

CUSTOM HOMES

By

J & W Custom Homes

1 Year Workmanship/Materials

This is clean up from home settling issues

This Warranty is an expressed written Limited Warranty and is provided by J & W Custom Homes. To the extent permitted by law, all other implied warranties are waived including but not limited to, the warranty of good quality and workmanship and the warranty of habitability, merchantability and/or fitness for a particular purpose of any other warranties, expressed or implied.

For this Limited Warranty Agreement to be active and in effect, it must contain preprinted information including your name and address.

This Warranty is extended to the following purchaser:

Name:

Address of Warranted House:

City: **State:** NC **Zip Code:**

Telephone #:

E-mail

Final Sales Price:

This Warranty Start Date is: At the time of Closing

Builders Info: J & W Custom Homes, 1422 Wall Rd. Wake Forest NC 27587. 919-500-7557, Warranty@jwcustom-homes.com

Section 1. OVERVIEW OF THE LIMITED WARRANTY

J & W Custom Homes has included this written Limited Warranty for your own benefit.

The following pages explain this Limited Warranty on your Home:

- What it does and does not include;
- How it works, and other details, conditions and limitations that apply;
- Certain terms contained in this Limited Warranty defined in **Section 8**;
- The process for requesting warranty performance explained in **Section 6**;

Read this document in its entirety, including definitions, to understand the warranty, the exclusions that apply, your responsibilities, how the Limited Warranty is interpreted, and how it operates. This Limited Warranty Agreement includes the process of binding arbitration for resolving disputes if needed.

If you have questions, be sure to contact J & W Custom Homes at Warranty@jwcustom-homes.com or 919-500-7557 please send 2 pictures of each concern with an explanation

Section 2. THE LIMITED WARRANTY CONDITIONS

- A. The Warranty Start Date is Homeowners settlement date indicated above.
- B. For one (1) year from the Warranty Start Date, items described and specified in Section 5.A in this Limited Warranty will function and operate according to the Warranty Standards.

- C. Only specified standards and actions represented in this warranty are applicable to this warranty.
- D. J & W Custom Homes is responsible for all the work performed under its direction for the period of the applicable warranty. J & W Custom Homes is only responsible for warranted Defects about which J & W Custom Homes receives written notice on or before the expiration of the warranty coverage to which the notice applies but in no event later than thirty (30) days following the applicable warranty period stated.
- E. Repair of a construction Defect shall be performed in a manner and using such materials and methods consistent with Performance Standards found in Section 5.
- F. J & W Custom Homes shall have the option to choose to repair, replace, or pay the reasonable cost of repair or replacement of Warranted Defects. The method and manner of repairs are at the discretions of J & W Custom Homes.
- G. Repair Condition
 - 1. In connection with repair of a warranted Defect, any repairs performed by J & W Custom Homes will include those components of the Home originally installed by J & W Custom Homes that have to be removed or altered order to repair the Defect. Repair shall be made so that the conditions returned to its condition as it existed immediately preceding the Defect.
 - 2. The Warrantor is not responsible for damage to any improvement, fixture or property not constructed, installed or provided by J & W Custom Homes that may need to be removed to repair a warranted Defect or which may be damaged by the implementation of repairs to the warranted Defect.
- H. Surfaces altered incident to any repair will be finished or touched up to match the surrounding area as closely as practical. IN connection with the repair of finish or surface material such as paint, wallpaper, flooring or a hard surface, your Builder will attempt to match the standard and grade as closely as reasonably possible. J & W Custom Homes will attempt match the finish but will not be responsible for discontinued patterns or materials, color variations or shade variations. When the surface material must be replaced and the original material has been discontinued, J & W Custom Homes is responsible for installing replacement material substantially similar in appearance to the original material.
- I. Manufactured products shall be installed in accordance with the manufacturer's instructions and specifications.
 - 1. J & W Custom Homes shall use only new manufactured products and parts unless otherwise agreed in writing by the parties. If J & W Custom Homes did not install a manufactured product in accordance with the manufacturer's specifications or use newly manufactured parts as required, J & W Custom Homes shall take such action as is necessary to bring variance with standard.
 - 2. Manufactured items such as appliances, fixtures or equipment covered by a manufacturer's warranty and Defects in any of the systems resulting from a failure in manufactured items are not covered by this warranty.
- J. The Warrantor's responsibilities and liability are limited to the terms and conditions contained in this Limited Warranty including its performance standards. The Warrantor is providing only the warranty obligations contained in the Limited Warranty subject to its provisions, exclusions, limitations, performance standards, definitions and coverage. The warranties established herein are the only warranties provided by the Warrantor.

