

# SECTION 1: GENERAL A. WARRANTY COVERAGE

FOR GOOD AND VALUABLE CONSIDERATION, Harmony Homes of TN, 1418 Kensington Square Court, Murfreesboro, Tennessee 37130, hereinafter referred to as BUILDER, hereby warrants to:

hereinafter referred to as OWNER, their successors and/or assigns, the residence located at:

against defects in materials and workmanship as hereinafter described and limited. The warranty contained herein shall be the only warranty applicable to this property. All statutory provisions, including but not limited to,TCA 28-3-201 et seq. are hereby waived by both BUILDER and OWNERS. All warranties implied by state law are also expressly waived by both BUILDER and OWNERS. This warranty is in lieu of all other warranties, expressed or implied including without limitation, warranties of merchantability, fitness for a particular purpose, or habitability, all of which are disclaimed by the BUILDER and waived by the OWNERS.

- LIMITED 1 YEAR STRUCTURAL WARRANTY: BUILDER hereby warrants the said residence against structural defects in materials and workmanship for a period of one (1) year from the closing date hereof. During this period, BUILDER will repair or replace, or pay the reasonable cost to repair or replace, at BUILDER'S option, defects in the structure of said residence, subject to the conditions below. Actions taken to correct defects will NOT extend this warranty beyond the original expiration date.
- 2. <u>LIMITED 1 YEAR WARRANTY ON NON-STRUCTUAL DEFECTS:</u> BUILDER hereby warrants the said residence against defects in the workmanship and materials of the aforesaid residence's electrical system and fixtures, if installed by BUILDER, heating and air conditioning systems, plumbing system, and other nonstructural systems and fixtures for a period of one (1) year from the closing date hereof. During this period, BUILDER will repair or replace, or pay the reasonable cost to repair or replace, at BUILDERS option, defects in the aforementioned non-structural systems and fixtures, subject to the conditions below. Actions taken to correct defects will NOT extend this warranty beyond the original expiration date.

#### **B. CONSEQUENTIAL DAMAGES**

BUILDER shall not be liable for special, incidental, consequential, or punitive damages, including but not limed to, damage to other property caused by any defect in said residence, inconvenience, or loss of use of said residence. It is strongly suggested that you elect to take the least amount of deductible on your homeowners insurance at least during the first year.

#### **C. MAINTAINENCE VS. WARRANTY**

It is the OWNERS responsibility to provide general and preventative maintenance on you new home. Failure to do so will decrease the life and efficiency of the products and systems that comprise a new home. For example, caulking inside or outside, tightening loose screws, filling slight shrinkage cracks in concrete, etc. are examples of problems that would be considered routine OWNER maintenance.



#### D. WARRANTY REQUESTS AND NOTICE

All Warranty Requests must be presented in writing, to BUILDER at the address below, prior to the expiration of said warranty. Oral claims, or any claims made after the expiration of said warranty will not be honored. BUILDER is under no obligation to repair any defects unless notice is given in accordance with this section. BUILDER must notify OWNERS within ten days of any change in the address to which OWNERS must send notice of any defects. BUILDER ADDRESS: 1418 KENSINGTON SQUARE COURT, BUILDING A, MURFREESBORO, TENNESSEE 37130

#### **E. DISCONTINUED MATERIALS**

Closing Package, including One Year Builders Warranty Detail 3/16/2006 BUILDER is not responsible for exact matches of materials, products, finishes, etc. when repair work is done or for replacing items originally installed in your home that has been discontinued by the manufacturers.

#### F. RIGHT OF ACCESS

The OWNER must allow the BUILDER access to the home during hours of 9 AM and 5 PM from MONDAY thru FRIDAY in order to complete approved warranty requests. A HOMEOWNER of record must be present at all times.

#### **G. THE BUILDERS REMEDY**

The BUILDER, at his sole discretion, has the choice to repair, replace, or pay the reasonable cost to repair or replace an approved warranted item. If BUILDER elects to pay the reasonable cost to replace or repair on any warranted item, the warranty on any such item is at that point terminated. The maximum liability of the BUILDER shall not exceed an aggregate equal to the final sales price of the home as stated on the final settlement statement.

