

Ted Mason Homes

Limited Warranty

THIS LIMITED WARRANTY INCLUDES PROCEDURES FOR INFORMAL SETTLEMENT OF DISPUTES, SUCH AS ARBITRATION, WHICH WILL BE BINDING ON THE BUYER AND TED MASON HOMES, INC. ADDITIONAL INFORMATION ON THE BINDING ARBITRATION PROCEDURE CAN BE FOUND IN THE DISPUTE SETTLEMENT SECTION OF THIS LIMITED WARRANTY. THIS WARRANTY SHOULD BE READ IN ITS ENTIRETY INCLUDING ANY ADDENDA ATTACHED AT THE END OF THIS WARRANTY. IN ORDER TO UNDERSTAND THE PROTECTION IT PROVIDES, EXCLUSIONS THAT APPLY, AND THE PERFORMANCE STANDARDS WHICH DETERMINE COVERAGE IN EACH CASE.

Ted Mason Homes' Limited Warranty Commitment relates only to Covered Defects which are defined as defects in material and workmanship that are either part of the structure or are elements of the home as supplied by Ted Mason Homes at the date of closing. The existence of a Covered Defect does not constitute a breach of this Limited Warranty; however, Ted Mason Homes is obligated to repair or replace the item to conform to the Performance Standards. This is not an insurance policy nor a maintenance agreement, but a definition of what the buyers have a right to expect in terms of warranties.

This Limited Warranty is provided to the original purchaser of the home.

One Year Coverage: Ted Mason Homes warrants the construction of the home will conform to the tolerances for materials and workmanship, as defined in the Performance Standards, for a period of one year after the closing date (other than items excluded in this warranty). Manufacturer's warranties are transferred to home buyers.

Two Year Coverage: Ted Mason Homes warrants the workability of the plumbing, electrical, heating, ventilating, air conditioning and other mechanical systems, as defined in the Performance Standards, for a period of two years after the closing date.

Three Year Coverage – Ted Mason Homes warrants the construction of the home will conform to the tolerances for the Structural Elements, as defined in the Performance Standards, for a period of three years after the closing date, subject to the limitations set forth below. Structural Elements are footing, bearing walls, beams, girders, trusses and rafters, bearing columns, lintels, posts, structural fasteners, subfloors and roof sheathing. A Structural Element will not be deemed defective, and no action will be required of Ted Mason Homes, unless there is actual physical damage that diminishes the ability of the Structural Element to perform its load bearing function such that the home is unsafe, unsanitary or unlivable.

If a defect occurs in an item covered by this Limited Warranty, Ted Mason Homes will repair or replace it to conform to the Performance Standards. In the case of defects in Structural Elements, Ted Mason Homes will repair or replace the Structural Element to restore the load bearing function, as designed, and make such other repairs as are necessary to return the home to a safe, sanitary and livable status. The repair of a defect will include the correction, replacement, or refinishing of only those surfaces, finishes and coverings that were damaged by the defect and that were a part of the home when the title was first transferred by Ted Mason Homes. Ted Mason Homes will repair or replace surfaces, finishes and coverings that require removal in order for Ted Mason Homes to repair or replace a defect. The extent of the repair or replacement of these surfaces, finishes and coverings will be approximately the same condition they were in prior to the defect, but not necessarily to a like new condition. Ted Mason Homes cannot guarantee, nor does it warrant exact color matches with the original surrounding area due to normal wear and tear and such factors as fading, aging or unavailability of the original materials.

Ted Mason Homes assigns to the buyers warranties for particular appliances and equipment furnished by the manufacturer to Ted Mason Homes. If is necessary to request warranty service in such a case, the buyer must make a request directly to the manufacturer. Ted Mason Homes provides no warranty on those items except where the malfunction is due to damage during installation or improper installation.

