

Roost Limited Warranty Agreement

This warranty explains some of the changes and maintenance items that may occur in your new home during the first year of occupancy. Your home will require more care and maintenance than most products, since it is made up of many different components, each with its own special characteristics. Also, the buyer/owner understands that like other products made by humans, a house is not perfect. It will show some minor flaws and unforeseeable defects, and may require some adjustments and touching up either by the builder or by the buyer (for some minor non-warranted items).

IDENTITY OF WARRANTOR: The builder, Roost Building Company is the warrantor under the terms and conditions of this Limited Warranty Agreement.

TO WHOM GIVEN: This Limited Warranty is extended to the original purchaser of the home identified in the declaration statement of this document.

TERM: The terms of the coverage of this warranty begin on the date of final settlement or the date when the purchaser first occupies the home, whichever occurs first, is noted in the declarations statement of this agreement, and continues for the period of one year.

COVERAGE: We warrant by the standards of construction in relevant counties and in North Carolina specifically to the location of your home and the Approved Quality Standard in this agreement.

For a period of one year, the floors, ceilings, walls and other internal structural components of the home that are not covered by other portions of this Limited Warranty, will be free of defects in materials or workmanship in accordance with the Approved Quality Standards included in this agreement. The builder will repair or replace, at the builders' option, any latent defects in material or workmanship that do not meet the Approved Quality Standards. A latent defect is defined as any defect that was not apparent or ascertainable at the time of Orientation Walkthrough. The owner agrees to accept a **reasonable match** in any repair or replacement in the event the original item is no longer available.

For a period of one year, the home will be free of any major structural defects. A major structural defect is actual physical damage to the following load bearing portions of the home caused by failure of such load bearing portions, which affects their load bearing functions to the extent that the home becomes unsafe, unsanitary or otherwise unlivable. The load bearing portions are defined as the foundation system and footings, beams, girders, lintels, columns, walls and partitions, floor systems, and roof framing systems. Repair of a major structural defect is limited (1) to the repair of damage to the load bearing elements of the home itself which is necessary to restore their load bearing ability; and (2) to the repair of those items in the home damaged by the major structural defect which makes the home unsafe, unsanitary or otherwise unlivable.

The builder warrants and the buyer agrees that all construction has been in substantial conformity with the plans, plot plan specifications and change orders for this job, and that the home has been built in accordance with all applicable city, county and state building codes as evidenced by the Certificate of Occupancy issued by the appropriate governmental agency; and buyer accepts the home as such.

For a period of one year, the subcontractors that installed the plumbing, heating, cooling, ventilating, electrical wiring, septic (if any), and well pump only (if any) systems warrant their workmanship and materials to be free of defects, in accordance with the Approved Quality Standards.

For a period of one year, the roof will be free of leaks caused by defects in materials or workmanship, in accordance with the Approved Quality Standards.

1. **MANUFACTURERS' WARRANTIES:** We assign and pass on to you, to the extent they are assignable, the manufacturers' warranties on all appliances and equipment. The following are examples of such appliances and equipment, though not every home includes all of these items and some homes may include appliances or equipment not ventilating fan, attic fan, heating and cooling equipment, hot water heater, well pump, etc.
2. **EXCLUSIONS FROM COVERAGE:** We do not assume responsibility for the following, all of which are excluded from the coverage of this Limited Warranty.

Consequential or Incidental Damages

Defects in appliances and equipment are covered by manufacturers' warranties. We have assigned these manufacturers' warranties to you, to the extent that they are assignable, and you should follow the procedures in these warranties if defects appear in these items.

All damages due to ordinary wear and tear, abusive use, or lack of proper maintenance.

Defects that are the results of characteristics common to the material used, such as, but not limited to, warping and deflection of wood, fading, chalking and checking of paint and wood due to sunlight; cracks due to drying and curing of concrete, stucco, plaster, bricks and masonry, drying, shrinking and cracking of caulking and weather stripping, cracking in sheetrock, inside trim, ceramic tile, and other interior and exterior materials due to the shrinking and swelling of framing materials and other wood members from the changes in moisture content of the ambient atmosphere.

Defects in items installed by you or your agents or anyone else, except our subcontractors, or any work done by you or your agents or anyone else, except our subcontractors, or us if they were working directly for us or under our supervision and guidance.

Work performed specifically at the request of the owner, not recommended by the builder, such as placing concrete in cold weather to expedite completion.

Loss or injury due to acts of God caused by the elements or damage resulting from fires, floods, storms, electrical storms, electrical malfunctions, accidents, acts of God, or damages resulting from the malfunction of telephone, gas company, power company, or water company equipment or lines.

Any items listed in non-warrantable Conditions, which have been incorporated into this agreement.

Any condensation on materials or the expansion or contraction of materials are excluded from coverage.

Costs of shelter, transportation, food, storage, or other incidental expenses related to relocation during repair or replacement.

Any claim that has not been filed in the manner set forth herein.

3. **NO OTHER WARRANTIES:** This Limited Warranty is the only express warranty we give. Implied warranties, including but not limited to warranties of merchantability, fitness for a particular purpose, habitability, and good workmanship are limited to the warranty period (term) set forth above.

The owner understands that there are no implied warranties whatsoever that apply to the structure of the house and items that are functionally part of the house. The builder disclaims any implied warranties including, but not limited to, warranties of habitability, fitness of purpose, and workmanlike construction, to the extent of the law, and any implied warranty that exists despite this disclaimer is limited in duration to the warranty period (term) set forth above.

