

# Regency Point Development Home Owners Limited Warranty

**Original Owner(s) Name(s):** \_\_\_\_\_  
(here in after collectively called "Owner")

**Commencement Date:** \_\_\_\_\_

More than 3,000 component parts went into your home. Thousands of people had a hand in producing them. Now the components have been assembled into a fine and beautiful house for your enjoyment and comfort.

You should inspect your new home thoroughly before moving in to see that everything has been completed as agreed upon. Make sure that you are satisfied and that *Regency Point Development* contractual obligations have been met.

If you discover that minor repairs are needed, formally notify *Regency Point Development* in writing-immediately. Telephone calls, oral statements, or messages on scraps of paper can go astray or be forgotten. One way to handle you initial service problems is to make a list of all such items and give it to *Regency Point Development* at the end of 2 months or one year. Adverse weather conditions or temporarily unavailable labor or materials may cause a delay in the completion of the jobs on your list. When this happens, *Regency Point Development* will explain the circumstances to you.

The manufacturers and subcontractors who made or installed the various parts and equipment in your house will be responsible for handling some of the service problems that arise while you are living in the house.

## Warranty

NOTE: CONSEQUENTIAL AND INCIDENTAL DAMAGES ARE EXCLUDED AND THERE ARE LIMITATIONS IN THE DURATION OF IMPLIED WARRANTIES.

The Limited Warranty is extended to the above named Owner or Owners (referred to collectively as "owner") while occupying the house as a residence during the coverage period. This warranty is extended to the original Owner only and is not transferable to subsequent owners unless agreed to in writing by both parties.

## Terms

The term of the various coverage's of this Limited Warranty, shall begin on the commencement date. The commencement date, for purposes of this Limited Warranty, shall be defined as the earlier of two dates. (a) The settlement date, otherwise know as the date of closing or (b) the initial date of occupancy and shall terminate 12 months after the commencement date, unless otherwise stated herein.

## One Year Warranty

### **(IA) EXCAVATING AND BACKFILLING**

**POSSIBLE DEFICIENCY:** Settling of ground around foundation, utility trenches or other filled areas.

**CONSTRUCTION STANDARD:** Settling of ground around utility trenches or other filled areas, maximum allowable area is 6 inches. Settling of backfill around foundation shall not interfere with water drainage away from the house.

**BUILDER RESPONSIBILITY:** Upon request by the Owner, *Regency Point Development* shall fill excessively settled areas one time only, during the first year warranty. The Owner shall be responsible for any grass, shrubs or other landscaping, affected by placement of such fill.

### **(IB) SITE DAMAGE**

**POSSIBLE DEFICIENCY:** Improper drainage of the site.

**CONSTRUCTION STANDARD:** The necessary grades and swales should be established to insure proper discharge away from the house. Site drainage is limited to the immediate grades and swales affecting the structure. No standing or

ponding of water should remain in this immediate area 24 hours after a rain, except swales which may drain longer than other areas after a rain, or sump pump discharge. No grading determination shall be made while the frost or snow is on the ground, or while the ground is saturated.

**BUILDER RESPONSIBILITY:** *Regency Point Development* is responsible only for establishing the proper grades and swales. The Owner is responsible for maintaining such grades and swales once they have been properly established by *Regency Point Development*.

## **Section II – Concrete**

### **(2A) EXPANSION AND CONTRACTION JOINTS**

**POSSIBLE DEFICIENCY:** Separation or settling of concrete slabs within the structure or at expansion and contraction joints.

**CONSTRUCTION STANDARD:** Concrete slabs within the structure are designed to move and settle at expansion joints and contraction joints. Movements caused by expansion and contraction may cause cracks and voids to appear in the slab. minor cracks in concrete floors are normal. Cracks exceeding ¼ inch in width or ¼ inch in vertical displacement are considered excessive.

**BUILDER RESPONSIBILITY:** Cracking in excess of the limits will be replaced, filled, or cosmetically repaired at the option of *Regency Point Development*. If cracking and movement are within construction standard then no correction is necessary. The limited warranty is good for 1 year from the date of closing.

### **(2B) CAST-IN-PLACE CONCRETE (NON-STRUCTURAL)**

**POSSIBLE DEFICIENCY:** Basement or foundation wall cracks.

**CONSTRUCTION STANDARD:** Non-structural cracks are common in concrete foundation walls. Such cracks greater than 1/8 inch is considered excess.

**BUILDER RESPONSIBILITY:** *Regency Point Development* shall repair non-structural cracks in excess of 1/8 inch. Surface patching or sealant injection is acceptable for non-structural cracks.

**POSSIBLE DEFICIENCY:** Uneven concrete floors.

**CONSTRUCTION STANDARD:** Concrete floors, in basements or rooms, designed for habitability should not have pits, depressions or areas of unevenness that would prevent its use as a finished floor.

**BUILDER RESPONSIBILITY:** Builder will correct or repair to meet the above standards.

**POSSIBLE DEFICIENCY:** Pitting, scaling, or spalling of flat concrete work, and attached porch/patio concrete work Supported by foundation system.