The benefits included in the Limited Warranty are only available when service is requested according to the procedures established by Ted Mason Homes and included in the warranty materials. In addition, the buyer's failure to reasonably provide access to the home during normal working hours for making repairs will relieve Ted Mason Homes from its obligations under this warranty. Ted Mason Homes' aggregate total liability shall not exceed the original contract price of this home.

Ted Mason Homes reserves the right to use its judgment in determining the most appropriate method of repairing warranty defects. Ted Mason Homes offer to resolve an issue for which it bears no responsibility under this Limited Warranty does not create the responsibility to provide the resolution in another situation for which it bears no responsibility. Actions taken to cure defects will not extend the periods of coverage specified in this Limited Warranty.

Exclusions

This Limited Warranty excludes any loss or damage which is not a Covered Defect, including:

1. Loss or damage to any real property which is not part of the home covered by this Limited Warranty and which is not included in the original purchase price of the home as stated in the closing documents.
2. Any damage, to the extent it is made worse by:
 - a. Negligence, improper maintenance, or intentional or improper operation by anyone other than Ted Mason Homes, its agents, or subcontractors, including but not limited to damage resulting from rot, corrosion or rust.
 - b. Failure by the buyer or anyone other than Ted Mason Homes, its agents or subcontractors to comply with the warranty requirements of manufacturers of appliances, fixtures and equipment.
 - c. Failure by the buyer to give timely notice to Ted Mason Homes of any defect.
 - d. Changes in the grading of the ground by anyone other than Ted Mason Homes, its employees, agents or subcontractors.
 - e. Changes, alterations or additions made to the home by anyone other than Ted Mason Homes, its agents or subcontractors after the Limited Warranty commencement date.
 - f. Dampness or condensation due to the buyer's failure to maintain adequate ventilation.
3. Loss or damage, which the buyer has not taken timely action to minimize.
4. Any defect caused by or resulting from, materials or work supplied by someone other than Ted Mason Homes, its agents or subcontractors.
5. Normal wear and tear or normal deterioration.
6. Loss or damage not otherwise excluded under this Limited Warranty, which does not constitute a defect in the construction of the home by Ted Mason Homes, its agents or subcontractors.
7. Loss or damage caused by or resulting either directly or indirectly from accidents, riots and civil commotion, theft, vandalism, fire, explosion, power surges or failures, smoke, water escape, falling objects, aircraft, vehicles, acts of God, lightning, windstorm, hail, mudslide, earthquake and volcanic eruption.
8. Loss or damage caused directly or indirectly by flood, wind driven water, surface water, waves, overflow of a body of water, or spray from any of these (whether or not driven by wind), water which backs up from sewers or drains, changes in the water table which were not reasonably foreseeable at the time of construction, or water below the surface of the ground (including water which exerts pressure on or seeps or leaks through a building, sidewalk, driveway, foundation, swimming pool or other structure), wetlands, springs or aquifers.
9. Loss or damage caused by soil movement, including subsidence, expansion or lateral movement of the soil (excluding flood and earthquake) which is covered by any other insurance for which compensation is granted by state legislation.

10. Loss or damage to the home, persons or property directly or indirectly caused by termites, other insects, birds, vermin, rodents or other wild or domestic animals.
11. Loss or damage resulting from use of the home for non-residential purposes.
12. Any condition which does not result in actual damage to the home, including but not limited to uninhabitability or other health risk due to the presence or consequences of electromagnetic fields (EMF's), radon gas, formaldehyde or other pollutants and contaminants; or the presence of hazardous or toxic materials.
13. Bodily injury or damage to personal property.
14. Loss or damage caused by or resulting from abnormal loading of structural elements by the buyer which exceeds design loads a mandated by codes.
15. Consequential damages, including but not limited to, costs of shelter, food, transportation; moving and storage; any other expenses related to inconvenience or relocation during repairs to the home; and any diminution of the market value of the home.