#### H. ARBITRATION

The parties hereto agree that any and all disputes shall be resolved by binding arbitration in lieu of litigation, signs in windows, or any other form of public display or demonstration. Any such arbitration proceeding shall be conducted according to the Construction Industry Rules of the American Arbitration Association, unless otherwise agreed by the parties in writing, and the decision of the arbitrators shall be final. If either party violates this section by any action other than filing for binding arbitration, such party shall reimburse the other party for their costs and expenses, including attorney fees, incurred in seeking dismissal of any such action or in recovering damages by such action.

#### I. ENFORCEABILITY

If any provision of this warranty shall for any reason be held to be invalid or unenforceable, such invalidity or unenforceability shall not affect any other provision hereof, but this agreement shall be construed as if such invalid or unenforceable provision had never been contained herein.

# **SECTION 2: WARRANTY STANDARDS**

#### A. SITEWORK

1. Possible Deficiency Settling of ground around foundations, utility trenches, or other filled areas. Performance Standard If BUILDER established final grading, he/she will fill areas that have settled more than 5 inches only at the end of the warranty period. The OWNER will be responsible for the removal and replacement of any landscaping that will be required to perform corrective work.



- 2. Possible Deficiency Standing water within 8 feet of the foundation. Performance Standard The final grade and swales were established and approved by local codes and authorities having jurisdiction over such matters as a prerequisite for issuing the Certificate of Occupancy on your home. Proper maintenance of ground cover and erosion prevention is an OWNER maintenance responsibility. If within the first thirty (30) days, water stands for more than 48 hours after normal rainfall, BUILDER will re-grade affected areas. The possibility of water standing longer than 48 hours after heavy or extended rainfall should be considered. The OWNER will be responsible for the removal and replacement of any landscaping required before performing corrective work. Water standing beyond 8 feet of the foundation is not covered under this Limited Warranty.
- 3. Possible Deficiency Erosion and washed out areas. Performance Standard Unless noted on the BUYER'S walk though affidavit, it is the HOMEOWNER'S responsibility to maintain adequate ground cover to prevent erosion and is therefore specifically excluded from this warranty.
- 4. Possible Deficiency Disturbance of lot conditions by utility companies and others. Performance Standard BUILDER is not responsible for the repair of any condition caused or made worse by anyone other than the BUILDER and is specifically excluded from this warranty.
- 5. Possible Deficiency Trees dying. Performance Standard Maintenance of any trees, whether planted by the BUILDER or existing on the lot prior to construction, is an OWNER responsibility after closing and is specifically excluded from this warranty.
- 6. Possible Deficiency Encroachment of items from adjacent property OWNERS. Closing Package, including One Year Builders Warranty Detail 3/16/2006 Performance Standard Your mortgage company should have shown any encroachments at the time of closing required performance Standard A final survey. BUILDER is not responsible for encroachments after closing and is specially excluded from this warranty.

## **B. BASEMENT WALLS & MASONRY**

- 1. Possible Deficiency Cracks in basement walls. Performance Standard BUILDER will correct cracks that exceed 1/8th inch in width by pointing or epoxy injections one time only at the end of the warranty period. Shrinkage cracks are an inevitable element of concrete construction and are not considered as deficiency.
- 2. Possible Deficiency Cracks in block wall construction. Performance Standard BUILDER will correct cracks that exceed 3/16" in width one time only at the end of the warranty period by pointing or patching. Some cracks in block wall construction are not unusual and should be expected.
- 3. Possible Deficiency Hairline cracks in masonry or brick veneer. Performance Standard Small hairline cracks due to shrinkage are common in masonry construction. BUILDER will repair cracks that exceed ¼" inch by pointing or epoxy injections one time only at the end of the warranty period.
- 4. Possible Deficiency Leaks in basement. Performance Standard Your water proofing system should perform according to the warranty provided to you at closing by the waterproofing contractor. BUILDER will correct to meet such standards.



5. Possible Deficiency Footing drains stopped up. Performance Standard The OWNER is responsible to keep the exit point of footing drains open at all times. The BUILDER is responsible for crushed or improperly installed footing drains and will correct if such a condition exists.