Section 3. HOMEOWNER RESPONSIBILITIES AND APPLICABLE CONDITIONS

- A. General and preventative maintenance of the Home and the lot on which the Home is located is essential to the proper functioning of the Home. The Homeowner is responsible for:
 - 1. Maintenance of the Home and the lot.
 - 2. Maintenance items described on this paragraph
 - 3. Those maintenance items identified separately in the performance standards set forth in this Limited Warranty.
 - 4. Ongoing maintenance responsibilities that affect the performance of the Home but that may not be expressly stated in this warranty. Such ongoing maintenance responsibilities include but are not limited to:
 - a. Periodic repainting and resealing of finished surfaces as necessary,
 - b. Caulking for the life of the Home,
 - c. Regular maintenance of mechanical systems, regular replacement of HVAC filters, cleaning and proper preservation of grading around the Home
 - d. Drainage system to allow for proper drainage of water away from Home.
 - e. cleaning gutters and roof every 6 months of all debris
- B. If J & W Custom Homes does not complete any part of the Home, it is your responsibility to complete such parts. Any damage resulting from your failure to have work completed will not be covered in this Limited Warranty.
- C. Any rights that insure to the Homeowner provided under a manufacturer's warranty are the obligation of the manufacturer. J & W Custom Homes does not assume any of the obligations of the manufacturer resulting from the manufacturer's warranty, but shall coordinate with the manufacturer, suppliers or agents to achieve compliance with the performance standard.
- D. Repairs of warranted Defects will not extend the coverage periods established in this Limited Warranty.
- E. The Warrantor is not responsible for exact color, texture, grain, or finish matches where materials must be replaced or repaired.
- F. NO warranties extend beyond the items described and contained in this Limited Warranty.

- G. The Homeowner shall take measures to prevent landscaping materials or plants from contacting the exterior surface of the Home and from interfering with the proper drainage of water away from the foundation. The Homeowner should not improperly alter the proper drainage pattern or grade of the soil within ten (10) feet of the foundation so that it negatively impacts the Home's performance.
- H. The Homeowner should take the following actions to prevent excessive moisture accumulation in and around the Home by:
 - 1. Properly using ventilation equipment;
 - 2. Prevent excessive temperature fluctuations; and
 - 3. Taking any other action reasonably necessary to avoid excessive moisture, dampness, humidity or condensation that may lead to damage due to excessive moisture or dryness.
- I. The Homeowner shall properly maintain each component of the Home including proper cleaning, care and upkeep of the Home. The Homeowner shall use the Home components for the purposes for which they are intended and shall not damage, misuse or abuse Home components.
- J. Upon observation of a circumstance that may cause further damage to the Home or a component of the Home, the Homeowner shall take reasonable action necessary to prevent further damage to the Home.
- K. The Warrantor is not responsible for repair, loss or damage to a component or that part of a component of a Home caused by or made worse by failure of the Homeowner to comply with the Homeowner's responsibilities as set forth in this Limited Warranty.

Section 4. EXCLUSIONS TO THE LIMITED WARRANTY

- A. This Limited Warranty does not include the following:
 - 1. Loss, damage or injury to:
 - a. Land, person, animals,
 - b. Personal property, and improvements or structures, and/or
 - c. Other than items in the Home identified in this Limited Warranty
 - 2. Loss or damage resulting directly or indirectly from or made worse by:
 - a. Insects, birds, vermin, rodents, or wild or domesticated animals, except where the Builder has failed to use proper materials or construction methods designed to prevent infestation or intrusion;
 - b. Any loss or damage that arises while the Home is being used primarily for nonresidential purposes;
 - c. **Soil movement, including subsidence, expansion or lateral movement of the soil which is covered by any other insurance or for which compensation is granted by the State Legislation;**
 - d. Flood, surface water, waves, tidal water, or spray from any of these (whether or not driven by wind); water that backs up from sewers or drains; changes in the water table which were not reasonably foreseeable; (Note: damage to the Home caused by unforeseen hydrostatic situation due to surface or underground water warranted in the first year);
 - e. Deterioration resulting from normal wear and tear;
 - f. Shrinkage, expansion or contraction due to drying or settlement caused by Homeowner negligence;
 - g. Material or work which was not supplied by your Builder or its employee, agents, or subcontractors;
 - h. Any damage done to the extent it is caused or made worse by negligence, improper maintenance or improper operations by anyone other than the Builder or its employees, agents, or subcontractors;
 - i. Components of the Home which are constructed separate from foundation walls or other structural components of the Home such as, but not limited to, chimneys, concrete floors of basements, attached garages after one year;
 - j. All cracks in concrete are not covered under this 1 year warranty
 - k. Any damage to the extent it is caused or made worse by changes of the grading of the ground by anyone other than the Builder, its employees, agents, or subcontractors;
 - l. Any modification or addition to the Home or the property under or around the Home, made after the Warranty Start Date (other than changes made in order to meet obligations of this Limited Warranty);
 - m. Outside sillcocks (housebibs) and other house connections
 - n. The weight of a water bed or any other type of furnishing or equipment that exceeds the load-bearing design of the Home;
 - o. The presence of radon, formaldehyde, carcinogenic substances or other pollutants and contaminants, or the presence of hazardous or toxic materials within the Home;
 - p. Acts or omission by you, your agents, employees, licensees, or invitees; accidents, riots, civil commotion, nuclear hazards, acts of God or nature, fire, explosions, blasting, smoke, water escape, wind storm, hail, lightning, ice, snow, falling trees, aircrafts, vehicles, flood, mudslides, sinkholes, mine substance, faults, crevices, earthquakes, aftershocks, shock waves or tremors occurring before or after a volcanic eruption;
 - q. Your failure to minimize or prevent loss or damage in a timely manner as per Section 3.G;
 - r. Dampness or condensation due to your failure to adequately maintain ventilation, caulking, flashing or gutters;
 - s. Negligent operation of any part of the Home by anyone other than your Builder, its agents, employees or subcontractors; and/or