This Limited Warranty does not cover any loss or damage as a result of any defect, which would not have occurred in the absence of one, or more of the events or conditions listed in Exclusions 7. and 8. above. This Limited Warranty does not cover such loss or damage regardless of:

1. The cause of the excluded event or condition; or
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.

Limitations of Liability

IT IS UNDERSTOOD THAT TED MASON HOMES LIABILITY UNDER THIS WARRANTY WHETHER IN CONTRACT, IN TORT, IN NEGLIGENCE OR OTHERWISE, IS LIMITED TO THE REMEDY PROVIDED IN THIS LIMITED WARRANTY. TED MASON HOMES OBLIGATIONS UNDER THIS LIMITED WARRANTY AND UNDER THE PURCHASE AGREEMENT ARE LIMITED TO REPAIR AND REPLACEMENT. UNDER NO CIRCUMSTANCES SHALL TED MASON HOMES BE LIABLE FOR ANY SPECIAL, INDIRECT OR CONSEQUENTIAL DAMAGES, INCLUDING WITHOUT LIMITATION ANY DAMAGES BASED ON A CLAIMED DECREASE IN THE VALUE OF THE HOME, EVEN IF TED MASON HOMES HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

THIS LIMITED WARRANTY IS THE ONLY WARRANTY APPLICABLE TO THIS PURCHASE. ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, ALL IMPLIED WARRANTIES OF FITNESS, MERCHANTABILITY OR HABITABILITY, ARE DISCLAIMED AND EXCLUDED.

Dispute Settlement

This Dispute Settlement provision sets forth the exclusive remedy of all disputes or controversies under this Limited Warranty.

Disputes concerning the buyer's home that cannot be resolved between Ted Mason Homes and the buyer shall be finally determined by arbitration pursuant to the applicable rules of the American Arbitration Association. Either party may commence arbitration by filing with the American Arbitration Association. Judgment upon the award rendered by arbitration, in which TMH and the buyer are among the parties, shall be final and binding and may be entered in any court having jurisdiction thereof.

The arbitration will determine the buyer's and Ted Mason Homes' rights and obligations under this Limited Warranty. These rights and obligations include, but are not limited to those proved to the buyer or Ted Mason Homes by local, state, or federal statutes in connection with this Limited Warranty. The award of the arbitrator(s) will be final, binding and enforceable as to both the buyer, Ted Mason Homes, and the Insurer, except as modified or vacated in accordance with the applicable rules and procedures of the arbitration organization, or in their absence, the United States Arbitration Act (9 U.S.C. ss 1 et seq.) A judgment rendered by the arbitrator(s) may be confirmed, entered and enforced in any court having jurisdiction.

Each party shall bear its own expenses for the arbitration, including the remittance of an arbitration-filing fee, which will be paid by the party requesting arbitration. If the buyer request arbitration and the arbitrator(s) finds in the buyer's favor, the amount the buyer advance for an arbitration-filing fee will be reimbursed by Ted Mason Homes.

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Performance Standards

In general terms the following explains what the buyer can expect in the construction of the buyer's home from Ted Mason Homes and of what the buyer should be aware in its ongoing maintenance and care. The actual coverage's are described in the Limited Warranty.

What the buyer has the right to expect from Ted Mason Homes

Soil Drainage

The buyer's home has been placed on good soil engineered to withstand the settlement that might occur. It should not settle in such a way as to create structural problems during the warranty period

Concrete Surfaces

The concrete surfaces in the buyer's home shall fulfill the functions for which they were intended without excessive settlement, cracking or secondary damage, such as leaking. Since concrete is likely to crack, standards are defined in a later section.

Structural Integrity

Since, homes are constructed by human beings, using a variety of materials, small tolerances are normal. What we consider unacceptable tolerances are defined in the detailed warranty section which follows.

What the buyer should know about the buyer's home

Soil Drainage

The buyer's home and lot were designed with a particular drainage pattern, which will carry water away from the foundation. Water should not be directed to the edge of the foundation, either in the form of lot drainage or the watering of lawn, shrubbery and flowers.

