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SWORD DEVELOPMENT

Sword Development LLC.

One – Year Limited Warranty Agreement

Sword Development LLC., hereafter called the " Builder", extends the following one-year LIMITED WARRANTY to, _____hereafter referred to as " Buyer", who has contracted with builder for purchase of the finished home located on Lot —, in Mornington Estates and whose address is:

1044 Azalea GArden Circle Raleigh NC 27603 LOT 133

The commencement date of the warranty coverage is the date of closing and extends for a period of one year.

1. LIMITED WARRANTY COVERAGE ON HOME

The Builder expressly warrants to the original buyer of the home that the home will be free from defects in materials and workmanship due to noncompliance with the current standards set forth in the North Carolina building code(s) for licensed General Contractors.

2. COVERAGE ON CONSUMER PRODUCTS

For purposes of this Limited Warranty Agreement, the term "consumer products" means all Appliances, equipment, and other items that are consumer products for the purposes of the

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Magnuson-Moss Warranty Act (15 U.S.C., sections 2301-2312) and which are located in the Home on the commencement date of the warranty. The Builder expressly warrants that all Consumer products will, for a period of one year after the commencement date of this Warranty, be free from defects due to noncompliance with generally accepted standards in the State in which the home is located, which assure quality of materials and workmanship. ANY IMPLIED WARRANTIES FOR MERCHANTABILITY, WORKMANSHIP, OR FITNESS FOR INTENDED USE ON ANY SUCH CONSUMER PRODUCTS SHALL TERMINATE ON THE SAME DATE AS THE EXPRESS WARRANTY STATED ABOVE. The Builder hereby assigns to buyer all rights under manufacturers warranties covering consumer products. Defects in items covered by manufacturers warranties are excluded from coverage of this limited warranty and buyers should follow the procedures in the manufacturers' Warranties if defects appear in these items. This warranty gives you specific legal rights.

3. BUILDERS OBLIGATIONS

If a covered defect occurs during the one-year warranty period, the Builder agrees to repair, replace, or pay the buyer the reasonable cost of repairing or replacing the defective item provided the buyer has complied with the terms and conditions set forth in paragraph (4) herein. The

Builders total liability under this warranty is limited to the purchase price of the home stated above. The choice among repair, replacement, or payment is the Builders. Any steps taken by the Builder to correct defects shall not act to extend the term of this warranty. All repairs by the Builder shall be at no charge to the buyer and shall be performed within a reasonable length of time subject to delays outside the Builders control.

4. BUYERS OBLIGATION

Buyers must register all warranty items with the respective Vendors and Manufacturers within the specified deadline for registration of each product including but not limited to household appliances of all types, lighting fixtures including ceiling fans and heating & air conditioning equipment. Buyer must comply with the terms and conditions of each warranty item including but not limited to providing normal maintenance and proper care for those items as well as the interior and exterior materials and finishes furnished by the Builder according to the terms and conditions of this Limited Warranty and the warranties of the manufacturers of the consumer products. The Builder must be notified in writing of the existence of any defect before the Builder is responsible for the correction of that defect. All notifications must be emailed to: Warranty@sworddevelopment.com. **All notifications must be sent via email.** No notifications will be considered if received via US Mail, facsimile, hand-delivery, or any other method. No notifications will be considered if received verbally. Written notice of a defect must be received by the Builder prior to the expiration of the warranty on that defect and no action at law or in equity may be brought by the Buyer against the Builder for failure to remedy or repair any defect about which the Builder has not received timely notice in writing. **Buyers must provide access to the builder during its normal business hours, Monday through Friday 8:00a.m. to 4:30p.m., to inspect the defect reported and, if necessary, to take corrective action.**

5. INSURANCE

In the event the Builder repairs or replaces or pays the cost of repairing or replacing any defect

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Covered by this warranty for which the Buyer is covered by insurance or a warranty provided by another parts, Buyer must, upon request of the Builder, assign the proceeds of such insurance or other warranty to the Builder to the extent of the cost to the Builder of such repair or replacement.

6. OTHER EXCLUSIONS

THE FOLLOWING ADDITIONAL ITEMS ARE EXCLUDED FROM LIMITED WARRANTY:

a. Defects in any item that was not part of the original home as constructed by the Builder.
b. And defect caused by or worsened by negligence, improper maintenance, lack of maintenance, improper action or inaction, or willful or malicious acts by and parts other than the Builder, its employees, agents, or trade contractors.
c. Normal wear and tear of the home or consumer products in the home.
d. Loss or damage caused by acts of God, including but not limited to fire, explosion, smoke, water escape, changes that are not reasonably foreseeable in the level of underground water table, glass breakage, windstorm, hail, lightning, falling trees, aircraft, vehicles, flood, and earthquakes.
e. And defect or damage caused by changes in the grading or drainage patterns or b excessive watering of the ground of the Buyers property or adjacent property by and parts other than the Builder, its employees, agents, or trade contractors.
f. And loss or damage that arises while the home is being used primarily for nonresidential purposes.
g. Any damage to the extent it is caused or made worse by the failure of anyone other than the Builder or its employees, agents, or trade contractors to complete with the requirements of this warranty or the requirements of warranties of manufacturers of appliances, equipment, or fixtures.
h. Any defect or damage that is covered by a manufacturer's warranty that has been assigned to the Buyer under paragraph 2 of this Limited Warranty.
i. Failure of Buyer to take timely action to minimize loss or damage or failure of Buyer to give the Builder timely notice of the defect.
j. Insect or animal damage.
k. Cosmetic items not listed on the pre-settlement Final Walk-Through Agreement.
l. Cosmetic cracks in concrete. Contractor does warrant structural cracks. Cosmetic cracks are defined as hairline cracks up to ½" in width and are caused by the natural expansion or contraction of concrete. Structural cracks are defined as cracks larger than ½" caused by poor soil conditions, improper subbase, improper installation or improper PSI mixture. Structural cracks usually scar all the way through the concrete.
m. The life of any trees, shrubs or grass on the property.
n. The drying and shrinking of any caulking. All caulking will eventually dry up and shrink as the house gets older and settles. Re-caulking is a normal maintenance item that needs to be done periodically just like changing the filters in the HVAC returns.
o. The drying, shrinking and cracking of any grout. Grout will sometimes dry up and shrink as the house gets older and settles. Re-grouting, caulking and sealing are normal maintenance items for tile and grout that need to be done periodically.

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p. Nail pops or cracks in drywall. These are typically caused by the natural and usual settling of the structure. In the event that Builder takes any action at the request of the Buyer, it is agreed and understood that Builder will only repaint the repaired pops and cracks and shall not be responsible for any cost for repainting any other surface areas thereon paint does not match original finish.
q. Scratches in hardwood or any damages to any floor surfaces that occur post-closing.
r. Stopped up toilets, sinks, garbage disposals, dishwashers or washing machines.
s. Any defect, which does not cause actual damage or loss.
t. Any damage caused by Utility Providers Service or the failure of any of their equipment.
u. Any adjustments required to doors as a result of natural settling of the house.
u. Any adjustments to the garage door post-closing. This is standard homeowner maintenance and instructions can be found in the owner's manual.
v. Ownership of any dog of any size, whether housed indoor or outdoor, will terminate any flooring warranty.
w. Operation of any mechanical equipment transporting individuals, furniture and fixtures, appliances, etc., including but not limited to, wheelchairs, equipment dollies, hand trucks, etc., on vinyl, wood and laminate flooring will terminate the flooring warranty.
x. Should any work be done on the home by any person or company not authorized by the Builder it shall automatically terminate any warranty for the item which was worked on.

7. ARBITRATION OF DISPUTE

The Buyer shall promptly contact the Builders warranty department regarding any disputes involving this Agreement. If discussions between the parties do not resolve such dispute, either party may, upon written notice to the other party, submit such dispute to arbitration with each party hereto-selecting one arbitrator, who shall then select the third arbitrator. The arbitrators shall proceed under the construction industry rules of the American Arbitration Association. The award of the majority of the arbitrators shall be final, conclusive, and binding upon the parties. The expenses of the arbitrators shall be shared equally, but each party shall bear its own fees and costs.

8. WARRANTY BINDING

These terms of this warranty shall be in force at closing/settlement Buyers agent is responsible for delivering a copy of this document to the buyer. Builder assumes no responsibility for delivering of this document to anyone other than the Builders Listing Agent, whose responsibility is to deliver to the Buyer's Agent.

9. EXCLUSIVE WARRANTY

THE BUILDER AND BUYER AGREE THAT THIS LIMITED WARRANTY ON THE HOME IS IN LIEU OF ALL WARRANTIES OF HABITABILITY OR WORKMANLIKE CONSTRUCTION OR ANY OTHER WARRANTIES, EXPRESS OR IMPLIED, TO WHICH BUYER MIGHT BE ENTITLED, EXCEPT AS TO CONSUMER PRODUCTS. NO EMPLOYEE, TRADE CONTRACTOR, OR AGENT OF THE BUILDER HAS THE AUTHORITY TO CHANGE THE TERMS OF THIS ONE-YEAR LIMITED WARRANTY. THE EFFECTIVE DATE OF THIS WARRANTY SHALL BE THE DATE OF CLOSING.

Normal Business Hours: Monday – Friday 8:00a.m. – 4:30p.m.

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warranty@sworddevelopment.com

EMERGENCY CONTACTS: ****See vendor sheet provided at walk through. ****

Buyers:

_____(Seal)

_____(Seal)

By: _____

Signed by:
Donald Denihan
1C5DAFC917DB4EC...

(Seal) Date 7/21/2026 | 15:10 PM PDT

Sword Development LLC.