4. REMEDIES AND LIMITATIONS: The owner understands that the sole remedies under this Limited Warranty Agreement are repairs and/or replacement as set forth herein.

The owner also understands that, with respect to any claim against the builder, there will be no right to recover or request compensation for, and the builder shall not be liable for any incidental, consequential, secondary, or punitive damages, or for damages for mental anguish or emotional distress or pain or suffering, or for attorneys fees or costs.

The owner acknowledges acceptance of these limitations on the warranties offered by the builder in consideration for the Limited Warranty Agreement. The owner, therefore, agrees to these limitations if, notwithstanding the provisions of the Limited Warranty Agreement, there shall arise liability on the part of the builder.

This warranty is personal to the original purchaser and does not run with the property or the items contained in the house. The original purchaser may not assign, transfer, or convey.

HOW TO OBTAIN SERVICE: If an HVAC, plumbing, septic, or electric warranty problem arises during the warranty period, first contact the appropriate vendor, then email warranty@roostbuildingcompany.com so the builder is aware.

For any other issues, notify the builder by e-mailing warranty@roostbuildingcompany.com regarding any items you feel need to be addressed by the builder (prior to expiration of the warranty as stated herein) of the specific problem and what may be necessary to correct or repair the problem. Provide your name, address, telephone numbers and a description of the nature of the problem including possible remedies. The builder will respond within 24 hours. Notification must include a comprehensive list of all such warranty problems needing attention, so those problems can be taken care of all at one time. Multiple lists with single items slow the repair/replacement process and cause the builder and subcontractor's unnecessary trips and expense, ultimately causing the homeowner delays. The builder and subcontractors will begin performing their obligations under this warranty within a reasonable period of time of the receipt of such request and will diligently pursue these obligations.

Emergencies must be brought to the attention of the associated vendor immediately and, subsequently, the builder. These include any hazardous electrical condition, roof leaks, plumbing supply line leaks, plumbing drain leaks and no heat in cold weather. If we are not notified immediately about these emergency conditions, serious damage may occur which the builder will not be responsible for. Plumbing supply line leaks must be temporarily stopped by turning off the appropriate shut-off at the fixture or the main shut-off located in a closet on the first floor pointed out to you during Orientation Walkthrough. If this main shut-off was not pointed out to you, please call our office for help in locating it.

Repair work will be done during builders' normal working hours. Owner agrees to provide the builder or builders' representative access to the house and the presence during the work of a responsible adult with the authority to approve the repairs and sign on the acceptance list of the completion of repairs. If owner cannot accommodate our repair team access or fails to be present for warranty appointments, we will consider the item resolved and no longer warrantable.

Steps taken to correct defects shall not extend the time of this warranty.

5. **THIS IS THE ONLY WARRANTY GIVEN BY THE BUILDER:** The owner acknowledges thorough examination of the property being conveyed and relies solely on his judgment in approving this Limited Warranty Agreement, and that there are no guarantees, warranties, understandings or representations made by the builder, or any representatives of the builder that are not set forth in this document. Builder reserves the right to cancel this warranty at any time with notice to the customer due to customer becoming unreasonable during warranty period, not following protocol, not being present for repeated attempts to perform warranty service, or other reasons that would not allow builder to perform warranty work or inspections.

6. **OTHER INSURANCE OR WARRANTIES:** In the event repairs or replacements are made under the terms of this agreement for which the buyer is covered by other insurance or warranties, the buyer must assign the builder the proceeds of such insurance or warranty to the extent of the cost incurred by the builder for such repair or replacement.

7. **GENERAL PROVISIONS:** Should any provision of this Limited Warranty be deemed by a court of competent jurisdiction to be unenforceable, that determination will not affect the enforceability of the remaining provisions. This Limited Warranty is to be binding upon the builder and the purchaser, their heirs, executors, administrators, successors and assigns. The use of one gender in the warranty includes all other genders, and the use of the plural includes the singular, all as may be appropriate. This warranty is to be covered by and construed in accordance with the laws of the State of North Carolina. This warranty cannot be changed or altered in any way. Buyer, owner, homeowner and purchaser are synonymous.

8. **OTHER CONDITIONS AND STANDARDS:** The Non-warrantable Conditions, the Approved Performance Standards and Other Non-warrantable Conditions Pertinent to This Home are included in this agreement.

NON-WARRANTABLE CONDITIONS

This statement of conditions that are not subject to builder's warranty explains some of the changes and maintenance items that may occur in your new home during the first year of occupancy. Your home will require more care and maintenance than most products since it is made up of many different components, each with its own special characteristics. Also, the buyer/owner understands that like other products made by humans, a house is not perfect. It will show some minor flaws and unforeseeable defects and may require some adjustments and touching up. **Your house WILL SETTLE during the first few years and is completely normal.** This can cause drywall cracking, doors not shutting or operating correctly, caulking or grout cracking etc. These are non warrantable items and are a normal part of homeownership.

As described in the Limited Warranty Agreement provided to you, who this statement of Non-warrantable Conditions is made a part of the builder, will correct certain defects that arise during the defined time periods after commencement of the warranty begins. Other items that are not covered by the builders Limited Warranty may be covered by manufacturers' warranties. Below are some conditions that are excluded under our builder's Limited Warranty. It is important for you to read these carefully and understand that you have not contracted for the builder to correct certain types of problems that may occur in your new home. These guidelines will alert you to certain areas of maintenance that are the responsibility of the new homeowner, and that could lead to problems if they are neglected.