**CONSTRUCTION STANDARD:** Scaling or spalling is an unavoidable aspect of concrete, which is subjected to road salt and/or freeze-thaw cycles.

**BUILDER RESPONSIBILITY:** *Regency Point Development* offers no warranty of concrete scaling or spalling. To slow the Negative effects of ice and salt, *Regency Point Development* will seal the driveway within a year of closing. Every year after that, it is the Homeowner's responsibility to seal the driveway. Because sealing stops water from entering the surface of the concrete, a side effect is the accumulation of water on the driveway. During the winter months, this water can freeze and cause a slip and fall hazard. The Homeowner accepts the responsibility of removing any accumulated ice and further agrees to indemnify, release, and hold *Regency Point Development* and its owners, directors, officers, employees and agents harmless from any such injury or damage, including the payment of reasonable attorney fees.

**POSSIBLE DEFICIENCY:** Cracking of exterior concrete and garage slabs.

**CONSTRUCTION STANDARD:** Exterior and garage concrete slabs will move and settle over time. Movements caused by expansion and contraction will cause cracks and voids to appear in the slab. Minor cracks in concrete floors are normal Cracks exceeding ¼ inch in width or ¼ inch in vertical displacement are considered excessive.

**BUILDER RESPONSIBILITY:** Cracking in excess of the limits will be replaced, filled, or cosmetically repaired at the option of *Regency Point Development*. If cracking and movement are within construction standard then no correction is necessary. This limited warranty is good for 1 year from the date of closing.

**POSSIBLE DEFICIENCY:** Cracking, settling, heaving or separation of structurally attached stoops or steps.

**CONSTRUCTION STANDARD:** Stoops or steps should not settle, heave or separate in excess of 1 inch in relation to the house structure.

**BUILDER RESPONSIBILITY:** Builder shall take whatever corrective action is required to meet acceptable standards.

**POSSIBLE DEFICIENCY:** Cracks in structurally attached patios with footing or foundation systems.

**CONSTRUCTION STANDARD:** Cracks in excess of ¼ inch vertical displacement are considered excessive and unacceptable in structurally attached patios.

**BUILDER RESPONSIBILITY:** Builder to repair as required.

**POSSIBLE DEFICIENCY:** Cracks in concrete slab-on-grade finished floors other than basement.

**CONSTRUCTION STANDARD:** Cracks which significantly impair the performance of the finish flooring material shall not be acceptable.

**BUILDER RESPONSIBILITY:** Builder to repair cracks as necessary so as not to be readily apparent when the finished flooring material is in place.

### **Section III – Masonry**

#### **(3A) UNIT MASONRY (NON-STRUCTURAL)**

**POSSIBLE DEFICIENCY:** Basement or foundation non-structural will crack.

**CONSTRUCTION STANDARD:** Small non-structural cracks are not unusual in mortar joints of mason foundation walls. Such cracks greater than ¼ inch in width is considered excessive.

**BUILDER RESPONSIBILITY:** Builder shall repair non-structural cracks in excess of ¼ inch by pointing or patching. These repairs should be made toward the end of the first year of the warranty period.

**POSSIBLE DEFICIENCY:** Cracks in masonry walls or veneer.

**CONSTRUCTION STANDARD:** Small cracks are common in mortar joints of masonry construction. Cracks greater than ¼ inch in width are considered excessive.

**BUILDER RESPONSIBILITY:** Repair cracks in excess of ¼ inch by pointing or patching. These repairs should be made toward the end of the first year of the warranty period to permit normal settling for the home to stabilize.

### **Section IV – Wood and Plastics**

#### **(4A) ROUGH CARPENTRY**

**POSSIBLE DEFICIENCY:** Floor squeak or sub floor appears loose.

**CONSTRUCTION STANDARD:** Floor squeaks and loose sub floor are often temporary conditions common to new home construction and a squeak proof floor cannot be guaranteed.

**BUILDER RESPONSIBILITY:** Builder should locate and make every reasonable effort to correct the problem.

**POSSIBLE DEFICIENCY:** Uneven wood floors.

**CONSTRUCTION STANDARD:** Floors should not be more than ½ inch out of level within any 32 inch measurement when measured parallel to the joists. Allowable floor and ceiling joist deflections are governed by the approved local building code.

**BUILDER RESPONSIBILITY:** Builder to repair to meet the above standard.

#### **(4B) FINISH CARPENTRY (Interior)**

**POSSIBLE DEFICIENCY:** Quality of interior trim workmanship.

**CONSTRUCTION STANDARD:** Joints in moldings or joints between moldings and adjacent surfaces should not result in joints exceeding 1/8 inch in width.

**BUILDER RESPONSIBILITY:** Repair defective joints as defined above. Caulking is acceptable.

### **Section V – Thermal & Moisture Protection**

#### **(5A) WATERPROOFING**

**POSSIBLE DEFICIENCY:** Water Leaks

**CONSTRUCTION STANDARD:** Leaks resulting in actual trickling of water are unacceptable. However, leaks caused by improper landscaping installed by Owner or failure of Owner to maintain proper grades that have been established by *Regency Point Development* are not covered by the warranty. Dampness of the walls or floors may occur in new construction and is not considered a deficiency.