## C. POURED N PLACE CONCRETE (Basement Slabs, Garage Floors, Walks, Drives, Patios, etc.)

- 1. Possible Deficiency Cracks at control joints. Performance Standard No action required by your BUILDER. The control joint was place there to control cracking and is therefore not a deficiency. This item is specifically excluded from this warranty.
- 2. Possible Deficiency Hairline cracks and expansion cracks in areas other than control joints. Performance Standard BUILDER will repair by surface patching or epoxy injections any cracks more than 3/16" wide one time only at the end of the warranty period. Smaller cracks should be filled by the OWNER to prevent undermining of the surface under the concrete.
- 3. Possible Deficiency Uneven concrete floors in living areas. Performance Standard BUILDER will correct living areas that exceed ¼" within a 32" measurement. Driveways, garage floors, patios, walks, and drives will be repaired in areas that exceed 3/8" within a 32" measurement one time at the end of the warranty period.
- 4. Possible Deficiency Settling or separation of stoops or garage floors. Performance Standard BUILDER will correct any separation in excess of 1" one time only at the end of the warranty period.
- 5. Possible Deficiency Standing water on stoops and concrete. Performance Standard BUILDER will correct any condition that prevents water from draining off steps. Water standing on stoops, drives, walks, patios, etc. shortly after a rain is normal and is not considered a deficiency.
- 6. Possible Deficiency Concrete splatters. Performance Standard BUILDER will correct only if reported prior to closing.
- 7. Possible Deficiency Disintegration of concrete surface. Performance Standard BUILDER will correct only affected areas one time at the end of the warranty period.

#### D. CRAWL SPACE & BASEMENT

- 1. Possible Deficiency Condensation on walls, joists, or other areas. Performance Standard BUILDER provided adequate ventilation as verified through the inspection process. It is considered OWNER maintenance to open and close vents in a timely manner. Depending on weather and conditions beyond BUILDER'S control. It is not unusual to have some condensation develop and is therefore specifically excluded from this warranty.
- 2. Possible Deficiency Water in crawl space. Performance Standard BUILDER has provided a positive drain out of your crawl space. It is considered OWNER maintenance to keep this drain open and operational. Depending on the amount of rainfall, underground seepage, condensation, etc., it is not unusual to see water in your Closing Package, including One Year Builders Warranty Detail 3/16/2006 crawl space at any given time. Because of the elements beyond BUILDER'S control, this item is specifically excluded from your warranty.

## **E. ROUGH CARPENTRY & WOOD**



- 1. Possible Deficiency Uneven wood floors and ceilings. Performance Standard Your BUILDER will correct high and low areas that exceed 3/8" within a 32" measurement. Acceptable tolerances in lumber grading prevent a perfectly level floor.
- 2. Possible Deficiency Bowed walls. Performance Standard BUILDER will correct a bowed wall that exceeds 3/8" within a 32" measurement. Acceptable tolerances in lumber grading prevent a perfectly smooth wall.
- 3. Possible Deficiency Squeak in floor. Performance Standard BUILDER has a 3-step process to insure minimal problems with squeaky floors. Lumber shrinkage, humidity levels, climatic changes, etc. are all reasons one may have a floor squeak and are all beyond the BUILDER'S control. If a floor squeak is documented prior to closing, BUILDER will correct the squeak. Otherwise this item is specifically excluded from your Warranty.
- 4. Possible Deficiency Walls out of square or out of plumb. Performance Standard Unless noted prior to closing, this item is specifically excluded from your warranty.