- t. Swimming pools whether located inside or outside the Home.
- 3. J & W Custom Homes failure to finish any or all construction of the Home on or before the Warranty Start Date, or damages arising from such a failure. (An incomplete item is not considered a warranted Defect. J & W Custom Homes, however, may be obligated to complete such items under separate agreements.)
- 4. A deficiency which does not result in actual physical damage or loss of Home.
- 5. Consequential Damages
 - a. Incidental expenses related to relocation during repair, such as costs of shelter, transportation, food, moving, storage, or other costs due to loss of use, inconvenience or annoyance.
 - b. Diminished market value for your Home,
 - c. Any and all consequential loss or damage, including without limitation, any damage to personal property, any damage to property not covered by this warranty, any damage to property which you do not own, any bodily damage or personal injury of any kind, including physical or mental pain and suffering and emotional distress, and any medical or hospital expenses, or lost profits.
- 6. A non-emergency warranted Defect that you repair without prior written authorization of Warrantor.
- 7. Removal and/or replacement of items not covered by this limited warranty, such as landscaping or personal property, and items not originally installed by your Builder, like wallpaper, where removal and replacement are required to repair warranted Defect.
- 8. Alteration to any paint and/or wall paper
- 9. Wiring, wires and cables that connect the Home to communications services such as telephone, television, intercom, computer, and security systems.
- 10. Loss or damage to EIFS synthetic stucco systems.
- 11. Any issue consisting of, caused by, contributed to, related to or aggravated by moisture, rotting or any kind, mold, mildew, fungus or rust.
- 12. Sound transmission and sound proofing.
- 13. Glass breakage.
- 14. Improvements not part of the Home itself, including but not limited to: recreational facilities; Driveways; walkways; patios, porches and stoops not structurally attached to the Home; decks and balconies which are not bolted to or cantilevered from the Home; boundary and/or retaining walls; bulkheads; fences; landscaping, sodding, seeding, shrubs, trees and plantings; subsurface drainage systems(other than footer drains); lawn sprinkler system; off-site improvements, including streets, sidewalks, adjacent property and the like; detached garages and carports, outbuildings(except those which contain a heating, ventilating, and cooling system, plumbing system or electrical system serving the Home, and then only to the extent that these systems are affected).
- 15. All cracks in concrete are not covered in this 1 year warranty.
- 16. Any alteration of the drainage pattern or grade of the soil by the Homeowner within ten feet of the foundation so that it negatively impacts the Home's performance.
- 17. Any item not listed as a warranted item in this Limited Warranty. The enumeration of the exclusions above is not intended to be exhaustive of the items that are not covered by this Limited Warranty.
- 18. Any item listed by the Builder as not included in this Limited Warranty.

Section 5. WARRANTY STANDARDS

A. Year 1 Only

The following warranty standards are applicable only to warranted items installed by the Builder and expressly stated in this Limited Warranty. Read Section 1 through 4 to determine if the following warranty standards apply. These Standards are included to provide an understanding of how issues will be evaluated.

B. 45 Day walk through

45 days after the closing date you will schedule a walk through with J&W Custom Homes. During this walk you will address any issues you have with your home since you moved in. There will be no paint touch ups during this walk through. When you're due for your 45 day walk through contact us at warranty@jwcustom-homes.com

A.1 General Carpentry

Category	Ref.	Condition	Standard	Remarks
Walls and Ceilings	A 1.1	Wood frame walls out-of-plumb.	Builder will correct if out-of-plumb condition is greater than $\frac{1}{8}$ inch within 32 inches' vertical measurement.	Minor framing imperfections less than the standard are not a warranted condition.
	A 1.2	Wood frame wall is not squared.	Not a warranted condition.	Minor framing imperfections can be expected.
	A 1.3	Bowed stud walls or ceilings	Builder will correct if unevenness is greater than $\frac{1}{8}$ inch within a 32-inch horizontal measurement or $\frac{1}{8}$ inch within 8-foot vertical measurement.	All exterior and interior frame walls and ceiling have slight variations on the finish surfaces.
Floors	A 1.4	Uneven wood framed floors	Builder will correct if high or low areas are greater than $\frac{1}{8}$ inch within a 32-inch measurement.	Depending on the surface finish, self-leveling compounds are acceptable.
	A 1.5	Floor squeaks	Builder will correct if caused by a Defective joist or improperly installed or loosed subfloor. An isolated floor squeak is not a Warranted Defect.	A squeak- proof floor cannot be guaranteed. Squeaks can be caused by wood shrinkage, temperature and humidity changes and other factors beyond the Builders control
Roof	A 1.6	Split or warped rafters or trusses.	Not a warranted condition.	Splitting and warping can be caused by high temperature effects on wood and other factors beyond the Builders control.

A.2 Exterior

Category	Ref.	Condition	Standard	Remarks
Stoop, Porch and Patio	A 2.1	Setting or heaving of structurally attached stoop, porch and patio	Builder will correct if movement is greater than 1 inch from Home.	Stoops, porches and patios poured separately are not considered structurally attached.
	A 2.2	Concrete splatters on adjacent surfaces	Not a warranted condition.	This item should be identified on pre closing walk through inspection list
Structurally Attached Wood Decks	A 2.3	Twisting, warping or splitting of wood	Builder will correct if condition was caused by improper installation	Wood deck material is exposed to changing weather conditions which can cause twisting warping and splitting if not sealed within 6 weeks of closing
	A 2.4	Deck settles	Builder will correct slope of deck if greater than 2 inches in a 10-foot measurement.	Some slope is normal for proper water drainage
	A 2.5	Railing or post becomes loose	Builder will correct if the condition is due to improper installation	Homeowner is responsible for conditions not related to installation