Concrete Surfaces

Concrete Surfaces should be free of salts (for ice), other de-icing chemicals and excessive weight such as a moving van. Yard drainage should be maintained to divert water away from concrete surfaces; if possible, to eliminate the chance it will undermine the surface and erode the bearing soil.

Structural Integrity

Structural alterations to the home must be performed by professionals who understand the load bearing requirements of the change. The reason that local municipalities require permits for building alterations is to make sure that the structural integrity of the home is maintained.

Intrusion of the Elements

The buyer's home should not leak. Exceptions might occur such as when a driving rain forces water into vents, windows or under doors. Under normal circumstances, the buyer's home should protect the buyer from the intrusion of the elements.

Mechanical Systems

Those systems installed in the buyer's home to provide power, water, treated air, ventilation and plumbing shall work.

Finished Surfaces

Finished Surfaces shall maintain uniform or characteristic appearance for a reasonable period of time. Cracks or surface deterioration shall be repaired as provided in the Limited Warranty.

Care and Maintenance

Although things wear out, components in the buyer's home should last a reasonable length of time (assuming the buyer give them appropriate care and maintenance).

Intrusion of the Elements

In many cases, the seal around doors and windows is caulk. This material should be inspected annually. Water from yard and lawn watering devices should not come in contact with the structure.

Mechanical Systems

Since the mechanical systems of the buyer's home were designed for normal usage, placing unreasonable demands upon them will present problems. Plugging several electrical devices into one circuit may cause it to overload. Loading materials into a drain may cause it to clog. Undue weight should not be placed upon pipes or showerheads because they can break. Some devices must be cleaned periodically (e.g. furnace filters) so that they can do what they were designed to do. Leaving the doors open, including the garage door, can put undue stress on the heating and air-conditioning systems.

Finished Surfaces

Wood requires cleaning and sealing to prevent problems of water penetration and continual exposure to the elements. Painted or sealed surfaces must be cleaned and refinished according to the requirements of the buyer's geographic area. If this is not done, the surface will deteriorate.

Care and Maintenance

Instructions for care and maintenance are included with many components of the buyer's home, including finished flooring, appliances and air handling equipment. Following these instructions will extend the life of these components.

This section establishes the standards and tolerances by which it will be determined whether the Ted Mason Homes (TMH) Limited Warranty covers the concern a buyer may have. Where specific standards and actions are not shown for a first year item, the standard shall be the accepted industry practice for workmanship and materials.

Item	Observation	Action Required	Coverage
<u>Structural Elements</u>			
BEARING WALLS AND BRACING	Deterioration of the bearing walls and/or braces which cause the home to be unsafe or uninhabitable.	TMH will make necessary repairs and/or replacement to the structural elements and related damage.	3 years
FLOOR & ROOF SHEATHING	Deterioration of floor and/or sheathing which cause the home to be unsafe or uninhabitable.	TMH will make the necessary repairs and/or replacement to the structural elements and related damage.	3 years
FOOTINGS & WALLS	Serious cracks and/or deterioration in the foundation footings or or foundation walls which cause the home to be unsafe or uninhabitable.	TMH will make the necessary repairs and/or replacement to the structural elements and related damage.	3 years
STRUCTURAL FASTENERS	Failure of the structural fasteners associated with the structural elements of the home which cause the home to be unsafe or uninhabitable.	TMH will make the necessary repairs and/or replacement to the structural elements and related damage.	3 years
TRUSSES AND/OR JOISTS	Deterioration of floor trusses or joists and/or roof trusses or joists which cause the home to be unsafe or uninhabitable.	TMH will make necessary repairs and/or replacement to the structural elements and related damage.	3 years