#### F. INTERIOR TRIM & FINISHES

- 1. Possible Deficiency Gaps between trim and adjacent surfaces. Performance Standard Gaps usually occur because of trim and caulking shrinkage. BUILDER will repair gaps in trim and adjacent surfaces that exceed 1/4" and gaps between trim pieces that exceed 1/8" one time only at the end of your warranty period. Any caulking or repainting will be the responsibility of the OWNER.
- 2. Possible Deficiency Blemishes in wood and trim. Performance Standard BUILDER will make a reasonable effort to repair blemishes, hammer marks, knotholes, or other imperfections only if reported prior to closings.
- 3. Possible Deficiency Doors do not close and latch properly. Performance Standard BUILDER will repair and or adjust doors to function properly prior to closing only. Any repainting will be the responsibility of the OWNER.
- 4. Possible Deficiency Doors rub on carpet. Performance Standard BUILDER will cut doors to clear the carpet and operate properly prior to closing only. Any repainting will be the responsibility of the OWNER.
- 5. Possible Deficiency Warped doors (interior and exterior). Performance Standard BUILDER will replace and repaint any door that is warped in excess of 3/8" measured horizontally, vertically, or diagonally. Seasonal changes may cause doors to show warping and should be expected. Corrective action by the BUILDER will be taken at the end of your warranty period.
- 6. Possible Deficiency Nail pops and minor cracks in drywall. Performance Standard Nail pops and minor cracks in drywall are normal and are considered a routine maintenance item. BUILDER will repair nail pops and cracks in excess of 1/8" one time only at the end of your warranty period. Any repainting will be the responsibility of the OWNER.
- 7. Possible Deficiency Caulking shrinkage or deterioration. Performance Standard All caulking expands, contract, and deteriorates. This is considered a routine maintenance item and is specifically excluded from this warranty.



- 8. Possible Deficiency Problems in wallboard after the HOMEOWNER has installed wallpaper. Performance Standard BUILDER has no responsibility after OWNER has changed original finishes. The OWNER should take time to inspect and prepare all surfaces prior to installing new wall or floor coverings. This item is specifically excluded form this warranty.
- 9. Possible Deficiency Imperfections in paint. Performance Standard You as OWNERS are inspecting and accepting the painting prior to closing your home. After closing, any painting required is an OWNER responsibility and is specifically excluded from this warranty.
- 10. Possible Deficiency Defects in wallpaper (either material or workmanship). Performance Standard BUILDER assisted you in coordinating installation of your wallpaper as a courtesy only. As such, any responsibility for the wallpaper of installation thereof is specifically excluded from this warranty.

#### **G. FLOOR COVERING**

- 1. Possible Deficiency Gaps in carpet seams. Performance Standard BUILDER will correct unsightly gaps in carpet to the extent possible prior to closing only.
- 2. Possible Deficiency Gaps in vinyl floor seams. Performance Standard BUILDER will correct gaps in excess of 1/8" at vinyl seams and correct gaps in excess of 3/16" where the vinyl floor meets other finishes prior to closing only.
- 3. Possible Deficiency Vinyl floor becomes loose around the edges. Performance Standard BUILDER will remove the shoe mold, repair vinyl floor, and replace the shoe mold one time only. Any repainting will be the responsibility of the OWNER.
- 4. Possible Deficiency Imperfections, cuts, gouges, fading, discoloring, etc. in vinyl flooring. Performance Standard BUILDER will repair or replace only if documented prior to closing.
- 5. Possible Deficiency Manufacturer approved defects in carpet or vinyl flooring. Performance Standard BUILDER will repair or replace the defective area of your floor covering as approved and directed by the product manufacturer. The OWNER is responsible for filing the proper claim forms to the manufacturer.
- 6. Possible Deficiency Premature wearing of carpet. Performance Standard BUILDER will replace the area affected by the fastener. Your BUILDER is not responsible for discontinued material or color variations.
- 7. Possible Deficiency Premature wearing of carpet. Performance Standard Your carpet is warranted for wear by the manufacturer. Any claims of this nature should be addressed to the manufacturer and is specifically excluded from this warranty.
- 8. Possible Deficiency Cracks in ceramic grout joints. Performance Standard Cracking grout joints are normal and are considered routine OWNER maintenance and is specifically excluded from this warranty.
- 9. Possible Deficiency Tiles crack or become loose. Performance Standard Your BUILDER will correct only if documented prior to closing.



10. Possible Deficiency Perceived hardwood floor deficiency. Performance Standard This item is warranted by the hardwood floor supplier and or manufacturer and is specifically excluded from BUILDER warranty. No warranty exists from anyone for damage caused by water or in wet areas (bathroom, kitchen, wet bars, or entrances).