**BUILDER RESPONSIBILITY:** *Regency Point Development* shall take such action as necessary to correct basement leaks except where the cause is determined to result from Owner negligence.

#### **(5B) INSULATION**

**POSSIBLE DEFICIENCY:** Insufficient insulation.

**CONSTRUCTION STANDARD:** Insulation should be installed in accordance with applicable energy and building code requirements.

**BUILDER RESPONSIBILITY:** Install insulation in sufficient amounts to meet above standards.

**(5C) SHINGLES AND ROOFING TILES**

**POSSIBLE DEFICIENCY:** Leaks due to snow or rain being driven into the attic through vents or louvers.

**CONSTRUCTION STANDARD:** Attic vents and or louvers must be provided in order to properly ventilate your house. Infiltration of rain or snow depends on the force and direction of wind.

**BUILDER RESPONSIBILITY:** None

**(5D) ROOFING AND SIDING**

**POSSIBLE DEFICIENCY:** Ice build-up on roof.

**CONSTRUCTION STANDARD:** During prolonged cold spells, ice build-up is likely to occur at the eaves and valleys of a roof. This condition occurs when snow and ice accumulate and gutters and downspouts freeze up.

**BUILDER RESPONSIBILITY:** This is an Owner maintenance item.

**POSSIBLE DEFICIENCY:** Roof or flashing leaks.

**CONSTRUCTION STANDARD:** Roof or flashing should not leak under normally anticipated conditions, except where cause is determined to result from severe weather conditions, such as ice build-up.

**BUILDER RESPONSIBILITY:** Builder shall re-secure, caulk, repair or replace to meet the above standard.

**(5E) FLASHING AND SHEET METAL**

**POSSIBLE DEFICIENCY:** Hashing, valleys, gutters and/or downspouts leak.

**CONSTRUCTION STANDARD:** Flashings, valleys, gutters and downspouts must not leak, but gutters may overflow during heavy rain. It shall be the Owner's responsibility to keep gutters and downspouts free of leaves and debris which could cause excessive overflow.

**BUILDER RESPONSIBILITY:** Builder shall repair leaks.

**POSSIBLE DEFICIENCY:** Water stands in gutters.

**CONSTRUCTION STANDARD:** When gutter is unobstructed by debris, the water level may not exceed on (1) inch.

**BUILDER RESPONSIBILITY:** Builder shall repair to above standard.

**Section VI – Doors and Windows**

**(6A) WOOD AND PLASTIC DOORS**

**POSSIBLE DEFICIENCY:** War-page of exterior doors.

**CONSTRUCTION STANDARD:** Exterior doors will warp to some degree due to temperature differential on inside and outside faces. However, they should not warp to the extent that they become inoperable or cease to be weather resistant or exceed National Woodwork Manufacturer's Association Standards (1/4 inch, measured diagonally from corner to corner).

**BUILDER RESPONSIBILITY:** Builder to correct or replace and refinish defective doors to match existing doors as nearly as possible.

**(6B) GARAGE DOORS ON ATTACHED GARAGE**

**POSSIBLE DEFICIENCY:** Garage door fails to operate properly.

**CONSTRUCTION STANDARD:** Garage door should operate properly.

**BUILDER RESPONSIBILITY:** Builder shall correct or adjust garage doors as required, except where the cause is determined to result from the owner installing an electric garage door opener.

**POSSIBLE DEFICIENCY:** Garage door allows entrance of snow or water.

**CONSTRUCTION STANDARD:** Garage door should seal properly under normal conditions.

**BUILDER RESPONSIBILITY:** Some entrance of the elements can be expected under abnormal or severe conditions. Builder shall adjust or correct garage doors to meet normal conditions.

**(6C) WINDOWS**

**POSSIBLE DEFICIENCY:** Malfunction of windows.

**CONSTRUCTION STANDARD:** Windows should operate with reasonable ease as designed.

**BUILDER RESPONSIBILITY:** Builder shall correct or repair as required.

**(6D) WATER INTRUSION AROUND EXTERIOR DOORS**

**POSSIBLE DEFICIENCY:** During a hard or driving rain, rain water enters the home around the threshold.

**CONSTRUCTION STANDARD:** This is normal and can happen with any exposed exterior door.

**BUILDER RESPONSIBILITY:** If this is unacceptable to homeowner, homeowner agrees to purchase a storm door and *Regency Point Development* will install it free of charge within one year of closing.

**(6E) WEATHERSTRIPPING AND SEALS**

**POSSIBLE DEFICIENCY:** Infiltration around doors and windows.

**CONSTRUCTION STANDARD:** Some infiltration is normally noticeable around doors and window, especially during high winds. Poorly fitted weather stripping is not permissible. It may be necessary for the Owner to have storm windows and doors installed to provide a satisfactory solution in high wind areas.

**BUILDER RESPONSIBILITY:** *Regency Point Development* will adjust to correct poorly fitted doors or windows or poorly fitted weather stripping.