Exterior Walls	A 2.6	Separation of siding or trim joints, or separation between trim and abutting masonry siding.	Builder will caulk separations greater than 3/16 inch. Also, exterior trim abutting masonry siding shall perform its functions of excluding the elements.	Separation ¼ inch or less are considered normal
	A 2.7	Cracks in stucco and cement plaster surfaces.	Builder will repair cracks greater than ¼ inch in width. Exact match of color or texture cannot be expected	Hairline cracks are common in this type of wall finish
	A 2.8	Siding deteriorates, delaminates or comes loose	Builder will repair damages siding and secure loose siding if caused by faulty workmanship or materials, one time only.	Homeowner is responsible for maintenance. Wood siding will split, shrink and cup
Doors	A 2.9	Door binds against jamb or does not lock	Builder will adjust door or latch if caused by faulty workmanship or materials, one time.	Doors will expand and contract due to changes in climatic conditions
	A 2.10	Wood door panels shrink exposing bare wood.	Not a warranted condition	Panels will shrink due to the nature of wood. Exposed unfinished surfaces can be expected
	A 2.11	Warpage or exterior doors.	Builder will correct warpage greater than ¼ inch, measured diagonally	Doors will expand and contract due to changes in climatic conditions
	A 2.13	Draft around the door.	Builder will adjust poorly fit doors weather-stripping to prevent excessive infiltration under normal conditions.	Some inflation is normal especially during high winds. Homeowner is responsible for minor alterations adjustable thresholds and other parts of door

	A 2.14	Torn or damaged screens.	Not a warranted condition	Damaged door and window screens should be identified on a pre closing walk through inspection list
	A 2.15	Garage door fails to operate or fit properly.	Builder will adjust garage doors to meet the manufacturer's installation tolerances	Garage doors are not designed to be weather tight. Some entrance of elements can be expected and is not considered a deficiency. If Homeowner installs a garage door opener, the Homeowner is responsible for operation of door.
Windows	A 2.16	Condensation or frost on interior window surface	Not a warranted condition	Condensation can occur on various types of windows. Temperature, humidity and living condition can cause condensation
	A 2.17	Clouding or condensation on inside surface of insulated glass.	Builder will replace glass to comply with manufacturer's requirements	If condition is caused by Homeowner negligence this is not a warranted condition
	A 2.18	Glass breakage	Not a warranted condition	Broken glass should be identified on a pre close walk through inspection list
	A 2.19	Draft around windows	Builder will adjust poorly fitted windows or weather- stripping to prevent excessive infiltration under normal conditions.	Some drafts are normal especially during high winds. Caulking expands and contracts. Maintenance of caulking and weather stripping is Homeowner's responsibility

	A 2.20	Windows are too difficult to open, close or lock	Builder will adjust for proper fit according to the manufacturer's guidelines	Window should operate in conformance with the design standards established by the manufacturer.
Exterior Paint	A 2.21	Paint or stain peels or deteriorates.	Builder will refinish affected areas matching color as closely as possible at 1 year touch up	Fading is normal. Mildew and fungus on siding can be caused by weather conditions and are considered routine maintenance. Varnish or lacquer will deteriorate quickly and is not a warranted condition.
Roof	A 2.22	Paint splatters and smears on other surfaces	This is not warranted condition	This item should be noted on a pre walk through inspection list
	A 2.23	Inadequate paint coverage	Builder will repair affected area matching color as closely as possible	Minor imperfections such as overspray and brush marks can be expected
	A 2.24	Knots appear through paint or stain	Builder will seal affected areas where excessive bleeding of knots appears and touch up with original material color to match as closely as possible	Knots may be visible due to material used.
	A 2.25	Cracks in masonry, veneer or stone exteriors	Builders will repair cracks greater than ¼ inch in width	Small cracks are common in masonry mortar joints. Patching and epoxy injection are acceptable methods of repair
	A 2.26	Roof or flashing leaks	Builder will correct roof or flashing leaks that occur under normal weather conditions	If the cause of the leak is due to snow or ice buildup, high winds, driving rains, or Homeowner negligence, this is not warranted condition.

	A 2.27	Lifted, torn or curled roof shingles	Builder will repair or replace if due to poor installation	Damage caused by fire, explosion, smoke, hail, lightning or other accidents is not warranted condition.
	A 2.28	Inadequate ventilation	Builder will install louvers or vents based on industry standards	Attics should be adequately vented to prevent excessive moisture buildup. Homeowner is responsible to keep vents clear of obstructions for proper air flow
	A 2.29	Gutters leak and have standing water	Builder will repair joints to be leak free and correct pitch if standing water depth exceeds ½ inch	Homeowner is responsible for keeping gutters and downspouts free from leaves and debris.

A 3 Interior

Category	Ref	Condition	Standard	Remarks
Sub-Flooring	A 3.1	Loose sub-flooring	Builder will repair if caused by improper installation	Wood will expand and contract due to temperature and humidity changes which can affect sub-flooring
Hard Surface Flooring (flagstone, marble, ceramic tile, slate)	A 3.2	Floor cracks or becomes loose	Not a warranted condition	This condition should be noted on a pre closing walk through inspection list
	A 3.3	Hollow sounding tile	Not a warranted condition if tile is bonded	Hollow sounding tile is not considered a Defect
	A 3.4	Shrinking or deterioration of caulking	Builder is responsible for initial application	Caulking shrinks and deteriorated. Homeowner is responsible for maintenance