The upkeep of cosmetic aspects of your home is your responsibility. You have not contracted with the builder to cover ordinary wear and tear or other occurrences subsequent to construction that affect the

condition of features of your home. Nail Pops, sheetrock cracks, chips, scratches, or mars in tile, woodwork, walls, porcelain, brick, mirrors, plumbing fixtures, marble, Corian and Formica tops, lighting fixtures and brass, kitchen and other appliances, doors, paneling, siding, screens, windows, carpet, hardwood, vinyl floors, cabinets, etc. **which are not recognized and during your Orientation Walkthrough are non-warrantable conditions.**

The following list is an outline of some of the conditions that are not warranted by the builder. Please be sure you understand this list. Ask questions, if you have any, before approving the acknowledgment.

Exterior:

1. Concrete foundations, walks, drives and patios can develop minor cracks not affecting the structural integrity of the building. There is no known method of eliminating this condition, which is caused by characteristics of expansion and contraction due to temperature changes. In fact, strips are installed to “force” the concrete to crack along certain lines. It does not affect the strength of the building, drives or walks and is not a condition covered by any warranty.
2. Masonry and mortar can develop cracks due to shrinkage in either the mortar or brick. This is normal and should not be considered a defect. It is not covered by any warranty.
3. Efflorescence is a common occurrence on masonry work during the drying process. It is sometimes called “saltpetering”. It is not structural, it is only cosmetic and is not a condition that is covered under the warranty.
4. Wood trim will sometimes crack or “spread apart” due to the changing of humidity in the atmosphere and the drying out process occurring in the winter time further accelerated by heating the house. Exposure to sun outside or inside the house causes this drying out also. This is normal and considered a maintenance item to be cared for by the homeowner.
5. Exterior and interior caulking in bathtubs, shower stalls, and ceramic tile surfaces may crack or bleed somewhat in the months after construction installation. This is normal and should not be considered a problem. Exterior caulking will eventually dry out and will need to be re-caulked especially around doors and windows of brick veneer homes. This is not covered by the warranty and is a minor occurrence to be maintained by the homeowner.
6. Some bricks may discolor slightly due to the elements, rain run-off, weathering, bleaching or the effervescence of salts with the brick. The color of brick is not a warranty item.
7. Any broken glass or broken or chipped mirrors that are not noted on the Orientation Walkthrough will not be warranted or replaced.
8. Your lot has been graded to insure proper drainage away from your home. Should you wish to change the grades and drainage pattern due to landscaping, installation of patio or service walks, or other reasons, you must be certain to maintain proper drainage away from your home. We assume no responsibility for the grading or subsequent flooding, improper drainage or other problems that may arise if the initially established drainage pattern is altered. Some settling may occur with time around the foundation, along underground utilities or other areas. The builder establishes these areas with proper grades initially. After closing it is the homeowner’s responsibility to maintain these grades.
9. The builder accepts **no responsibility** for the growth of grass, shrubs or other plant material, including trees. The builder makes every effort to be as careful as possible around trees during construction. Sometimes trees die due to stress during construction. Builder will not remove any trees other than those noted at the orientation and walk-thru. Once closing occurs it is the responsibility of the homeowner to maintain all plant material and trees. The homeowner should water, keep ground cover in place to prevent erosion, and fertilize appropriately all landscaped areas. Fertilizer should not be applied until plant material is established to prevent burning. The builder will not re-grade nor re-landscape any work not noted in the Orientation Walkthrough. Our office can provide you with the name of a good landscape maintenance contractor should you decide that you need that service.

10. The warranty on your roof is for the material only and is prorated over the period of the lifetime of the roof by the manufacturer in accordance with his warranty. Warranty claims for any defects in materials will be handled with the manufacturer. The builder will not be responsible for any damages caused by owners or owner's agents walking on the roof, installing antennas or other items on the roof.
11. Damage caused by household pets, insects, or any other wildlife are not warrantable items.
12. Any exterior wood ie., fencing or decks on the property is excluded from the warranty.
13. Irrigation systems should be winterized and yearly maintenance done by the homeowner.
14. Mold or moisture in crawl space or home caused by the owner not maintaining adequate ventilation in crawl space or home.

Interior:

1. Drywall (sheetrock) will sometimes develop nail pops or minor cracks. This is a normal part of the drying out process and an item that can easily be handled by the homeowner with spackling during normal redecorating. Sometimes it is better to leave the minor cracks alone as they will in most cases close up during the high humidity periods of the summer.
2. Some minor floor squeaks will occur due to the drying out process your home will experience and are not covered by the builder warranty. Everything possible is done during the construction process to eliminate potential floor squeaks including (a) single layer floor systems that are glued and nailed on the second floor (b) glued and nailed step treads and risers on stair systems and (c) the use of wood beams and the elimination of steel beams where possible. Generally the floor squeaks will appear and disappear over time and changes in humidity.
3. Floors are not warranted for damage caused by neglect or the incidents of use. Wood, tile, parquet, vinyl, brick, marble and carpet all require maintenance. Floor casters are recommended to prevent chipping or scratching of wood or tile; clean stains from carpets or wood immediately to prevent discoloration. Carpet has a tendency to loosen in damp weather and will stretch tight again in dryer weather. The steel spikes in high heel shoes can damage hardwood floors, especially if the rubber heel is not in place. Shoe repair shops can replace these rubber heels.
4. Exterior and interior caulking in bathtubs, shower stalls, and ceramic tile surfaces may crack or bleed somewhat in the months after construction installation. This is normal and should not be considered a problem. Exterior caulking will eventually dry out and will need to be re-caulked especially around doors and windows of brick veneer homes. This is not covered by the warranty and is a minor occurrence to be maintained by the homeowner.
5. All woodwork that is stained will normally have slight variations in color due to the different textures and growth patterns of wood. These variations normally enhance the appearance of the stained product. We use only clear wood products (not finger jointed) for staining but many times these products, especially doors, will have laminated panels which take stain differently causing variations in the stain. Wood doors shrink and swell with the humidity from summer to winter and will leave an exposed unfinished strip usually 1/4" wide. These items are not covered by our warranty.
6. High quality paint has been used on the interior and the exterior of your home. Nevertheless, paint can sometimes crack or discolor, especially on fir, woods with heavy sap or latent natural oils, treated woods and in areas exposed to direct harsh sun rays. This is not a defect in the paint, but is caused by some other source or sources. Avoid lawn sprinklers hitting painted areas, washing down painted areas, etc. Do not scrub interior latex painted walls and be aware of newly painted walls as you are moving furniture. The best paint will be stained or chipped if it is not cared for properly. Any defects in painting that are not noted on the Orientation- Walkthrough as well as the above items are not warranted.
7. Damage caused by household pets are not warrantable items.
8. During the building of your home precautions have been taken to prevent rodent intrusion; it is the responsibility of the homeowner to maintain any rodent control.

Plumbing

1. The homeowner must take precautions to prevent frozen pipes and the damages that result during severe weather. These include but are not limited to removing hoses from hose bibs (we use frost proof hose bibs with code required anti-siphon devices), and turning off the water system main shutoff if the house is to be left for an extended period of time during cold weather. We attempt to install supply lines in interior walls only, however occasionally the plans call for supply lines to be run in exterior walls, which are then insulated. Frozen pipes and hose bibs are not warranted.
2. Plumbing adjustments to faucets and water closets will be made during the first year only. After that they are the responsibility of the owner. *If the plumbing is "stopped up" during the warranty period and the person servicing the plumbing finds foreign materials in the line, the owner will be billed for the call.*

Plumber Contact Information: See attached Subcontractor List.

Electrical

1. Any outlets, switches or light fixtures that have become inoperable due to rough or improper usage.
2. Any continual tripping of breakers that occur due to overloading the circuit.
3. Loss of personal property such as audio/visual equipment, small kitchen appliances, washers/dryers etc due to power surges, lighting strikes and breakers tripping.

Electrician Contact Information: See attached Subcontractor List.

HVAC

1. The heating and air conditioning system is covered by a manufacturer's warranty. It is the responsibility of the owner to ensure that all filters are changed the first time after 30 days from closing and thereafter every 60 days. It is also a good policy to have your equipment serviced at least once a year. Failure to do so may void your warranty. The mechanical subcontractor can provide this service.
2. Indoor air quality is assured with respect to the normal within the County of North Carolina in which your home resides. It is suggested, however, that the owner have the indoor air quality tested periodically, especially in later years, to determine if problems have occurred that may adversely affect indoor air quality. Sometimes small cracks may develop in heat exchangers of gas furnaces or hot water heaters that allow small quantities of carbon monoxide gas to escape into the surrounding air instead of going up the chimney. Public Service Gas Company or the mechanical subcontractor can test for this problem. Most heat exchangers have a ten (10) year warranty for parts from the manufacturer. See your manufacturer's warranty provided by the mechanical **contractor.**

HVAC Contact Information: See attached Subcontractor List.

Other:

1. Defects in outbuildings including detached garages and carports (except outbuildings which contain the plumbing, electrical, heating, cooling or ventilating systems serving the home), swimming pools and other recreational facilities, patios, boundary walls, bulkheads, fences, landscaping (including sodding, seeding, shrubs and plantings), off-site improvements, or any other improvements that are not a part of the home itself.
2. Any damage to the extent it is caused or made worse by (1) the negligence, improper maintenance or improper operation, (2) failure to comply with warranty requirements of manufacturers of appliances, equipment or fixtures, (3) failure by the owner to notify the builder, (4) changes of the grading of the ground around the home, (5) changes, alterations or additions made to the home, (6) dampness or condensation due to the failure by the buyer or his agents to maintain adequate ventilation, by anyone other than the builder or its agents, employees or subcontractors.

3. Any loss or damage which the homeowner has not taken timely action to minimize, or was not present at the home or left the home unattended for an extended period of time to take timely action to minimize the damage done.
4. Any defect in, or caused by, materials or work supplied by anyone other than the builder, its employees, agents or subcontractors.
5. Normal wear and tear or normal deterioration.
6. Loss or damage not otherwise excluded from this warranty, which does not constitute a defect in the construction of the home by the builder, its employees, agents or subcontractors.
7. Loss or damage resulting from accidents, riots and civil commotion, fire, smoke, water escape, falling objects, aircraft, vehicles', Acts of God, lighting, windstorm, hail, flood, earthquake, volcanic eruption, wind driven water, and changes to the level of the underground water table which are not reasonably foreseeable.
8. Any loss or damage, which occurs while home, is being used for other than residential purposes.
9. Any condition which does not result in actual physical damage to the home.
10. Bodily injury or damage to personal property.
11. Consequential or incidental damages.

We acknowledge having read and understood and received a copy of the above non-warranty items. We understand and agree that these are conditions for which we have not contracted and will not hold the builder liable.