## H. WINDOWS & EXTERIOR DOORS

- 1. Possible Deficiency Drafts around windows. Performance Standard BUILDER will correct if windows are installed improperly. During high winds or extreme hot or cold weather some drafts are usually noticeable around your windows. It may become necessary for the OWNER to install storm windows to eliminate unsatisfactory drafts.
- 2. Possible Deficiency Leaks around windows and doors. Performance Standard Unless caused by caulking deterioration, high winds or storms, worn weather stripping, or lack of OWNER maintenance, BUILDER will correct leaks as required. OWNER installed storm doors are the only way in insure leaks will not occur again.
- 3. Possible Deficiency Worn or crushed weather stripping around doors. Performance Standard Replacement of weather stripping is considered routine OWNER maintenance and is specifically excluded from this warranty.
- 4. Possible Deficiency Moisture between panes of glass. Performance Standard BUILDER will replace affected windows if not caused by broken glass.
- 5. Possible Deficiency Broken glass. Performance Standard BUILDER will replace if reported prior to closing.
- 6. Possible Deficiency Window becomes difficult to operate. Performance Standard If lubricating the glides with WD40 by the OWNER doesn't correct the problem, BUILDER will correct to make the window operate in a reasonable manner.

## I. ROOFING & SIDING

- 1. Possible Deficiency Leaks in roof. Performance Standard BUILDER will repair leaks as they occur unless caused by high winds, damage by others, snow or ice build up or heavy driving rain.
- 2. Possible Deficiency Vent or louver leaks. Performance Standard BUILDER will repair or replace as they occur if caused by a defect or improper installation. High wind, snow, or heavy driving rain may cause water to enter and is not considered a deficiency.
- 3. Possible Deficiency Torn shingles. Performance Standard Your BUILDER will replace as it occurs if reported prior to closing. Closing Package, including One Year Builders Warranty Detail 3/16/2006
- 4. Possible Deficiency Wavy siding. Performance Standard Siding will expand and contract causing "waving" is not considered a deficiency. BUILDER will repair detached siding unless caused by high winds.

## J. ELECTRICAL



- 1. Possible Deficiency Circuit Breakers trip excessively. Performance Standard BUILDER will replace defective breakers as they occur. Lifestyles have to be adjusted for ground fault breakers since they are code requirements. It is up to the BUILDER to verify if a defective ground fault breaker exists.
- 2. Possible Deficiency Broken fixtures or receptacle covers. Performance Standard BUILDER will replace only if reported prior to closing.
- 3. Possible Deficiency Defects in OWNER furnished fixtures or electrical items. Performance Standard BUILDER installed your fixtures as a courtesy only and any obligation is specifically excluded from this warranty.
- 4. Possible Deficiency Defective fixtures, switches, or outlets. Performance Standard BUILDER will replace defective electrical items as they occur.
- 5. Possible Deficiency Air infiltration around electrical receptacles. Performance Standard This is normal and is not considered a deficiency.

#### K. HEATING & COOLING

- 1. Possible Deficiency Insufficient heating. Performance Standard BUILDER will correct if the heating system fails to maintain a temperature of 70°, under normal operating and weather conditions, as measured in the center of each room at a height of 5' above the floor. On extremely cold days, a 6° difference between thermostat setting and actual inside temperature is acceptable. All rooms may vary in temperature by as much as 4°. These conditions are specified in the ASHRAE handbook. Homes designed with open foyers, stairways, cathedral ceilings and bonus rooms over garages will usually cause abnormal variations from these standards. Any such variations are specifically excluded from this warranty.
- 2. Possible Deficiency Insufficient cooling. Performance Standard BUILDER will correct if the cooling system is not capable of maintaining a temperature of 78° under normal operating conditions. The temperature shall be measured in the center of the room, 5' above the floor. On extremely hot days where outside temperature exceeds 95°, a difference of 15° from outside temperature will be maintained. All room may vary by as much as 4°. These conditions are specified in the ASHRAE handbook. Homes designed with open foyers, stairways, cathedral ceilings and bonus rooms over garages will usually cause abnormal variations from these standards. Any such variations are specifically excluded from this warranty.
- 3. Possible Deficiency Condensation lines clog. Performance Standard This is considered routine OWNER maintenance and is specifically excluded from this warranty.
- 4. Possible Deficiency Noisy duct work. Performance Standard BUILDER will correct oil canning if properly substantiated by OWNER. Forced air will cause some noise. Also when metal heats and cools, strange little noises may occur and are specifically excluded from this warranty.