	A 3.5	Cracks in grouting of ceramic tile joints	Builder will repair cracks greater than ¼ inch one time only	Re-grouting of cracks in grout joints is Homeowner maintenance item
Floor Covering	A 3.6	Gaps at seams of resilient flooring	Builder will correct gaps of similar materials in excess 1/16 inch, and 1/8 inch where dissimilar materials abut	Minor gaps should be expected
	A 3.7	Cuts and gouges in floor covering.	Not a warranted condition	All cuts and gouges should be identified on a pre closing walk through inspection list
	A 3.8	Nail pops appear on the surface or resilient flooring.	Builder will repair nail pops that have damaged floor covering	Damage caused by high heels, table and chair legs and similar objects are not warranted condition
	A 3.9	Depressions or ridges in resilient flooring.	Builder will repair depressions or ridges greater than ¼ inch. Ridges will be measured with a 6-inch straight edge centered on the ridge with a 1/0-inch spacer placed on one end	Condition is to be repaired so as to comply with the tolerance and not be readily visible
	A 3.10	Resilient flooring fades, stains or discolors	Not a warranted condition	Fading, stains or discoloration should be identified on a pre closing walk through inspection list
	A 3.11	Resilient flooring loses adhesive.	Builder will repair as necessary but is not responsible for discontinued patterns or color variations	Homeowner is responsible for proper maintenance
	A 3.12	Seams in carpet	Builder will repair seams in carpeting that separate due to improper installation	Homeowner maintenance is required to prevent separation of seams

	A 3.13	Carpet loosens or buckles	Builder will re-stretch carpet if condition is caused by an installation Defect	Stretching of new carpet is normal, Homeowner is responsible for proper care
	A 3.14	Carpet shows wear	Not a warranted condition	High traffic areas in entryways and hallways will normally show wear
Hardwood Floors	A 3.15	Gaps or cracks between finished floor boards	Builder will correct separations exceeding 1/8 inch	It is normal for wood to expand and shrink due to changes in humidity. Repair may be effected by filling the gap
	A 3.16	Finished floor boards that cup, crown or become loose.	Builder will correct only if the cause is due to improper installation	IT is normal for wood to experience some cupping or crowning due to the changes in humidity and other inherent features. Finished floors are subjected to Homeowner living conditions. Builder is not responsible for Defects resulting from causes beyond its control
Walls and Ceiling Surfaces	A 3.17	Drywall cracks.	Builder will repair cracks greater than 1/16-inch width, one time only during the first year	Minor crack and slight imperfections, are common and can be expected
	A 3.18	Nail pops, trowel marks, tape blisters	Builder will repair nail pops which have broken finished surface. Marks and blisters must be readily seen by visual inspection at a minimum distance of 6 feet under normal light conditions at 1 year walk	Minor depressions and slight mounds at nail heads are not warranted conditions

	A 3.19	Peeling of wallpaper installed by Builder	Builder will repair unless due to Homeowner's neglect or abuses	Maintaining adequate ventilation in areas of high humidity is the Homeowners responsibility
	A 3.20	Lumps, ridges and nail pops in wallboard which appear after Homeowner has installed wall covering	Not a warranted condition	Homeowner should insure that surface to receive wall covering is suitable and is properly prepared
	A 3.21	Surface Defects in finished woodwork	Builder will repair surface marks that are visible at a distance of 6 feet under natural light	Surface Defects caused by Homeowner negligence are not warranted condition
	A 3.22	Gaps between trim and adjoining surfaces.	Builder will correct gaps greater than ¼ inch	Wood shrinkage is common
	A 3.23	Inadequate paint coverage on wall or trim surfaces	Builder will repair affected area matching color as close as possible	Minor imperfections such as overspray and brush marks can be expected
Doors	A 3.24	Door binds against jamb or does not latch	Builder will adjust door or latch if caused by improper workmanship or materials	Doors will expand and contract due to changes in climatic conditions
	A 3.25	Warpage of interior doors	Builder will correct warpage greater than ¼ inch measured from top to bottom vertically or diagonally	Doors will expand and contract due to changes in climatic conditions
	A 3.26	Excessive opening at bottom	Builder will correct gaps that exceed 1 ½ inch between bottom of passage door and finished floor or 2 inches between bottom of closet door and finished door.	It is common to have an opening to allow an air passage

	A 3.27	Bottom of door rubs on carpet	Builder will undercut door as necessary	Builder is not responsible if Homeowner installed the carpet or if Homeowner selects an excessively high pile
	A 3.28	Hardware does not work or perform its intended purpose	Builder will repair, adjust or replace as required	Normal wear and tear can be expected. The hardware manufacturer's warranty shall apply

A 4 Mechanical

Category	Ref	Condition	Standard	Remarks
Plumbing System	A 4.1	Faucet, valve or pipe leak	Builder will repair a leaky faucet or valve if due to faulty workmanship and materials. Condensation on pipes does not constitute a leak	Homeowner is responsible for maintenance including replacing worn and Defective washers or seal. Scratches, tarnishing or marring must be identified on a preclosing walk through inspection list.
	A 4.2	Noisy water pipe	Builder will correct hammering noise	Some noise can be expected due to flow of water and pipe expansion. This is not a warranted condition.