APPROVED QUALITY STANDARDS

The Approved Quality Standards section lists specific possible deficiencies for each separate area of your home that is covered. First the problem is stated, then the approved quality standard is stated, and finally the corrective action to be taken either by the builder or the homeowner is stated, if any.

1. **SITE GRADING:** Ground settling around foundation walls, utility trenches or other filled areas shall not interfere with water drainage away from the home.
2. **SITE DRAINAGE:** The builder to insure proper drainage away from the home shall have established the necessary grades and swales. Standing or ponding water shall not remain for extended periods of time in the immediate area of the house after a rain (generally no more than 24 hours), except that in swales which drain other areas, or in areas where foundation drains, footing drains, gutter drains or sump pumps discharge, a longer period can be expected (generally no more than 48 hours). The possibility of standing water after an unusually heavy rainfall or an unusually wet period of weather should be expected. No grading or determination can be made while there is snow on the ground or while the ground is frozen. The builder is responsible only for initially establishing the proper grades and swales. The owner is responsible for maintaining such grades and swales once the builder has established them.
3. **CONCRETE SLABS WITHIN THE STRUCTURE:** Concrete slabs within the structure are designed to move at the expansion and contraction joints. No builder action is to be taken concerning this movement.
4. **CONCRETE BASEMENT OF FOUNDATION WALL CRACKS:** Shrinkage cracks are not unusual in concrete foundation and basement walls. Cracks greater than 1/8" shall be filled by the builder.
5. **CRACKING OF BASEMENT FLOOR:** Minor cracks in concrete floors are normal. The builder shall repair cracks exceeding 3/16" in width and 1/8" in vertical displacement by surface patching.
6. **CRACKING OF CONCRETE SLABS IN ATTACHED GARAGE:** Minor cracking of concrete slabs in attached garages is normal. Filling or surface patching by the builder shall repair cracks in excess of "4" in width and 4" in vertical displacement.
7. **UNEVEN CONCRETE FLOORS/SLABS:** Except for basement floors and slabs where a portion of the floor has been designed for a specific drainage purpose, concrete floors and slabs in rooms designed for habitability shall not have pits, depressions or areas of unevenness exceeding 3/8" vertically in and 32"

square space. Builder will fill or grind any uneven areas in such rooms prior to finish floor covering being installed.

8. **CRACKS IN CONCRETE SLAB ON GRADE FLOORS WITH FINISH FLOORING:** Cracks in concrete slabs that rupture the finish flooring shall be repaired by the builder so as not to be readily apparent using the "six (6) foot rule" when the finish flooring material is in place.

9. **PITTING, SCALING, AND SPALLING OF CONCRETE WORK COVERED BY WARRANTY:** Concrete surfaces shall not disintegrate to the extent that the aggregate is exposed and loosed under normal conditions of weathering and use. Builder shall take whatever corrective action necessary to repair or replace defective concrete surfaces. Builder is not responsible for deterioration caused by salt, chemicals, mechanical implements or other factors beyond its control.

10. **SETTINGS, HEAVING, OR SEPARATION OF STOOPS, OR STEPS OR GARAGE FLOORS:** Stoops, steps or garage floors shall not settle, heave, or separate in excess of 1/2" from the structure. Builder will take whatever corrective action is required to meet the quality standard.

11. **STANDING WATER ON STOOPS:** Water shall drain from outdoor stoops and steps. The possibility of minor water standing on stoops for a short period after can be expected. Builder will take whatever corrective action necessary to assure drainage of stoops and steps.

12. **MASONRY BASEMENT OR FOUNDATION WALL CRACKS:** Small cracks not affecting the structural stability are not unusual in mortar joints of masonry foundation and basement walls. Cracks greater than 1/8" shall be pointed up or filled by the builder during the first year, if reported.

13. **CRACKS IN MASONRY WALLS OR VENEER:** Cracks due to shrinkage are not uncommon in joints of masonry walls. Cracks in excess of 3/8" are considered excessive and shall be repaired by the builder by pointing up or filling during the first year, if reported. Builder will match mortar as closely as possible.

14. **FLOOR SQUEAKS OR SUBFLOOR APPEARS LOOSE:** Minor floor squeaks and loose subfloor are often temporary conditions due to moisture content of the air, and are common to most new home construction. A squeak-proof floor cannot be guaranteed. Builder will correct the problem only if caused by an underlying construction defect.

15. **UNEVEN WOOD FLOORS:** Floors shall not have more than "4" ridge or depression within any 32" measurement when measured parallel to the floor joists. The local building code covers allowable floor and ceiling joist defections. Builder will correct or repair to meet the quality standard.

16. **BOWED WALLS:** All interior and exterior walls have slight variances in their finished surfaces. Bowing of walls should not detract from or blemish the wall's finished surface. Walls should not bow more than 1" out of line in any 32" horizontal or vertical measurement. Builder will correct to meet the quality standard.

17. **OUT OF PLUMB WALLS:** Walls should not be more than 1" out of plumb in any 32" vertical measurement. Builder will correct to meet quality standards.

18. **INTERIOR TRIM WORKMANSHIP QUALITY:** Joints in moldings or joints between moldings and adjacent surfaces shall not be more than 1/4" wide. Trim installed during moist periods in summer will contain higher moisture levels than trim installed during the drier months of winter. Trim installed in the summer is subject to more shrinkage in the winter due to normal atmospheric drying and due to the drier air from heated air, especially from gas furnaces. Cracks caused by these two latter conditions will be repaired at the owner's expense. The cracks will, however, more than likely disappear or be much less noticeable in the summer months. Caulking is acceptable.