**(6F) WINDOWS AND SKYLIGHTS**

**POSSIBLE DEFICIENCY:** Leaking and condensation on windows and skylights.

**BUILDER RESPONSIBILITY:** *Regency Point Development* will correct leaks from outside of structure on skylight, however builder will not be responsible for condensation dripping from skylights.

**Section VII – Finishes**

**(7A) GYPSUM WALL BOARD**

*Regency Point Development* will do a drywall walk-through with the Homeowner, before or after closing and then a paint walk-through. After these are complete, *Regency Point Development* will not come back for drywall or paint. *Regency Point Development* will however come back after one year and do a drywall touch up for nail pops and settlement cracks, but it is the Homeowner's responsibility to paint. Homeowner should make sure there is wall and trim paint left at the house.

**POSSIBLE DEFICIENCY:** Defects which appear during first year of the Limited Warranty such as nail pops, blisters in tape or other blemishes.

**CONSTRUCTION STANDARD:** Slight “imperfections” such as nail pops, seam lines and cracks not exceeding 1/8 inch in width, are common in gypsum wallboard installations and are considered acceptable.

**BUILDER RESPONSIBILITY:** *Regency Point Development* will repair only cracks exceeding 1/8 inch in width, one time only, during the first year of the Limited Warranty period.

**(7B) CERAMIC TILE**

**POSSIBLE DEFICIENCY:** Ceramic tile cracks and becomes loose.

**CONSTRUCTION STANDARD:** Ceramic Tile should not crack or become loose.

**BUILDER RESPONSIBILITY:** *Regency Point Development* shall replace any cracked tiles and re-secure any loose tiles unless the defects were caused by the Owners negligence. Builder is not responsible for discontinued patterns or color variations.

**POSSIBLE DEFICIENCY:** Cracks appear in grouting of ceramic tile joints or at junctions with other material such as a bathtub.

**CONSTRUCTION STANDARD:** Cracks in grouting of ceramic tile joints are commonly due to normal shrinkage conditions. Re-grouting of these cracks is a maintenance responsibility of the Owner within the life of the home. Builder is not responsible for color variations or discontinued color grout.

**BUILDER RESPONSIBILITY:** Builder will repair grouting as necessary one time within the first year.

**POSSIBLE DEFICIENCY:** Cracks appear in ceramic tile.

**CONSTRUCTION STANDARD:** Ceramic tile should not crack when laid over wood sub floor. Ceramic tile placed directly onto concrete is susceptible to cracking. As mentioned in the Concrete section of this warranty, concrete slabs will crack and in many cases, the crack in the concrete will telegraph through the Ceramic tile.

**BUILDER RESPONSIBILITY:** Builder will replace cracked tile installed over wood sub floor. Builder is not responsible for color variations or discontinued tile. Builder is not responsible for replacing cracked tiles installed over concrete.

**(7C) RESILIENT FLOORING**

**POSSIBLE DEFICIENCY:** Vinyl flooring yellows or stains under floor mats.

**CONSTRUCTION STANDARD:** The vinyl flooring used by *Regency Point Development* tends to have a reaction with rubber or rubber backed mats. The reaction causes the floor to yellow in spots.

**BUILDER RESPONSIBILITY:** Neither *Regency Point Development* nor its vinyl supplier warranties against yellowing under rubber mats. It is recommended that homeowner use cloth backed mats.

**POSSIBLE DEFICIENCY:** A tear or nick is discovered prior to occupancy.

**CONSTRUCTION STANDARD:** Tears and nicks are unacceptable.

**BUILDER RESPONSIBILITY:** Builder will remove and repair the damaged section and seal in a new section.  
*Regency Point Development will NOT replace the whole floor.*

**POSSIBLE DEFICIENCY:** Nail pops appear on the surface of resilient flooring.

**CONSTRUCTION STANDARD:** Readily apparent nail pops should be repaired.

**BUILDER RESPONSIBILITY:** Builder shall correct nail pops, which have broken the surface. *Regency Point Development* shall repair or replace resilient floor covering in the affected area with similar material Builder is not responsible for discontinued or color variations in the floor covering.

**POSSIBLE DEFICIENCY:** Depressions or ridges appear in the resilient flooring due to sub floor irregularities.

**CONSTRUCTION STANDARD:** Readily apparent depressions or ridges exceeding 1/8 inch should be repaired. The ridge or depression measurement is taken at the gap created at one end of the six inch straight edge placed over the depression or ridge with three inches on one side of the defect held tightly to the floor.

**BUILDER RESPONSIBILITY:** Builder shall take corrective action, as necessary to bring the defect within acceptable tolerance so that it is not readily visible. Builder is not responsible for discontinued patterns or color variation in floor covering.

**POSSIBLE DEFICIENCY:** Resilient flooring loses adhesion.

**CONSTRUCTION STANDARD:** Resilient flooring should not lift, bubble or become unglued.

**BUILDER RESPONSIBILITY:** *Regency Point Development* shall repair or replace resilient flooring as required. Builder shall not be responsible for discontinued patterns or color variation of floor covering or for problems caused by Owner neglect or abuse.