	A 4.3	Plumbing pipes freeze and burst	Builder will repair if caused by faulty workmanship and materials. Pipes are to be adequately protected to prevent freezing during normal anticipated cold weather	Homeowner is to maintain suitable temperatures inside the Home to preventing freezing or bursting. Homes unoccupied for an extended period of time should be properly winterized or check periodically to insure that system are in good working condition. Homeowners negligence is not a warranted condition.
Water Supply System	A 4.4	Water supply fails to deliver water	Builder will correct if due to faulty workmanship or materials	Drought or causes other than faulty workmanship and materials will not be covered in this Limited Warranty.
Sewage Disposal System	A 4.5	Clogged drain or sewer	Builder will correct clog within structure caused by faulty workmanship or materials	Clogs and stoppages beyond the exterior wall are not covered by this Limited Warranty. Routine Homeowner maintenance and proper use is required.
	A 4.6	Septic system fails	Builder is responsible for installing the system in compliance with local codes and requirements. Defects resulting from noncompliance are warranted	Homeowner is responsible for maintenance and proper care of the system. Issues not related to workmanship or materials are considered non warranty items
Electrical System	A 4.7	Malfunction of outlets, switches or fixtures	Builder will repair or replace Defective outlets, switched or fixtures	Homeowner should exercise caution if an outlet, switch or fixture appears defective
	A 4.8	Drafts from electrical outlets	Not a warranted condition	Air can be drawn through outlets. This is normal

	A 4.9	Failure of wiring to carry to designated load	Builder will repair wiring if failure is caused by improper installation or materials	If failure is caused by overloading the circuit or Homeowner negligence, this is not a warranted condition
Heating, Ventilating and Cooling System	A 4.10	Inadequate Heating	Builder will correct if heating system cannot maintain a 70 degree Fahrenheit temperature, under normal operation and weather conditions. Temperature shall be measured at a point 5 feet above floor in center of affected area. Builder will balance dampers, registers and make minor adjustments one time only during the first year. All rooms may vary in temperature by 5 or 6 degrees. This is acceptable under industry standards	Orientation of the Home, location and location of rooms and location of vents can cause temperature variations. IF outdoor temperatures falls below design temperature, the temperature in the Home will be affected. Design features such as expansive stairways, open foyers, sunrooms or cathedral ceilings may cause abnormal variations and are beyond the scope of coverage.

	A 4.11	Inadequate cooling	Builder will correct if heating system cannot maintain a 78 degree Fahrenheit temperature, under normal operation and weather conditions. Temperature shall be measured at a point 5 feet above floor in center of affected area. ON hot days, when outside temperature is 95 degrees Fahrenheit a difference of 17 degrees from outside temperature will be difficult to maintain. This standard may be superseded by energy codes adopted by local. All rooms may vary in temperature by 5 or 6 degrees. This is acceptable under industry standards	Orientation of the Home, location of rooms and location of vents can cause temperature variations. IF outdoor temperatures rise above design temperature, the temperature in the Home will be affected. Design features such as expansive stairways, open foyers, sunrooms or cathedral ceilings may cause abnormal variations and are beyond the scope of coverage.
	A 4.12	Leak in cooling system	Builder will repair if due to faulty installation or materials	Homeowner is responsible for system maintenance
	A 4.13	Duct works separately	Builder will reattach and re- secure separated ductwork	Homeowner maintenance required
	A 4.14	Ductwork noise and oil canning.	Builder will take necessary steps to eliminate oil canning and booming noise	When metal heats or cools noise in duct work may occur for a brief period of time.

**A.5 General
New Home
Components**

Category	Ref	Condition	Standard	Remarks
Bathroom and Kitchen	A 5.1	Gaps between cabinets, walls or ceiling	Builder will repair gaps greater than ¼ inch. Cabinets are to be securely mounted	Minor separation is normal. Acceptable method of repair may be caulking, molding, or other ways to meet standards
	A 5.2	Cracked door panel	Not a warranted condition	Cracked door panels should be identified on a pre closing walk through inspection list
	A 5.3	Warping or cabinet door or drawer front	Builder will repair warpage greater than ¼ inch from the face of the cabinet frame to the most distant of warpage on door in a closed position.	Warpage may be temporary condition when cause by climatic changes
	A 5.4	Doors or drawers malfunction	Builder will repair or replace as needed	Homeowner negligence is not a warranted condition
	A 5.5	Defective plumbing fixture, fitting or appliance	Builder will repair any fixture or fitting which does not conform to the manufacturer's standards.	Homeowner is responsible for maintenance
Countertops	A 5.6	Chips, cracks, scratches in countertops, cabinets, fixtures, or appliance	Not a warranted condition.	These conditions should be identified on a pre closing walk through inspection list
	A 5.7	Delamination in high pressure laminates of countertops	Builder will repair	This condition should be identified on a pre closing walkthrough inspection list
Chimney and Fireplace	A 5.8	Chimney separates from the Home	Builder will repair separation greater than ½ inch within 10 feet	It is normal for chimneys to settle causing separation.

	A 5.9	Chimney smoke inside Home	Builder will repair if the condition is caused by improper construction or inadequate clearance one time only	Smoke is caused by a negative draft where outside air is pulled into the room through the chimney. IT can be caused by high winds; outdoor obstructions such as trees or the physical location of the chimney. A negative draft is usually temporary and can be corrected by opening a window to create positive draft.
	A 5.10	Water infiltration into firebox from flue	Not warranted condition	A certain amount of rainwater can be expected under certain conditions.
	A 5.11	Firebrick or mortar joint cracks or color of firebrick changes	Not warranted condition	Heat in a fireplace may cause cracking or discoloration
Appliances and Equipment	A 5.12	Appliances or equipment installed by Builder does not operate	Builder will repair or restore the operation of appliances and equipment if damaged during installation or improper installation	Normal wear and tear and Defects resulting from negligence or Homeowner abuse are not warranted. Other manufacturers warranties may apply to new appliances and equipment.

