/freezer combination, gas oven, electric oven, microwave oven, trash compactor, automatic garage door opener, clothes washer and dryer, hot water heater, solar water heater, solar water heating panels, furnace, boiler, heat pump, air conditioning unit, humidifier, thermostat, and security alarm system.

EMERGENCY CONDITION means an event or situation that creates the imminent threat of damage to the **HOME** or **COMMON ELEMENTS**, or results in an unsafe living condition due to a **CONSTRUCTION DEFECT** that **YOU** (or as applicable, the **HOMEOWNERS ASSOCIATION**) become aware of at a point in time other than **OUR** normal business hours and **YOU** were unable to obtain **OUR** or **OUR** authorized representative's

prior written approval to initiate repairs to stabilize the condition or prevent further damage.

HOME means a single family residence either attached or detached covered by this **LIMITED WARRANTY** and the land on which it sits, or a condominium or cooperative unit in a multi-unit residential structure/building covered by this **LIMITED WARRANTY**, and the land on which it sits, except to the extent such unit, structure/building or land is part of the **COMMON ELEMENTS**.

HOME BUILDER'S LIMITED WARRANTY means only this express warranty document provided to YOU by US.

HOMEOWNER means the first person(s) to whom a **HOME** (or a unit in a multi-unit residential structure/building) is sold, or for whom such **HOME** is constructed, for occupancy by such person or such person's family, and such person's(s') successors in title to the **HOME**, or mortgagees in possession and any representative of such person(s) who has standing to make a claim on that person(s) behalf, including any class representative or **HOMEOWNERS ASSOCIATION** making a claim in a representative capacity.

HOMEOWNERS ASSOCIATION means a profit or nonprofit corporation, unincorporated association, organization, partnership, assessment district, limited liability company, limited liability partnership or other entity of any kind that owns, manages, maintains, repairs, administers, or is otherwise responsible for and has standing to make a claim as to any part of the **COMMON ELEMENTS**.

POLLUTANTS means all solid, liquid, or gaseous irritants or contaminants. The term includes, but is not limited to, petroleum products, smoke, vapors, soot, fumes, acids, alkalis, toxic chemicals, radon gas, and waste materials, including materials to be recycled.

PWC means Professional Warranty Service Corporation which administers the warranty program in which WE participate. As such, PWC assumes no other liabilities in connection with this LIMITED WARRANTY. The PWC mailing address is: Professional Warranty Service Corporation

P.O. Box 800 Annandale, VA 22003-0800

SYSTEMS means the following:

- (a) Plumbing system gas supply lines and fittings; water supply, waste and vent pipes and their fittings; septic tanks and their drain fields; and water, gas and sewer services piping and their extensions to the tie-in of a public utility connection or on-site well and sewage disposal system.
- (b) Electrical system all wiring, electrical boxes, switches, outlets, and connections up to the public utility connection.
- (c) Heating, Cooling, and Ventilation system all duct-work; steam, water and refrigerant lines; and registers, connectors, radiation elements and dampers.

WARRANTY PERIOD shall commence on the date the title to the HOME is transferred to the first HOMEOWNER. Notwithstanding anything to the contrary set forth in this LIMITED WARRANTY, the WARRANTY PERIOD for the COMMON ELEMENTS of an individual structure/building commences on the date the title for the first HOME in the structure/building is transferred to the first HOMEOWNER or, as concerns clubhouses or outbuildings or other COMMON ELEMENTS not part of the HOME, the earlier of the date of substantial completion or the date title to these structures is transferred to the HOMEOWNERS ASSOCIATION. The dates the WARRANTY PERIOD begins and ends are indicated on the Limited Warranty Validation Form which is attached to and made part of this LIMITED WARRANTY.

WE, US, OUR means the BUILDER.

YOU, YOUR means the HOMEOWNER and the HOMEOWNERS ASSOCIATION.

BINDING ARBITRATION REQUEST FORM

Prior to requesting binding arbitration under the terms of the HOME BUILDER'S LIMITED WARRANTY, the initiating party should have sent the other party a clear and specific written request outlining the claim(s) or dispute(s) that are being submitted for decision through binding arbitration. If you have taken this step and believe the other party has not satisfactorily responded in accordance with the HOME BUILDER'S LIMITED WARRANTY, fill out this form and send it to PWC along with the arbitration filing fee. Be sure to attach a copy of all pertinent correspondence between you and the other party relative to the issue.