**POSSIBLE DEFICIENCY:** Seams or shrinkage gaps show resilient flooring joints.

**CONSTRUCTION STANDARD:** Gaps shall not exceed 1/16 inch width in resilient floor covering joints. Where dissimilar materials abut, a gap not to exceed 1/8 inch is permissible.

**BUILDER RESPONSIBILITY:** Builder shall take action as necessary to correct the problem.

**(7D) CARPETING**

**POSSIBLE DEFICIENCY:** Carpeting becomes loose, seams separate or excessive stretching occurs.

**CONSTRUCTION STANDARD:** Wall-to-Wall carpeting installed as the primary floor covering, when stretched and secured properly should not become loose, separate or stretch excessively at its points of attachment.

**BUILDER RESPONSIBILITY:** Builder is to re-stretch or re-secure carpeting one time during first year of Limited Warranty period.

**(7E) WOOD FLOORING**

**POSSIBLE DEFICIENCY:** Gaps have developed between strip oak floor boards.

**CONSTRUCTION STANDARD:** Gaps between floor boards shall not exceed 1/8 inch in width.

**BUILDER RESPONSIBILITY:** *Regency Point Development* will repair gaps wider than 1/8 inch appearing during the warranty period by filling or by replacing the adjoining floor boards at Builders' option.

**POSSIBLE DEFICIENCY:** Strip oak floor boards are cupped.

**CONSTRUCTION STANDARD:** Cups in strip oak floor boards shall not exceed 1/8 inch in depth in a 3-inch maximum span measured perpendicular to the long axis of the board. Cupping caused by exposure to moisture beyond the control of *Regency Point Development* is not covered.

**BUILDER RESPONSIBILITY:** *Regency Point Development* will correct or repair to meet the standard.

**(7F) SPECIAL COATING**

**POSSIBLE DEFICIENTY:** Cracks in exterior stucco wall surfaces.

**CONSTRUCTION STANDARD:** Cracks are not unusual in exterior stucco wall surface. Cracks exceeding ¼ inch in width are considered excessive.

**BUILDER RESPONSIBILITY:** Builder will repair cracks exceeding ¼ inch in width, one time only, during the first year of the Limited Warranty period.

**(7G) PAINTING**

**POSSIBLE DEFICIENTY:** Mildew or fungus on painted surfaces.

**CONSTRUCTION STANDARD:** Mildew or fungus will form on a painted surface.

**BUILDER RESPONSIBILITY:** Mildew or fungus is a condition *Regency Point Development* cannot control and is an Owner maintenance item.

**POSSIBLE DEFICIENTY:** Painting required as corollary repair because of other work.

**CONSTRUCTION STANDARD:** Necessary repairs under this warranty should be refinished to match surrounding areas as closely as possible.

**BUILDER RESPONSIBILITY:** Builder will refinish repaired areas as indicated.

**POSSIBLE DEFICIENTY:** Porch post (untreated pine) begin separating and cracking.

**CONSTRUCTION STANDARD:** Builder will install initial coat of paint, homeowner must repaint yearly.

**BUILDER RESPONSIBILITY:** Builder will paint the post only once prior to occupancy. It is the homeowner's responsibility to paint the post yearly to shield the wood against aging.

**Section VIII – Specialties**

**(8A) LOUVERS AND VENTS**

**POSSIBLE DEFICIENTY:** Inadequate ventilation of attics and crawl spaces.

**CONSTRUCTION STANDARD:** Attic and crawl spaces shall have a natural ventilation area as required by the approved local building code.

**BUILDER RESPONSIBILITY:** *Regency Point Development* shall provide for adequate ventilation. Builder is not responsible for Owner alterations to the original system.

**(8B) FIREPLACES**

**POSSIBLE DEFICIENTY:** Fireplace or chimney does not draw properly.

**CONSTRUCTION STANDARD:** A properly designed and constructed fireplace and chimney should function properly. It is normal to expect that high winds can cause temporary negative draft situations. Similar negative draft situations can also be caused by Obstructions such as large branched of a tree too close to the chimney. Some houses may need to have a window opened slightly to create an effective draft.

**BUILDER RESPONSIBILITY:** Determine the cause of malfunction and correct as required if the problem is one of design and construction.

**POSSIBLE DEFICIENTY:** Chimney separation from structure to which it is attached.

**CONSTRUCTION STANDARD:** Newly built fireplaces will often incur slight amounts of separation from the main structure. Separation shall not exceed ½ inch from the main structure in any 10' vertical measurement.

**BUILDER RESPONSIBILITY:** Builder to determine the cause of separation and correct if standard is not met. Caulking is acceptable.

**Section IX – Cabinets**

**(9A) CABINETS AND COUNTER TOPS**

**POSSIBLE DEFICIENTY:** War-page and operation of kitchen cabinet doors and drawer faces.

**CONSTRUCTION STANDARD:** Cabinet doors and drawer faces should not warp to exceed ¼ inch, provided the proper levels of humidity have been maintained. Both cabinet doors and drawer faces should be properly adjusted and operating in a smooth, effective manner

**BUILDER RESPONSIBILITY:** *Regency Point Development* shall adjust, repair or replace defective cabinet doors and drawer faces to correct condition.