19. **EXTERIOR TRIM WORKMANSHIP QUALITY:** Joints between exterior trim elements, including siding and masonry, stone or stucco, shall not result in cracks greater than 3/8". In all cases the exterior trim and siding shall perform its function of keeping out the elements. Builder will repair excessive joints with caulking, if necessary.

20. **DOUBLE EXTERIOR DOORS:** It is virtually impossible to construct double exterior doors that both operate to keep out all air infiltration. During construction either one of the doors can be permanently closed or storm doors can be installed. No builder action required due to minor air infiltration at double exterior doors.

21. LEAKS IN BASEMENT: Leaks resulting in actual trickling of water shall be repaired. Leaks caused by improper landscaping installed by owner or failure of owner to maintain proper grades are not covered. Dampness of walls or floors may occur in new construction and is not considered a deficiency. Builder will correct leaks except those due to owner action or negligence.
22. INSUFFICIENT INSULATION: Insulation will be installed to meet the code. Builder will install insulation in sufficient amounts to meet the quality standard.
23. LEAKS DUE TO SNOW OR RAIN DRIVEN INTO THE HOUSE THROUGH LOUVERS OR VENTS: Attic vents and louvers must be provided to meet the code for adequate ventilation. Builder takes no action in this situation.
24. ICE BUILD UP ON ROOF: Ice build-up may occur during long, wet cold spells and is likely to occur at the eaves of the roof. This condition occurs when ice and snow accumulate and gutters and downspouts freeze up. Prevention of this ice build-up is a homeowner maintenance item.
25. ROOF OR FLASHING LEAKS: Roof or flashings shall not leak under normally anticipated conditions, except where the cause is determined to result from ice build-up, accumulations of snow or homeowner action or negligence. Builder will repair any verified roof or flashing leaks not caused by ice, snow or the owner.
26. STANDING WATER ON FLAT ROOF: Water shall drain from flat roof except for minor pooling following a rainfall or when the roof is specifically designed for water retention. Builder will take necessary action to assure proper drainage of flat roofs.
27. SIDING OR VENEER LAMINATED SIDING: Siding shall be installed according to manufacturer and industry standards. Builder shall repair or replace siding as needed unless owner action or negligence of maintenance has caused problems. The repaired area will match as closely as possible (probably not an exact match) in color and texture. For surfaces requiring paint, builder will paint only the new materials to match as closely as possible (probably not an exact match).
28. GUTTERS AND DOWNSPOUTS: Gutters and downspouts shall not leak but gutters may overflow during heavy rain. Builder will repair leaky gutters. Homeowner must keep gutters and downspouts clean and free of all debris and leaves that could increase overflow problems.
29. WATER STANDING IN GUTTERS: The level of water in gutters unobstructed by leaves and debris shall not exceed 1". Industry practice is to install gutters approximately level with only a very slight slope to the downspouts. Builder will correct to meet quality standard.
30. LEAKS IN EXTERIOR WALLS DUE TO INADEQUATE CAULKING: Joints and cracks in exterior wall surfaces and around openings shall be properly caulked to exclude the entry of water. Builder will repair or caulk joints in exterior walls as required by the quality standard, one time during the first year. Even properly installed caulking will sometimes shrink and must be maintained by the homeowner during the lifetime of the home.
31. WARPAGE OF EXTERIOR DOORS: Exterior doors will warp to some degree due to the difference in temperatures on the inside and outside surfaces. However, they shall not warp to the extent that they become inoperable or cease to be weather resistant or exceed the National Woodwork Association Standards (1/4" measured diagonally from corner to corner). Builder corrects or replaces and refinishes (to match as closely as possible) defective doors during the one-year warranty period.
32. WARPAGE OF INTERIOR PASSAGE AND CLOSET DOORS: Interior doors shall not warp in excess of the National Woodwork Manufacturers Association Standards (1/4" measured diagonally). Builder will repair or replace and refinish (to match as closely as possible) interior doors that do not meet the quality standard during the warranty period.
33. SHRINKAGE OF INSERT PANELS THAT SHOW UNFINISHED EDGES: Door panels will shrink and swell and sometimes show unfinished edges due to the changes in moisture content of the home. No builder action is required. The condition is temporary and will disappear during periods of higher moisture content in the air.
34. SPLIT INDOOR PANEL: Splits in wood door panels shall not allow light to be visible through the door. Builder will fill split and finish to match as closely as possible, if light is visible through the door.