Item	Observation	Action Required	Coverage
<u>Crawl Space</u>			
FOUNDATION WALLS	Cracks in the foundation walls that exceed 1/8" in width of vertical displacement.	TMH will patch the voids in the wall.	3 years
WATER-PROOFING	Leaks in basement or crawl space.	TMH will eliminate the cause of leaks. (Humidity and condensation issues are not warranted.)	3 years
	Damp soil under the plastic.	It is normal for the plastic to be damp where it comes in contact with the ground.	N/A
<u>Cabinets</u>			
KITCHEN/BATH	Misalignment of doors.	TMH will adjust.	3 year
	Variation in stain color.	Due to normal grain variations, TMH cannot guarantee stain color.	N/A
<u>Fireplace</u>			
FIREPLACE	Fire does not ignite.	TMH will correct if problem is caused by improper installation or design. NOTE: high winds or external factors such as trees can cause negative draft situations, which may blow out the pilot light. Make sure damper is fully opened.	3 years
	Glass may be dirty.	It is the buyer's responsibility to clean the glass.	N/A

Item	Observation	Action Required	Coverage
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Concrete: Driveway, Sidewalks, Patios and Porches

DRIVEWAYS	Depressions which retain water.	TMH will repair. Stress cracks are a normal part of concrete work and will not be repaired unless cracks are in excess of 1/4" width.	3 years
GARAGE FLOOR	Disintegration of the concrete surface resulting in the appearance of coarse aggregate below the surface.	TMH will repair concrete surfaces unless caused by salt or chemical damage.	3 years
PORCH/PATIO	Porch/Patios settle, heaves or separates in excess of 1" from home.	TMH will repair concrete surfaces unless caused by salt or chemical damage.	3 years

Countertops

KITCHEN/BATHS	Delamination of counter top material.	TMH will repair.	1 year
	Open seams in counter tops.	TMH will repair.	1 year
	Gaps between counter top and wall in excess of 1/8".	TMH will repair.	1 year

Doors

EXTERIOR	Failure to operate properly by binding, sticking, not latching or sealing.	TMH will make necessary corrections.	1 year
	Shrinkage of wood door panels.	Panels will shrink and expand and may expose unpainted or unstained surfaces. No action is required.	N/A

Item	Observation	Action Required	Coverage
	Split in door panel.	Unless splits or cracks present problems of continual deterioration or leaking, TMH will take no action; otherwise TMH will correct.	1 year
	Warping in excess of ¼” measured diagonally from corner to corner or to the extent they become inoperable or cease to be weather resistant.	TMH will correct or replace and refinish door.	1 year
INTERIOR DOORS	Door is loose or rattles at latch.	TMH will repair.	1 year
	Doors rubs on jamb.	TMH will repair.	1 year
	Warping exceeds ¼” vertically or horizontally.	TMH will repair.	1 year
GARAGE	Fail to operate properly.	TMH will correct door as required.	1 year
	Leak (through or) under door.	TMH will make needed adjustments if necessary. Some entrance of the elements can be expected under high wind conditions.	1 year
<u>Drywall (Sheetrock)</u>			
INTERIOR FINISH	Cracks in drywall, nail pops.	TMH will repair any cracks, nail pops, blisters in tape, and corner bead pops on a one-time basis.	1 year
	Excessive waviness or seams visible in normal light.	TMH will repair cracks 1/10” or greater or obvious irregularities. TMH cannot be responsible for color variation.	1 year

Item	Observation	Action Required	Coverage
<u>Exterior</u>			
TRIM	Excess warping, cupping, splitting or rotting of materials.	TMH will repair or replace as necessary.	1 year
	Exterior trim pulls away from its surface.	TMH will Renail and seal the material to the surface on which it is attached.	1 year
	Open joints in exterior trim exceeding 1/4".	TMH will correct the problem, on a one time basis.	1 year
FLASHING	Flashing leaks.	Leaks will be corrected	1 year
WALLS	Cracks in masonry.	Hairline cracks in masonry are normal. Those greater in width of 1/8" will be repaired.	1 year
	Siding materials become loose or detached.	TMH will correct.	1 year
	Siding materials show signs of deterioration and/or delamination.	TMH will hold manufacturer responsible for repairing or replacing faulty material.	1 year
<u>Flooring and Surfaces</u>			
CARPET	Carpet becomes loose at edges.	TMH will repair.	1 year
	Carpet buckles.	TMH will re-stretch carpet on a one time basis.	1 year
	Fading, staining or discoloration.	Manufacturer's warranty will apply if due to carpet defect.	1 year
	Premature wearing.	Manufacture's warranty will apply.	N/A