**POSSIBLE DEFICIENTY:** Surface cracks, de-laminations and chips in high pressure laminated vanity and kitchen cabinet countertops.

**CONSTRUCTION STANDARD:** Countertops fabricated with high pressure laminate coverings should not delaminate or have chips or surface cracks. The deck areas joint may have a maximum of 1/16 inch gap. All other areas of the joint may have a maximum of 1/16 inch differential in surface alignment.

**BUILDER RESPONSIBILITY:** *Regency Point Development* will repair or replace to meet the above criteria.

## Section X – Mechanical

### **(10A) WATER SYSTEM**

**POSSIBLE DEFICIENTY:** Plumbing pipes freeze and burst and/or leak.

**CONSTRUCTION STANDARD:** Builder should adequately protect pipes from freezing. However, it is the homeowners responsibility to take steps to prevent freezing during periods of cold weather below 20 degrees.

**BUILDER RESPONSIBILITY:** *Regency Point Development* is not responsible for freezing pipes when installed under applicable code. Owner has responsibility of protecting pipes against freezing. There are several steps the homeowner can take to prevent frozen pipes.

**POSSIBLE DEFICIENTY:** Water supply system fails to deliver water.

**CONSTRUCTION STANDARD:** All service connections to municipal water main and private water supply are Commonwealth Home's responsibility. Private systems shall be designed and installed in accordance with all approved building, plumbing, and health codes.

**BUILDER RESPONSIBILITY:** *Regency Point Development* to repair as necessary if failure is the result of defective workmanship or materials. If conditions beyond his control disrupt or eliminate the sources of the supply then it is not his responsibility.

### **(10B) PLUMBING**

**POSSIBLE DEFICIENTY:** Faucet or valve leak.

**CONSTRUCTION STANDARD:** No valve or faucet should leak due to defects in materials or workmanship. However, leakage caused by worn washers or seats is an owner maintenance item.

**BUILDER RESPONSIBILITY:** Builder shall repair or replace the leaking faucet or valve unless leakage is due to a worn washer or seat.

**POSSIBLE DEFICIENTY:** Defective plumbing fixtures, appliances or trim fittings.

**CONSTRUCTION STANDARD:** Fixtures, appliances or fittings should comply with their manufacturer.

**BUILDER RESPONSIBILITY:** Builder shall replace any fixture or fitting which is outside of acceptable standards as defined by the manufacturer.

**POSSIBLE DEFICIENTY:** Noisy water pipes.

**CONSTRUCTION STANDARD:** There will be noise emitting from the water pipe system due to the flow of water.

**BUILDER RESPONSIBILITY:** Builder cannot remove noises due to water flow and pipe expansion.

**POSSIBLE DEFICIENTY:** Leakage from any piping other than those caused by frozen pipes.

**CONSTRUCTION STANDARD:** No leaks should exist in any soil, waste vent or water pipe. Condensation on piping does not constitute leakage and is not covered.

**BUILDER RESPONSIBILITY:** Builder shall make necessary repairs to eliminate leakage.

**POSSIBLE DEFICIENTY:** Stopped up sewers, fixtures and drains.

**CONSTRUCTION STANDARD:** Sewers, fixtures and drains should operate properly.

**BUILDER RESPONSIBILITY:** *Regency Point Development* will be responsible for sewers, fixtures and drains until which time the Homeowner's Association is in place. Federal law required the installation of low flow toilets. These toilets are notorious for clogging. It is recommended that the handle is depressed throughout the entire flush. Where defective construction is the cause, *Regency Point Development* shall assume the cost or repair. Where Owner negligence is shown to be cause, the Owner shall assume all repair costs.

**POSSIBLE DEFICIENTY:** Cracking or chipping of porcelain or fiberglass surfaces.

**CONSTRUCTION STANDARD:** Chips and cracks on surfaces of bathtubs and sinks can occur when the surface is hit with sharp or heavy objects.

**BUILDER RESPONSIBILITY:** Builder shall make necessary repairs to any chips or cracks noted prior to first occupancy.

### **(10C) HEATING**

**CONSTRUCTION STANDARD:** Heating system should be capable of producing an inside temperature of 70 degrees F, except in vaulted areas at a height of 5 feet above the floor, under local outdoor winter design conditions as specified in ASHRAE handbook. Federal, state or local energy codes shall supersede this standard where such codes have been locally adopted.

**BUILDER RESPONSIBILITY:** Builder shall correct the heating system as required to provide the required temperatures. The Owner shall be responsible for balancing dampers, registers and other minor adjustments.

### **(10D) COOLING**

**POSSIBLE DEFICIENTY:** Inadequate cooling.

**CONSTRUCTION STANDARD:** Where air conditioning is provided, the cooling system shall be capable of maintaining a temperature of 78 degrees F, as measured in the center of each room at a height of 5 feet above the floor, under local outside summer design conditions as specified in ASHRAE handbook. Federal, state or local energy codes shall supersede this standard where such codes have been locally adopted.