The information you need to fill out this form can be found on the Limited Warranty Validation Form. However, if you do not know the answers to any questions, write "Don't Know." Please do not leave any item blank.

Homeowner name(s):					
Address:					
CITY	STATE ZIP				
Home Phone :()	Business/Cell Phone:()				
Email:					
LIMITED WARRANTY #:					
Builder's Name:					
Business Phone: ()					

Describe the dispute that you wish to submit to binding arbitration under the terms of the HOME BUILDER'S LIMITED WARRANTY. If the dispute is relative to a construction defect please include information on when the construction defect(s) first occurred or when you first noticed the construction defect. (Attach additional sheets, if necessary).

/we are hereby requesting PWC to initiate a binding arbitration to resolve the dispute described herein above.

Signature	Date	Signature	Date	
NSTRUCTIONS:	Photo-copy this form and complete the fields.			
	Obtain the required arbitration filing fee by	contacting PWC at 1-800/850-2	799.	
	Send this Binding Arbitration Request Form and the arbitration filing fee to:			
PROFESSIONAL WARRANTY SERVICE CORPORATION P. O. BOX 800 ANNANDALE, VIRGINIA 22003-0800				
WC Form No. 301 Rev. 05/1	3			

SUBSEQUENT HOME BUYER ACKNOWLEDGMENT AND TRANSFER

Any coverage remaining under the **HOME BUILDER'S LIMITED WARRANTY** applicable to the home specified on the Limited Warranty Validation Form is transferred to the subsequent homeowner.

The undersigned home buyer(s) hereby acknowledge and agree:

I/we acknowledge that I/we have reviewed, understand and agree to all the terms of the HOME BUILDER'S LIMITED WARRANTY document (PWC Form No. 117).

I/we understand and acknowledge that Professional Warranty Service Corporation ("PWC") is not the warrantor of the HOME BUILDER'S LIMITED WARRANTY.

I/we understand that I/we am/are responsible for the maintenance of the home including maintenance of the grade of the land surrounding the home, and that the Builder shall not be responsible for any defect or damage to the home which is the result of my/our failure to maintain the home.

I/we acknowledge and agree to the Binding Arbitration Procedure contained in the HOME BUILDER'S LIMITED WARRANTY.

Signature(s) of Subsequent Home Buyer(s):	Date:	
	Date:	
Print above name(s):		
Email:		
Delivery Preference: Email D Mail D	Both 🗖	

Re-issuance of the Limited Warranty Validation Form with the name(s) of the new Home Buyer(s) is <u>not</u> necessary for you to receive the coverage remaining under the **HOME BUILDER'S LIMITED WARRANTY**. Upon receipt of this signed form, PWC will update its records to reflect the name(s) of the new homeowner(s). If you want PWC to issue another Limited Warranty Validation Form with your name(s) on the form, please check the box below and send a check in the amount of \$20.00 made payable to "PWC" with your submission of this form.

YES, re-issue the Limited Warranty Validation Form in the above name(s) 🔲 (check box) Initial _____

Address of Home:

Limited Warranty No.: _____

INSTRUCTIONS: Photo-copy this form. Provide information requested, sign, fill in Limited Warranty # in the space provided (this number is provided on the Limited Warranty Validation Form), and provide a telephone number where you can be reached (____) _____. If you want the Limited Warranty Validation Form reissued in your name, enclose your check to PWC in the amount of \$20.00 (check box above and initial). To reach PWC by phone, call: 1-800/850-2799.

Mail this form and a photocopy of applicable settlement/closing documents indicating transfer of title, to:

PROFESSIONAL WARRANTY SERVICE CORPORATION P.O. BOX 800 ANNANDALE, VA 22003-0800

WC Form No. 302 Rev. 05/16

Performance Standards

The following performance standards are to assist in determining whether a condition constitutes a construction defect, subject to the terms and conditions of the Home Builder's Limited Warranty and the 10-Year Structural Limited Warranty. Such conditions should be reported to the builder for determination.

Arches and Masonry Openings

1. <u>Masonry</u> – Warranty Tolerance: Crack of 1/4 inch in width in masonry, or settlement in span of masonry opening of 1/2 inch.