Item	Observation	Action Required	Coverage
	Visible gaps in seams.	TMH will repair.	1 year
HARDWOOD	Gaps in floors.	TMH will make a one-time repair to gaps of 1/8". Harwood floors will expand and contract due to humidity changes within the buyer's home.	1 year
	Loose boards.	TMH will repair.	1 year
VINYL	Becomes loose or bubbles.	TMH will repair.	1 year
	Fading or discoloration	Manufacturer's warranty will apply.	N/A
	Gaps in seams (sheet goods).	TMH will repair.	1 year
	Indentations due to normal traffic.	No action required.	N/A
	Subfloor causing depressions or ridges exceeding 1/8" on 6' span.	TMH will repair.	1 year
	Fasteners popping through.	TMH will repair.	1 year
CERAMIC TILE	Crack in grout.	TMH will repair.	1 year
	Tile cracks or loosens.	TMH will repair.	1 year

Item	Observation	Action Required	Coverage
<u>Framing</u>			
VENTS	Leaking through vents or louvers.	TMH will correct if there are problems with the vents or louvers, but not if the leak is from wind driven rain or snow.	1 years
WALLS/FLOORS	Crowns in walls or floors exceeding ¼” in 32” length.	TMH will correct the problem.	1 year
	Delamination or deterioration of subflooring.	TMH will repair or replace faulty material.	1 year
	Depressions in walls or or floors exceeding ¼” in 32” length.	TMH will correct the problem.	1 year
	The floor squeaks.	TMH will take corrective action to eliminate loose flooring and minimize squeaks on a one-time basis. The absence of squeaks cannot be guaranteed.	1 year
	Wall is out of plumb over ¼” in 32” vertical measurement.	TMH will correct the problem.	1 year
WINDOWS	Condensation (or frost).	Condensation on interior window surfaces is the result of extreme temperature differences and high levels of humidity inside the home. No action is required.	N/A
	Defects, including stress cracks or failed seals in insulated windows.	TMH will replace defective glass. Manufacturer’s warranty will apply after 3 years.	3 years

<u>Item</u>	<u>Observation</u>	<u>Action Required</u>	<u>Coverage</u>
	Excess air infiltration.	Some infiltration around windows is normal, especially during high winds TMH will take necessary corrective action by adjusting windows or weather stripping.	3 years
	Fail to operate properly.	TMH will correct or repair as needed.	3 years
<u>Insulation</u>			
INFILTRATION	Insufficient insulation.	Insulation shall be installed in accordance with applicable energy and building codes.	3 years
<u>Masonry (Brick)</u>			
EXT. FINISH	Cracks 1/8" in width or greater.	TMH will repair cracks in width of 1/8" or greater by refinishing joints.	1 years
	Efflorescence on masonry walls.	TMH will correct.	1 year
	Moisture entering home through masonry.	TMH will correct.	1 years
<u>Mechanicals</u>			
ELECTRICAL	Circuit breakers trip excessively.	TMH will correct.	2 years
	Malfunction of outlets, switches or fixtures.	TMH will correct.	2 years
HEATING AND COOLING	Condensation lines clog up.	TMH will correct.	2 years
	Ductwork separates.	TMH will correct.	2 years