Section 6. Request for Warranty Performance

A. Notice to Warrantor

If you believe your Home has a warranted Defect covered and is not an exclusion under this warranty, you must notify the Warrantor in writing as provided below. This written request for warranty performance must be postmarked no later than thirty (30) days after the expiration of the applicable warranty period. For example, if the item is one that is warranted during the first year of coverage, a request for warranty performance must be postmarked no later than thirty (30) days after the end of the first year to be valid. .

1. Notice to Warrantor in year one (1)
 - a. If a Warranted Defect occurs in year one, you must notify J & W Custom Homes in writing. Your request for warranty performance must clearly describe the Warranted Defect(s) in reasonable detail.
 - b. J & W Custom Homes will, within a reasonable period of time, investigate your warranty request and determine whether the Defects describe in the complaint are under warranty. You are to cooperate with J & W Custom

Homes including access to your Home to inspect the affected areas during normal business hours and at other reasonable times. Failure to allow access during normal business hours and at other reasonable times will void this warranty.

- c. J & W Custom Homes will advise you in writing as to whether your complaint is a warranted Defect. If it is, J & W Custom Homes has the option to perform work as described in this Limited Warranty or to make payment for the repair. If you added improvements which were not a part of the Builder's original construction work, you are responsible for removal and/or repairs of these items. Warranty repairs will be made during normal business hours.

B. Arbitration

1. Any and all disputes, claims and controversies between the Homeowner and J & W Custom Homes, arising from the Limited Warranty will be resolved by binding arbitration. This includes but is not limited to any alleged deficiency in or to the new Home, breach of any alleged good faith and fair dealing, alleged violations of consumer protection, unfair trade practice, or other statutes, breach of contract, negligent or intentional misinterpretation or nondisclosure in the inducement, execution of any performance of any contract including this arbitration agreement.
2. Your or the Warrantor may request Arbitration. Arbitration is the sole recourse for resolving disputes and you agree you waive your right to a trial by either judge or jury in a court of law. The findings of the Arbitrator are final and binding on all parties except as modified or vacated in accordance with applicable rules and procedures of the designated arbitration organization, or in their absence, the U.S Arbitration Ace (9 U.S.C. 1. Et.seq.).
3. TO begin the arbitration process, you must give J & W Custom Homes written notice requesting arbitration of Unresolved Request item. Notice must be provided in the manner described in Section 6.B. If you make this request, you must pay the arbitration fee before the matter is submitted to the arbitration service. The Arbitrator has the power, however, at the close of the arbitration to charge this fee to any party or split it between parties. Neither party to the arbitration can claim punitive damages and the arbitrator shall not have authority to award such damages.
4. Within twenty (20) days after J & W Custom Homes receives your written request and the arbitration fees, your unresolved request item or dispute issue(s) will be submitted to a neutral, reputable arbitration service for resolution. Any binding arbitration proceeding will be performed by an independent, recognized arbitration organization selected by J & W Custom Homes. The arbitration service will select a qualified Arbitrator to arbitrate the matter. The rules and procedures will be those of the designated arbitration service and a copy will be delivered upon request.
5. The Arbitrator will arrange a reasonable convenient time, date and location for arbitration hearing. Normally this takes place at the Home.
6. If any party commences litigation which is considered a violation of this binding arbitration agreement, that party shall reimburse the other parties litigation for their costs and expenses, including attorney fees incurred in seeking dismissal if litigation.
7. The initiation of participation by any party in any judicial proceeding shall not be deemed a waiver of the right to enforce this arbitration agreement and notwithstanding any provision of law to the contrary, shall not asserted or accepted as a reason to delay, to refuse to participate in, or to refuse to enforce this arbitration agreement.
8. J & W Custom Homes shall have the right, in advance of the arbitration proceeding, to re-inspect the Home if the request was made more than sixty (60) days following the last claim decision of the Warrantor concerning the Home.
9. If any provision of this arbitration agreement shall be determined to be unforce able by the arbitrator or by any court, the remaining provisions shall be deemed to be servable and enforceable according to their terms.
10. The parties agree that this arbitration agreement involves and concerns interstate commerce and is governed by the Federal Arbitration Act (9 U.S.C. 1.et.seq.) and the rules of the independent arbitration service which conducts the arbitration to the exclusion of any different or inconsistent state or local laws, ordinances, or judicial rules.
11. Enforcement of Arbitration Award
 - a. Except as provided in subsection b, below:
 - i. For a year (1) Warranted Defect, J & W Custom Homes must comply with their arbitrator's Award within sixty (60) days from the date J & W Custom Homes receives it.
 - b. The Warrantor must begin compliance as soon as possible and complete it within the sixty (60) day compliance period, except for repairs that would reasonable take more than sixty (60) days. An example that could extend the time frame would be inclement weather. In such circumstances, the Warrantor will complete such repairs or replacement as soon as possible without incurring overtime or weekend expenses.
 - c. You must provide the Warrantor with reasonable weekday access to your Home during normal business hours so that it can perform its obligations. Failure by you to provide such access to the Warrantor may result in further damage that will not be covered by this Limited Warranty and may extend the time during which Warrantor may fulfill its obligation.