Floor Systems

- 1. <u>Structural Concrete</u> Warranty Tolerance: Crack of 1/4 inch in width and 1/4 inch vertical displacement.
- 2. Joists Warranty Tolerance: Deflection of 1 inch in 10 feet.
- 3. <u>Trusses</u> Warranty Tolerance: Deflection of 1 inch in 10 feet.
- 4. <u>Floor System Noise</u> Warranty Tolerance: Noises in floor systems are common and do not constitute a structural defect; therefore they will not be repaired.
- 5. <u>Floor Vibrations</u> Warranty Tolerance: Floor vibrations are common and do not constitute a structural defect. If floor system components are within allowable deflection limits, no repair will be made.

Foundation and Precast Lintels

- 1. <u>Concrete Beams</u> Warranty Tolerance: Crack of 1/8 inch in width, or Deflection of 1/4 inch in 30 inches.
- 2. <u>Wood Beams: Built-up, Laminated, or Solid</u> Warranty Tolerance: Deflection of 1 inch in 10 feet.
- 3. <u>Footings</u> Warranty Tolerance: Crack of 1/2 inch in width. Settlement causing a variance of 1" in 15 feet.
- 4. <u>Concrete Walls</u> Warranty Tolerance: Crack of 1/4 inch in width and 1/4 inch vertical displacement, or out-of-plumb 1/4 inch in 12 inches measured from base of wall.
- 5. <u>Masonry Walls</u> Warranty Tolerance: Crack of 3/8 inch in width and/or 3/8 inch vertical displacement, or out-of-plumb 1/4 inch in 12 inches measured from base of wall.
- 6. <u>Concrete Columns</u> Warranty Tolerance: Bow of 1/2 inch in 8 feet, or out-of-plumb 1/4 inch in 12 inches measured from base of column.
- 7. <u>Masonry Columns</u> Warranty Tolerance: Out-plumb 1/4 inch in 12 inches measured from base of column.
- 8. <u>Steel Columns</u> Warranty Tolerance: Bow of 1 inch in 8 feet, or out-of-plumb 1/4 inch in 12 inches measured from base of column.
- 9. <u>Wood Columns</u> Warranty Tolerance: Bow of 1 inch in 8 feet, or out-of-plumb 1/4 inch in 12 inches measured from base of column.

Performance Standards (continued)

Lintels and Headers

1. Concrete, Masonry, Steel, or Wood – Warranty Tolerance: Deflection of 1/4 inch in 4 feet.

Roof Framing

- 1. Ridge Beam Warranty Tolerance: Deflection of 1 inch in 10 feet.
- 2. <u>Rafters (Common, Jack or Valley/HIP)</u> Warranty Tolerance: Deflection or bow of 1 inch in 10 feet.
- 3. <u>Ceiling Joists</u> Warranty Tolerance: Deflection of 3/4 inch in 10 feet.
- 4. <u>Trusses</u> Warranty Tolerance: Deflection of 1 inch in 10 feet.

Structural Beams and Girders

- 1. <u>Steel</u> Warranty Tolerance: Deflection of 1/2 inch in 8 feet.
- 2. <u>Wood (Solid, Built up, or Laminated)</u> Warranty Tolerance: Deflection of 1 inch in 10 feet.

Structural Columns

- 1. <u>Concrete</u> Warranty Tolerance: Bow of 1/2 inch in 8 feet, or out-of-plumb 1/4 inch in 12 inches measured from base of column.
- 2. <u>Masonry</u> Warranty Tolerance: Out-of-plumb 1/4 inch in 12 inches measured from base of column.
- 3. <u>Steel</u> Warranty Tolerance: Bow of 1 inch in 8 feet, or out-of-plumb 1/4 inch in 12 inches measured from base of column.
- 4. <u>Wood</u> Warranty Tolerance: Bow of 1 inch in 8 feet, or out-of-plumb 1/4 inch in 12 inches measured from base of column.

Load Bearing Walls and Partitions

1. <u>Studs</u> – Warranty Tolerance: Bow or cup of 1 inch in 10 feet.

For the purposes of the performance standards, deflection means the difference in elevation of high and low points along a diagonal, horizontal, or vertical plane caused by stress induced deformation of a load bearing member. Deflection is measured from any two end points and a third reference point. The reference point may be located at any distance between the two end points. Deformations due to defects in materials are covered only under the Home Builder's Limited Warranty.