35. **BROKEN GLASS:** Broken glass not reported to the builder during the orientation walkthrough will not be repaired and is the homeowner's responsibility.
36. **GARAGE DOOR OPERATION:** Garage doors shall operate properly under normal conditions. Builder will correct or adjust doors that do not operate properly, except where cause is determined to be due to homeowner misuse or negligence.
37. **GARAGE DOORS WEATHERPROOF:** Garage doors are not weather tight and will allow the entrance of some precipitation, either liquid or frozen during abnormal conditions of high wind. Builder will install and adjust garage doors to manufacturer specifications.
38. **MALFUNCTION OF WINDOWS:** Windows will operate with reasonable ease as designed. Builder will correct or repair any malfunctioning windows except windows damaged due to misuse, which is a homeowner maintenance item.
39. **CONDENSATION/FROST ON WINDOWS:** Windows will collect condensation/frost on the interior surface when extreme temperature differences and high humidity are present. Condensation can sometimes be caused by homeowner action within the home. Unless directly created by faulty installation, window condensation results from conditions beyond builder control and no corrective action is required. Possibly, the vapor barrier situation in the crawl space can be adjusted to increase/decrease the amount of moisture coming up into the home.
40. **AIR INFILTRATION AROUND DOORS/WINDOWS:** Some infiltration around doors and windows will normally occur, especially during high wind conditions. Poorly fitting weather stripping will be adjusted or replaced by the builder. The installation of storm windows/doors by the homeowner may be necessary in some acute weather situations. Builder can help homeowner accomplish storm window/door installation.
41. **CRACKS IN INTERIOR WALL AND CEILING SURFACES:** Hairline cracks are not unusual in interior wall and ceiling surfaces due to the expansion and contraction of the structural framing components of your home with respect to moisture content of the air. Cracks and imperfections noted during the orientation/walk through will be repaired following the walk through as punch list items. Imperfections that appear after closing and punch list completion are the responsibility of the owner.
42. **DEFECTS IN DRYWALL DURING WARRANTY PERIOD:** It is normal for some imperfections such as cracks, nail pops and seam lines to occur.
43. **CERAMIC TILE CRACKS OR BECOMES LOOSE:** Ceramic tile shall not crack or become loose. Builder will repair or replace ceramic tile that cracks or becomes loose, tile to match as closely as possible. Builder not responsible for discontinued tile patterns or color.
44. **CRACKS IN GROUT OR AT JUNCTIONS WITH OTHER MATERIALS SUCH AS TUB:** Cracks in grout normally appear due to shrinkage of wooden framing members which are elastic and will be repaired one time only during the warranty period by the title subcontractor. Grout will match as closely as possible. Grout maintenance is a homeowner responsibility.
45. **CRACKS BETWEEN WOOD FLOORBOARDS:** Cracks will normally develop between finished wood flooring, especially during the dry, heating season and will normally close up during the humid season. Adjustment of the vapor barrier in the crawl space or the addition of humidifiers may be necessary. Contact the builder.
46. **NAIL POPS, DEPRESSIONS, RIDGES APPEAR ON THE SURFACE OF VINYL FLOORING:** Some minor nail pops, depression or ridges will normally appear on the surface on vinyl flooring. Nail pops that penetrate the flooring will be repaired or replaced by builder. Builder not responsible for discontinued vinyl! patterns and will match vinyl as closely as possible.
47. **SEAMS SHOW AT VINYL JOINTS:** Builder will repair or replace gaps in vinyl] to vinyl seams that are greater than 1/16" and will repair or replace gaps that are greater than 1/8" where vinyl and dissimilar materials are seamed. Homeowner negligence or abuse is accepted.
48. **EXTERIOR PAINT PEELS, DETERIORATES OR FADES:** Exterior paints and stains shall not fail during the warranty period, however fading is normal especially where climatic conditions are extreme as in direct sunlight areas. Builder will properly prepare and refinish affected areas, matching the color as closely as

possible. Where finish deterioration affects the majority of the wall or surface, the entire area will be refinished.

49. PAINTING IN GENERAL: Painting work will be accomplished with respect to warranty work required herein to match as closely as possible. It is noted that brick veneer homes will need exterior repainting by the homeowner as often as homes finished with siding.

50. DETERIORATION OF CLEAR SEALED FINISHED: Natural finishes like varnish will not fail during the one year warranty period on the interior of your home. However, these finishes on the exterior deteriorate more rapidly and are not covered by this warranty. Clear sealed exterior doors will need more attention by the homeowner than painted doors.

51. MILDEW OR FUNGUS ON EXTERIOR SURFACES: Mildew or fungus will form on painted surfaces especially if the structure is subject to abnormal conditions that promote the formation of these substances. We use paint with inhibitors but the formation of mildew or fungus is beyond the control of the builder and is not covered by this warranty and is considered a homeowner maintenance item.

52. PEELING OF WALLPAPER: Wallpaper shall not peel and will be repaired by the wallpaper subcontractor during the warranty period. Builder not responsible for discontinued or shade mismatches in the wallpaper.

53. EDGE MISMATCHING IN WALLPAPER: Edge mismatching is solely under the control of the wallpaper manufacturer and is not the responsibility of the builder. Our wallpaper subcontractor will take reasonable care to match seams and patterns but is not responsible for manufacturer problems. No action to be taken by the builder.

54. CARPET SEAMS: Carpet seams will be slightly visible, especially with the Berber type carpets. Every effort is made to hide carpet seams. Builder will repair any open visible gaps in carpet seams identified during the homeowner orientation.

55. LOOSE, STRETCHING CARPET OR SEPARATING SEAMS: Wall to wall carpet, installed as the primary floor covering, when stretched and properly secured will not come up, become loose, or separate from its point of attachment. Some fraying may be possible at thresholds and is normal. Builder will re-stretch or re-secure carpeting if builder performed original installation.

56. SPOTS ON CARPET, MINOR FADING: Exposure to harsh, direct sunlight, resulting in minor fading of carpet, especially with darker colors, causing spots on carpet is normal and can be expected. No builder action is required.

57. CRACKS IN EXTERIOR STUCCO WALL FINISHES: Cracks are not unusual in exterior stucco wall surfaces. These cracks are virtually eliminated with the use of the synthetic stucco finishes, such as STO, DRYVIT, etc. The builder shall fill stucco cracks greater than 1/8" in width, one time only during the first year warranty period.