## L. PLUMBING

1. Possible Deficiency Noisy water pipes. Performance Standard BUILDER will correct "water hammer". Some noise can be expected because of water traveling or heating and cooling of pipes and is not considered a deficiency.



- 2. Possible Deficiency Pipes freeze and burst. Performance Standard Your water pipes have not been insulated. It is the OWNER'S responsibility to insulate if desired, open and close foundation vents seasonally, remove all hose attachments from outside faucets, leave interior faucets dripping during extremely cold weather, and take other steps as necessary to protect the plumbing system from freezing. Therefore, this item is specifically excluded from this warranty.
- 3. Possible Deficiency Plumbing leaks. Performance Standard BUILDER will correct if due to faulty workmanship or materials.
- 4. Possible Deficiency Stopped up drains. Closing Package, including One Year Builders Warranty Detail 3/16/2006 Performance Standard It was demonstrated to you prior to your closing that all drains were open and operational. If within 10 days after closing your drains become clogged due to construction related materials, your BUILDER will correct the problem.
- 5. Possible Deficiency Toilet clogged. Performance Standard The water saving act of 1994 requires the BUILDER to install toilets that flush with 1.6 gallons of water, which in some instances isn't enough to flush solids without the toilet getting clogged. This is normal and is specifically excluded from this warranty.

#### M. CABINETS & VANITIES

- 1. Possible Deficiency Delamination of countertops. Performance Standard BUILDER will correct as required to perform properly.
- 2. Possible Deficiency Chips, scratches, or other imperfections in countertop. Performance Standard BUILDER will correct if reported prior to closing.
- 3. Possible Deficiency Warping of cabinet doors. Performance Standard BUILDER will correct if warp exceeds 1/4" from cabinet frame.
- 4. Possible Deficiency Cabinets separate from walls or ceiling. Performance Standard BUILDER will correct any separation greater than 1/4".
- 5. Possible Deficiency Scratches, dents, or other slight imperfections in cabinetry. Performance Standard BUILDER will make every reasonable effort to repair if reported prior to closing.
- 6. Possible Deficiency Scratches, stains, gouges, or imperfections in cultured marble. Performance Standard BUILDER will correct only if reported prior to closing.

## N. WOOD DECKS

- 1. Possible Deficiency Splitting, twisting, and warping of the wood. Performance Standard BUILDER will correct if due to workmanship. It is normal for treated wood to warp, twist, or split due to the high moisture content of the wood being exposed to the elements. OWNER maintenance such as sealing and adding extra fasteners when needed is essential.
- 2. Possible Deficiency Steps or floor boards cupping. Performance Standard Cupping of deck floorboards and steps is normal due to being exposed to the elements and is therefore specifically excluded from this warranty.



- 3. Possible Deficiency Deck settlement. Performance Standard BUILDER will correct if settlement exceeds 1 ½" in 8' measured from the house to the outside of the deck.
- 4. Possible Deficiency Loose floor boards or rails. Performance Standard BUILDER will correct as required if caused by missing fasteners.

#### O. FIREPLACE

- 1. Possible Deficiency Mantle separates from wall. Performance Standard BUILDER will correct separations of more than 1/4". Any painting is the OWNER'S responsibility.
- 2. Possible Deficiency Face and hearth scratches, blemishes, or imperfection. Performance Standard BUILDER will make every reasonable effort to repair if reported prior to closing.
- 3. Possible Deficiency Cracks in firebrick. Performance Standard This is normal due to intense heat and is specifically excluded from this warranty.
- 4. Possible Deficiency Chimney cap becomes loose or leaks. Performance Standard BUILDER will correct unless caused by high winds or driving rain.

#### P. SPECIALTIES

- 1. Possible Deficiency Leaking gutters. Performance Standard BUILDER will correct as required.
- 2. Possible Deficiency Dead trees or shrubs. Performance Standard BUILDER will replace if reported prior to closing.
- 3. Possible Deficiency Shutter becomes loose. Performance Standard BUILDER will correct as required except if caused by high winds.
- 4. Possible Deficiency Dents in exterior doors. Performance Standard Unless reported prior to closing, this item is specifically excluded from this warranty.