**BUILDER RESPONSIBILITY:** Builder to correct cooling system to meet temperature conditions, in accordance with specifications. Where outside temperatures exceed 93 degrees F, a differential of 15 degrees F will be accepted.

**POSSIBLE DEFICIENTY:** Refrigerant lines leak.

**CONSTRUCTION STANDARD:** Refrigerant lines should not develop leaks during normal operating.

**BUILDER RESPONSIBILITY:** Builder shall repair leaking refrigerant lines and recharge unit.

### **(10E) CONDENSATION LINES**

**POSSIBLE DEFICIENTY:** Condensation lines clog up.

**CONSTRUCTION STANDARD:** Condensation lines will clog under normal use. This is an Owner maintenance item.

**BUILDER RESPONSIBILITY:** Builder to provide unobstructed condensation lines at occupancy.

### **(10F) AIR DISTRIBUTION**

**POSSIBLE DEFICIENTY:** Noisy ductwork.

**CONSTRUCTION STANDARD:** When metal is heated it expands and when cooled it contracts. The result is “ticking” or “cracking” which is generally to be expected.

**BUILDER RESPONSIBILITY:** The stiffening of the ductwork and the gauge of the metal used shall be such that ducts do not “oilcan”. The booming noise caused by “oil canning” is not acceptable and *Regency Point Development* must take necessary steps to eliminate this sound.

**The heating and air conditioning system requires maintenance. *Regency Point Development* has negotiated with its HVAC Contractor a flat maintenance rate. At Homeowner’s request, the HVAC contractor will come out every 6 months and service the system for a rate that is currently \$45. This \$90 yearly investment combined with regular filter changes will eliminate most furnace problems. *Regency Point Development* will not warranty the HVAC system if Homeowner opts not to have the HVAC contractor do the yearly maintenance.**

## **Section XI – Electrical**

### **(11A) ELECTRICAL CONDUCTORS**

**POSSIBLE DEFICIENTY:** Failure of wiring to carry its designed fuse load to the electrical box.

**CONSTRUCTION STANDARD:** Wiring should be capable of carrying the designed load for normal residential use to electrical box.

**BUILDER RESPONSIBILITY:** Check wiring for conformity with local and state electrical code requirements. Repair wiring if it does not conform to code specifications.

### **(11B) SWITCHES AND RECEPTACLES**

**POSSIBLE DEFICIENCY:** Malfunction of electrical outlets, switches or fixtures.

**CONSTRUCTION STANDARD:** All switches, fixtures and outlets should operate as intended.

**BUILDER RESPONSIBILITY:** Builder shall repair or replace defective switches, fixtures and outlets.

### **(11C) SERVICE AND DISTRIBUTION**

**POSSIBLE DEFICIENCY:** Ground fault interrupters trips frequently.

**CONSTRUCTION STANDARD:** Ground fault interrupters are sensitive safety devices installed into the electrical system to provide protection against electrical shock. These sensitive devices can be tripped very easily.

**BUILDER RESPONSIBILITY:** *Regency Point Development* is to install ground fault interrupter in accordance with approved electrical code. Tripping is to be expected and is not covered, unless due to faulty installation.

## **MANUFACTURER'S WARRANTIES**

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Builder assigns and passes through to Owner the Manufacturer's warranties on all "consumer products" as defined in the Magnuson-Moss Warranty Act (15 U.S.C. SS 2301-2311). The following items are classified as "consumer products" when sold as part of a house and are covered by Magnuson-Moss Warranty Act:

1. Heating and Ventilation: Furnace, air conditioning coils and compressor, humidifier, electronic air cleaner, heat pump, exhaust fan, thermostat.
2. Mechanical/Electrical: Intercom, central vacuum system, security system, fire and smoke alarm, fire extinguisher, garage door opener, door chimes, electric meter, gas meter, barbecue grill, light bulbs.
3. Plumbing: Water heater, water pump, water meter, sump pumps, water softener.
4. Appliances: Oven, surface unit, range, trash compactor, freezer, refrigerator, dishwasher, oven hood, disposal, ice-maker, food center, clothes washer, clothes dryer and hot water dispensers.

## **OTHER WARRANTIES**

Regency Point Development shall provide the Homeowner with a 2-10 Ten Year Structural Home Buyers Warranty and a 5 year termite pre-treatment warranty.