58. VENTILATION IN ATTIC AND CRAWL SPACE: Attics and crawl spaces shall be adequately ventilated according to the local building code. Builder will ventilate according to code and not be responsible for alterations to the original system.

59. FIREPLACE AND CHIMNEY SHALL DRAW PROPERLY: A properly designed chimney and fireplace will draw properly. It is not uncommon for high winds to temporarily cause negative downdrafts or for large trees or branches to cause downdrafts in some situations. Some homes may need to have a window opened slightly near the fireplace to create a draft up the chimney due to the tight construction methods used today. Manufactured fireplaces generally never have this problem and usually have glass doors and heat circulating systems included in their installation. Builder will determine the cause of malfunction and correct it, if the problem is one of design or construction of the fireplace.

60. CHIMNEY SEPARATION FROM THE STRUCTURE TO WHICH IT IS BUILT NEXT TO: Newly built chimneys will often incur slight amounts of separation from the structures that they were built next to. Separation is generally due to the expansion/contraction of wood framing members of the adjacent structure. Separation shall not be greater than 4/8" in the 10' vertical measurement over the average height of the entire chimney. Builder will determine the cause of the separation and correct it if necessary. Caulking is acceptable if necessary.

61. FIREBOX PAINT CHANGED BY HEAT OR FIRE: Black paint is normally used in the firebox and will

discolor slightly when fires are burned in the fireplace. No builder action required.

62. CRACKED FIREBRICK AND MORTAR JOINTS: Extremely hot fires may crack firebrick or mortar joints in the firebox. This is normal and will eventually occur over a long period of use of the fireplace. Please keep fires of a normal size. No builder action required.

63. CHIMNEY FIRE: Extreme buildup of creosote in the chimney resulting from the burning of pine wood will occur eventually and may cause a chimney fire. The chimney fire is very difficult to put out and fire departments usually let them burn themselves out. The chimney and home is usually not damaged during a chimney fire. Keep your chimney clean and burn properly seasoned "dried out" hard woods (oaks, etc.). Burn fires of a normal size.

64. CHIPS, CRACKS, AND DELAMINATIONS OF HIGH PRESSURE LAMINATE COUNTERTOPS: Counter tops will not delaminate. Builder will repair or replace tops that delaminate but will not be responsible for chips, scratches, etc. not noted on the ORIENTATION/WALK THROUGH "Needs attention list".

65. KITCHEN CABINET MALFUNCTIONS: Kitchen cabinets, doors, drawers and hinges will function properly. Doors may experience slight warpage, especially the larger doors. Doors that warp more than $\frac{1}{4}$ " measured diagonally across the face of the door will be repaired or replaced by the cabinet subcontractor. Hinges, doors and drawers shall function properly. Cabinet subcontractor will repair or replace those that do not meet the approved standard.

66. GAPS BETWEEN CABINETS, CEILING AND WALLS: due to the elastic nature of the natural wood products used to frame your home, some expansion and contraction will normally occur in the framing system. This expansion and contraction will normally cause slight cracks to appear between the cabinets and top and the ceilings and walls in your home. These cracks are small during construction and are normally caulked prior to occupancy. Cracks that occur greater than $\frac{1}{4}$ " will be caulked once during the normal warranty period, one time only and thereafter will be considered a homeowner maintenance item.

67. MARBLE INSTALLED ON FLOORS, WALLS AND AT FIREPLACE: Due to the mining, grinding and polishing process of natural marble, each individual piece of marble may vary in thickness as much as $\frac{1}{8}$ ". Every attempt is made by the installer to lay the marble so that these differences are not noticeable this is, however, virtually impossible. Differences in marble surfaces between any two adjacent pieces greater than $\frac{1}{8}$ " measured by placing on 18" straight edge across the two pieces and measuring the difference will be corrected by replacing either piece. It is noted that since marble is a naturally occurring product that matches will be made, as closely as possible and perfect matches are most likely impossible.

68. MARBLE POROSITY AND HARDNESS: It is noted that marble is a very porous substance, like a sponge and will absorb certain stains that will be impossible to remove. It is also not very hard and will scratch easily. Keep floors and entrance areas as grit free as possible to reduce the possibility of scratches. No builder action is required due to homeowner induced stains or scratches.

69. MOISTURE IN CRAWL SPACE: Some moisture is necessary in the crawl space for proper maintenance of the framing and other wood members of the home and will flow by osmosis up through the living area of the structure and out of the attic through attic ventilation. The amount of moisture is controlled by the homeowner through opening/closing of foundation vents and possible installation of a vapor barrier in up to a maximum of 70% to 80% of the crawl space (if one was not installed as part of the contract). The crawl space shall be graded so that standing water in the crawl space will not accumulate. Standing water is not acceptable per the building code and shall be removed by the builder. Some excess residual amount of moisture due to construction and cleaning may remain in the crawl space in newly constructed home. Within a few months this moisture should be reduced by natural evaporation.

Subcontractor List

Septic- David Brantly- 252-478-3721

Plumbing- Pearce Pump & Plumbing- 919-365-4980

Electric- Jackson Superior Electric- 919-556-3158, Prime Electric 919-939-0993

HVAC- Select Heating & Air- 919-528-2336

Builder- Roost Building Company- warranty@roostbuildingcompany.com

I have received a copy of this warranty from Roost Building Company during my orientation and understand that not every item or defect inside the home is warrantable, and I am to review the warranty document before making a warranty claim.

Roost Building Company Representative: _____

Buyer: _____

Buyer: _____

Date: _____