#### Q. MISCELLANEOUS

- 1. Possible Deficiency Mailbox installation. Closing Package, including One Year Builders Warranty Detail 3/16/2006 Performance Standard The mailbox was installed as a courtesy and is specifically excluded from this warranty.
- 2. Possible Deficiency Dryer or washer plug will not fit existing receptacle. Performance Standard New codes require the size and type of receptacle currently installed. Therefore, this item is specifically excluded from this warranty.

#### SECTION 3: EXCLUSIONS (The following items are NOT covered by this limited warranty)

- 1. Normal wear and tear.
- 2. Damage to land and/or lot caused by erosion.
- 3. Neglect, improper or inadequate maintenance, or improper operation of equipment.
- 4. Damaged caused by the unusual loading of floors (waterbeds, freezers, safes, etc.)
- 5. Any consequential damage.
- 6. OWNER'S failure to prevent or minimize damage in a timely manner.



- 7. Damage or inconvenience caused by water seepage.
- 8. Damage, intrusion of, or inconvenience caused by birds, rodents, insects, wild animals, reptiles, etc...
- 9. Soil movement.
- 10. Any condition that may render the home uninhabitable such as radon, formaldehyde, carcinogenic substances, or other pollutants and contaminants, or the presence of hazardous or toxic materials resulting in a health risk inside or outside the home.
- 11. Resulting directly or indirectly from floods, high winds, driving rain, underground water, fire smoke, explosions, blasting, falling objects, acts of God, hail, lightning, earthquake, ice, snow, falling trees, aircraft, sinkholes, changes in underground water tables, any circumstance beyond the BUILDERS direct control, etc...
- 12. Loss or damage caused or made worse by changes in grading on surrounding lots or communities.
- 13. Intrusion of water in crawl space.
- 14. Any item that can be corrected or adjusted by tightening screws, nuts, or bolts.
- 15. Batteries in smoke detectors.
- 16. Stoppage in commodes for any reason other than construction related.
- 17. Scratches, dents, gouges, fading, etc. on items not agreed in writing by BUILDER prior to closing.
- 18. Broken windows, mirrors, or glass of any king not agreed in writing by BUILDER prior to closing.
- 19. Cosmetic workmanship of any kind not agreed in writing by BUILDER prior to closing.
- 20. Alignment of sensors on garage doors.
- 21. Any work coordinated for you by your BUILDER but not actually provided by your BUILDER.
- 22. Pressure and volume of water system provided by your utility supplier.
- 23. Any part of your utility system provided by other.
- 24. Any obligation to or responsibility for any punch lists prepared by an independent home inspector either before or after closing your home.
- 25. Any potential defect caused by rust, rot, moisture, or mildew.
- 26. Appliances and equipment warranted by the manufacturer under a separate warranty.
- 27. Damage caused by or made worse by the OWNERS failure to give proper notice as called for in this warranty.
- 28. Fitness of purpose, habitability, or merchantability.
- 29. Removal and or replacement of materials not originally installed by your BUILDER.
- 30. Painting of any kind including painting required to restore corrective work performed by the BUILDER.
- 31. Caulking inside or outside.
- 32. Lists for items to be changed or corrected from anyone other than the state, county, or city officials having jurisdiction over such matters.
- 33. Frozen water pipes or faucets.
- 34. Any moving, re-positions, or protecting, mirrors, paintings, fixtures, cabinets, furniture or other house hold furnishings in order to do corrective work on an approved warranty item.
- 35. Any consequential damage that may occur as a result of BUILDERS attempt to do corrective work on an approved warranty item.

SECTION 4: ACKNOWLI	EDGEMENT OF RECEIVING TERMS OF THE Harmony Homes Warranty
LOT/SUBD:	EFFECTIVE DATE OF THIS WARRANTY:

## **ARBITRATION:**

The parties hereto agree that any and all disputes shall be resolved by binding arbitration in lieu of litigation, signs in windows, or any other form of public display or demonstration. Any such



arbitration proceeding shall be conducted according to the Construction Industry Rules of the American Arbitration Association, unless otherwise agreed by the parties in writing, and the decision of the arbitrator shall be final. If either party violates this section by any action other than filing for binding arbitration, such party shall reimburse the other party for their costs and expenses, including attorney fees, incurred in seeking dismissal of any such action or in recovering damages by such action.

Harmony Homes of TN	Date	Owner	Date
		Owner	Date