C. **Conditions of Warranty Performance**

1. Before the Warrantor pays for the reasonable cost of repair or replacement, you must sign and deliver to Warrantor a full and unconditional release, in recordable form, of all legal obligations with respect to the Warranted Defects and any relating conditions.
2. If the Warrantor elects to make a cash settlement for the reasonable cost of a warranted Defect, the settlement must be in writing. The Homeowner shall have up to two (2) weeks to respond.
3. If the Warrantor repairs, replaces or pays you the reasonable cost to repair or replace a Warranted item, the Warrantor shall be subrogated to all your rights of recovery against any person or entity. You must execute and deliver any and all instruments and papers and take all other actions necessary to secure such rights, including, but not limited to, assigning the proceeds of any insurance of warranties to the Warrantor. You shall do nothing to prejudice these rights of subrogation.

Section 7. Warranty Provisions

- A. This Limited Warranty is not an insurance policy, a maintenance agreement or a service contract.
- B. This Limited Warranty provides coverage only in excess of coverage provided by other warranties or insurance, whether collectible or not.
- C. This Limited Warranty is binding on you and your heirs, executors, administrators, successors and assigns.
- D. This Limited Warranty shall be interpreted and enforced in accordance with the state in which the Home is located.
- E. This Limited Warranty is separate and apart from other contracts between you and J & W Custom Homes, including any sales agreement. It cannot be affected, altered or amended in anyway by any other agreement, except by a formal written instrument signed by you and J & W Custom Homes.
- F. If any provision of this Limited Warranty is determined by a court of competent jurisdiction to be unenforceable, that determination will not affect the validity of the remaining provision.
- G. All notices required under this Limited Warranty must be in writing and sent to the address the recipient may designate in writing.
- H. If performance by the Warrantor under the Limited Warranty is delayed by an event beyond its control, such performance will be excused until the delaying effects of the event are remedied. Such events include, but not limited to, acts of God or nature, acts of the common enemy, war, riot, civil commotion or sovereign conduct, or acts of omissions by you or person or entity not a party to this Limited Warranty.
- I. In this Limited Warranty, reference to a person includes entities and vice versa. Use of the singular includes the plural. Use of one gender includes the other gender.

Section 8. Definitions

Certain terms used in this Limited Warranty book are defined below. This is designed to help you better understand the meaning of terms and the warranty described herein.

- A. **Appliances, fixtures, and of equipment-** means furnaces, boilers, oil tanks and fittings, air purifiers, air handling equipment, water heaters, pumps, stove, refrigerators, lighting fixtures, circuit breakers etc.
- B. **Arbitration-** the hearing and determining of a dispute or the settling of differences between parties by a person or persons chosen or agreed to by them:
- C. **Arbitrator-** a person chosen to decide a dispute or settle differences, especially one formally empowered to examine the facts and decide the issue.
- D. **Builder-** means J & W Custom Homes.
- E. **Electrical Systems-** all wiring, electrical boxes, switches, outlets and connections to public utilities.
- F. **Exclusion-** items, conditions or situations not warranted or not covered by performance standard
- G. **Habitable area-** is the living place defined as the enclosed area in the Home suitable for year round residential use
- H. **Heating, ventilating, and cooling system-** means all duct work, steam, water and refrigerated lines, convectors, radiation elements and dampers.
- I. **Home-** means the newly constructed private dwelling unit and the fixtures and structure that are made part of the private dwelling
Home does not include
 1. Detached car ports, except outbuilding plumbing, electrical, heating, cooling, or ventilation systems
 2. Driveways

3. Walkways
4. Patios and Decks
5. Boundary walls
6. Retaining walls not necessary for structural stability
7. Landscaping
8. Fences
9. Off-site improvements
10. Appurtenant recreational facilities

- J. Homeowner-** means the purchaser of a new Home who uses the Home for residential purposes during warranty period
- K. Homeowner responsibility-** an action required by the Homeowner for proper maintenance or care to comply with a stated Homeowner
- L. Insurer-** the warranty insurer that is established at the time this agreement is executed
- M. Limited Warranty-** the term and conditions contained in this warranty document. It applies to specific components and standards which are identified in this document.
- N. Manufactured product-** a component of the home that was manufactured on site of the Home and was installed in the Home without significant modifications to the product as manufactured.
- O. Original Construction Elevations-** actual elevations of the foundation taken prior to substantial completion of the Home. Including porches and garages if a part of the monolithic foundation. One elevation every 100 square feet (100 ft²)
- P. Plumbing systems-** gas supply lines and fittings; water supply, waste, and vent pipes and their fittings, etc.
- Q. Structurally Attached –** integral parts of the home held by footings, block walls or reinforced concrete connected to the foundation
- R. Unresolved Request-** all request for warranty performance, demands, disputes, controversies and differences that may arise between Homeowner and Warrantor that cannot be resolved between them
- S. Warranted Defect-** a condition of a Warranted item that, according to the Warranty Standards described in this Limited Warranty requires action by the Warrantor. Failure to complete construction of the Home or any portion of the Home. In whole or in part are not considered Warranted Defect.
- T. Warranted Items-** those items in the home that are specifically identified in the Warranty Standards described in Section 5 that can require action from the Warrantor if a warranty standard isn't met.
- U. Warrantor-** your Builder in year one.
- V. Warranty Standards-** the standards, described in Section 5, by which the condition of a warranted item will be judged to determine whether action by the Warrantor is required, and if so, the type of action that such condition requires of Warrantor
- W. Warranty Start Date-** means the first day that the owner occupies the new Home, settles on the new Home, makes the final contract payment on the new Home, or obtains an occupancy permit for the new Home if the Home is built on the owner's property, whichever is earlier.