Item	Observation	Action Required	Coverage
	Leak in refrigerant lines.	TMH will correct.	2 years
	Not heating (cooling) properly.	TMH will take corrective action, if industry standards are not met.	2 years
	Settling of exterior HVAC unit.	TMH will correct excessive settling of 2" or more on a one time basis.	2 years
PLUMBING	Cracks or chips in plumbing fixtures.	TMH is not responsible unless condition is noted on the final walk-through.	N/A
	Defective plumbing, fixtures, fittings or appliances.	TMH will correct.	2 years
	Faulty water supply system.	TMH will make necessary corrections, but cannot be held responsible for conditions beyond their control, such as municipal system problems.	2 years
	Freezing and bursting of plumbing pipes.	TMH will make necessary corrections to assure that plumbing pipes are adequately protected against normal anticipated cold weather (except undrained exterior faucets).	2 years
	Leakage from any piping (not including condensation).	TMH will make necessary repairs in any soil, waste, vent or water pipe.	2 years
	Leaky faucets.	TMH will repair as necessary.	2 years
	Noise water pipes (e.g. water hammer).	TMH will correct as necessary.	2 years

Item	Observation	Action Required	Coverage
	Plugged drains.	TMH will assume responsibility for clogged sewers, fixtures and drains where defective construction or workmanship caused the problem.	2 years
<u>Painting and Caulking</u>			
EXTERIOR	Separation or deterioration of caulk.	TMH will repair.	1 year
	Excessive fading or uneven fading on a wall surface.	TMH will correct.	1 year
	Flaking, scaling of painted surfaces.	TMH will correct.	1 year
	Mildew appears on painted surfaces.	Fungus must be cleaned when detected by home-the buyer as a maintenance item. No action is required.	N/A
INTERIOR	Excessive or differential fading or painted surfaces.	TMH will repair.	1 year
	Scaling or flaking or painted surfaces.	TMH will repair.	1 year
	Cracking or deterioration of caulking.	TMH will repair on a one time basis.	1 year
<u>Roofing</u>			
EXTERIOR	Roof and roof flashing leaks.	TMH will make repairs.	3 years
SHINGLES	Shingles blew off roof.	TMH will reseal or replace unless caused by wind velocities exceeding manufacturer's tolerances.	3 years

Item	Observation	Action Required	Coverage
	Uneven shading of roof shingles.	Shade variations in shingles is normal. No action is required.	N/A
	Ice-damming causing leaks into living areas.	TMH will repair, if the condition is caused by poor insulation. In some conditions, snow build-up on roofs due to freeze/thaw cycles can result in ice-damming at the gutters causing water to back up under shingles and enter the home. No action is required if condition is caused by radical swings in the weather of freezing and thawing.	3 year
SURFACE	Snow and ice build-up on roof.	Prevention of ice build-up is the responsibility of the the buyer.	N/A
<u>Sheet Metal</u>			
GUTTERS	Gutters clog.	The buyer should have gutters cleaned. No action is required.	N/A
	Gutters do not drain.	TMH will assure adequate fall to limit standing water depth to ½". The buyer will be responsible to keep gutters clean.	2 years
	Leaking gutters.	TMH will correct as necessary.	2 years

Item	Observation	Action Required	Coverage
<u>Site Work</u>			
ASPHALT DRIVEWAYS	Indentations or depress- caused by settlement which retain water in excess of 1" deep.	TMH will repair.	1 year
	Cracks ¼" in width.	TMH will repair.	1 year
DRAINAGE	Improper drainage of the site; standing or ponding water within 5' of the foundation beyond a 24 hour period (48 hours on swales).	TMH will regrade yard or swales in 1 st year if proper grades were not established initially. Home- buyer is responsible for maintaining drainage of lot. No grading determination can be made during frost conditions.	1 year
GRADING	Settlement of soil exceeding 6" in depth.	TMH will fill affected areas on a one time basis, reinstalling displaced plant material if originally installed by TMH.	1 year
LANDSCAPING	Trees, shrubs and grass die after move-in.	TMH will repair.	1 year