## **EXCLUSIONS**

The following are not covered by the Limited Warranty:

1. Any appliance, equipment, or other item in the house which is a "consumer product" as defined above under manufacturer warranties.
2. Damage due to the abuse or neglect of the Owner or the Owner's failure to provide proper maintenance.
3. Defect in swimming pools, patios, walkways, driveways, retaining walls, fences, or any other improvements not a part of the house itself.
4. Landscaping and sod is NOT warranted by *Regency Point Development*. New sod and landscaping should be watered every day for 2 weeks until it is wet on the bottom, and then periodically after that. If the sod has any questionable spots on the closing date, Homeowner should discuss the areas with a *Regency Point Development* superintendent about replacing the dead spots.
5. Defects or damage caused by someone other than Builder.
6. Defects or damage resulting from any changes made by someone other than Builder including, but not limited to, changes in the structure of the house, mechanical or electrical systems, and exterior grading.
7. Injury to any person, bodily or otherwise, whether or not caused by any defect in the construction of the house and whether or not resulting from the negligence of *Regency Point Development*.
8. Defects in or damage to any real or personal property which was not a part of the house or real property included in the original purchase.
9. Normal wear and tear, normal deterioration, normal discoloration, war-page or shrinkage of materials of materials or other normal changes which are the result of characteristics common to the materials used.
10. Loss or damage not caused by a defect in the construction of the house by *Regency Point Development*.
11. Accidental loss or damage including, but not limited to: fire, explosion, smoke, insect damage, soil erosion, water

escape, changes not reasonably foreseeable in the level of the underground water table, glass breakage, windstorm, hail or lightning, extremes in temperature, falling trees, aircraft and vehicles, flood, earthquake (exclusive of soil movement from causes other than flood or earthquake), except when such loss or damage is caused by our failure to comply with acceptable standards and practices.

12. Minor defects including chips, scratches and mars in tile, woodwork, walls, painting, porcelain, brick, countertops, mirrors, carpeting, marble glass, and plumbing fixtures which are not recognized and brought to our attention at the time of final inspection.
13. Incidental or consequential damages.

## **CLAIMS PROCEDURES**

Upon detecting the existence of a defect, the Owner shall follow the procedures set forth below:

1. If the defect is covered by the Limited Warranty, written notice with a thorough and complete explanation of the defect shall be sent to Builder. Only emergency reports will be taken by telephone. Following the receipt of your requests, we will make an inspection of your home within thirty (30) days after receipt of such notice. If such inspection reveals that repairs or adjustments covered by the Limited Warranty are required, we will make the necessary repairs or adjustments within ninety (90) days at no cost to you, weather and labor conditions permitting and emergencies excepted. Inspection, service and repairs will only be performed during normal working hours, 8:00 a.m. to 5:00 p.m., Monday through Friday.
2. If the defect is covered by a manufacturer's warranty, follow the instructions provided with such warranty. In the absence of a written manufacturer's warranty, contact *Commonwealth Home's* office for information and assistance in filing the claim.

## **BUILDER'S PERFORMANCE:**

If a defect is an item which is covered by this Limited Warranty, *Regency Point Development* will repair or replace, or pay Owner the reasonable costs of repairing or replacing the defective item. The choice among repair, replacement or payment is *Regency Point Development's* decision. Action taken by *Regency Point Development* to correct defects shall not extend any term of this warranty. Corrective work shall be performed by builder only during normal working hours, 8:00 a.m. to 5:00 p.m. Monday through Friday. No corrective work will be performed on Saturday, Sunday or company holidays. Builder shall not be required to enter the premises to perform corrective work unless Owner has provided, Builder with key, written permission to enter and a complete written release of liability. Corrective work performed by Builder to repair a defect covered by this Limited Warranty shall be at no charge to Owner.

**This limited warranty is the only expressed warranty extended to owner by builder. Any item and conditions not specifically covered by this warranty are excluded from coverage and are the responsibility of owner. It is expressly understood that this limited warranty is in lieu of any and all other warranties, express or implied, including but not limited to any warranty of merchantability, fitness for particular purpose, and habitability. In no event shall builder be liable for any damages (consequential or otherwise) arising from any defects in any item covered hereunder. This warranty gives you specific legal rights, and you may also have other rights which vary from state to state.**

## **DISPUTES**

(A) Mediation and Binding Arbitration. Any claim, dispute or controversy (collectively "Dispute") including, but not limited to, any claim of breach of contract, negligent or intentional misrepresentation or non-disclosure in the inducement, execution or performance of this Contract, which may arise between *Regency Point Development* and Purchaser under this Contract shall first be submitted to the Mediation Center of Kentucky, Inc. (Center) for mediation pursuant to the rules and procedures of the Center. If *Regency Point Development* and Purchaser are unable to resolve the dispute so raised at mediation, then the dispute shall be submitted to Construction Arbitration Services, In. ("CAS") for binding arbitration in accordance with the CAS rules and procedures and pursuant to the provisions of KRS 417 et seq a("the Kentucky Arbitration Act") If for any reason CAS is unable to serve as the arbitrator, then *Regency Point Development* and Purchaser shall use their best efforts to appoint another arbitrator, however, if *Regency Point Development* and Purchaser are unable to mutually agree to an arbitrator, then the arbitrator shall be appointed pursuant to provisions of KRS 417.070. *Regency Point Development* and Purchaser shall bear equally the cost of mediation and binding arbitration. Should a conflict arise between the rules and procedures of the Center or CAS (or the arbitrator) and the Kentucky Arbitration Act, then the provisions of the Kentucky Arbitration Act, shall control.

