

Limited Home Warranty and Service Procedures



Issued to:

Property Address:

Subdivision & lot no:

Walk through and Home Warranty

Prior to closing Square 1 Builders, Inc. will conduct a Homeowner(s) orientation and final walk through at which time a list will be generated specifying the items that remain to be completed or corrected in the home. The Homeowner(s) acknowledges that Square 1 Builders, Inc. will make reasonable efforts to complete all the items specified in the agreed upon list before closing or as soon as practicable after closing and that Square 1 Builders, Inc. failure to complete any items on the list shall not delay the closing. Homeowner further agrees that there shall be no withholding of any or all of the Homeowner's proceeds at closing for any uncompleted list items. **Square 1 Builders, Inc. will not accept list items until after the Homeowner orientation has been conducted prior to closing.** Square 1 Builders, Inc. reserves the right to refuse to perform any work on list items that would exceed the building standards of the state the work is being completed in. All homes are built in accordance with applicable local and state building codes. Receipt of a Certificate of Occupancy on said property from the local building code jurisdiction fulfills Square 1 Builder's, Inc.'s obligation to contractually perform. Effective with the passing of time from Square 1 Builders, Inc. to Homeowner(s), Homeowner(s) assumes the responsibility of all maintenance of the herein described property, including all easement and/or right of ways. **It is the homeowner(s) responsibility to fill out and turn in warranty requests on time with the requested repairs. Warranty sheets turned in late may, can, or will be refused and repairs will be made at the homeowner(s) expense.**

Square 1 Builders, Inc. hereby warrants to the Homeowner(s) that the above said home is free of major structural, materials, or workmanship defects and that it has been built in substantial conformity with building standards prevailing the area. **This warranty is in lieu of any implied warranties and all such implied warranties, including but not limited to the implied warranty of merchantability, the implied warranty of fitness for a particular purpose, the implied warranty of workmanlike construction, and the implied warranty of habitability, are excluded.** This warranty is limited to and subject to the conditions and exceptions hereinafter set out. This warranty shall apply only to such instances of substantial non-conformity as to which the Homeowner(s) shall have given written notice to Square 1 Builders, Inc. at any time or times within one year from the date of conveyance of the title to Purchaser or the date of occupancy of the home, whichever first occurs. This warranty is non-transferable. Any obligation under it terminates if the property shall cease to be occupied by the Homeowner(s) or is sold, transferred, or otherwise conveyed, except by the transfer to a spouse or by death of Homeowner.

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Service Procedures

Welcome to your new home, we hope and trust you will be happy for years to come with your new home. We have attempted to provide you with a trouble free home as is practical. It has been built of quality materials under strict supervision and it complies with building standards in the industry. However, like a new automobile, your home will require a careful “breaking in” by you the homeowner(s). A few obligations are ours, but in general it is up to you to take over and take care for this assembly of materials and mechanical devices. There are many components that were put together by our subcontractors to provide a good place in which to live. A general understanding of these parts and the effect of cold, heat, humidity, moisture, expansion, and contraction conditions that affect every new home are necessary. We will cover several of these important issues so that you will know what to expect in months to come.

30-Day “Break-in” period

During the first thirty days after date of move-in you may note minor malfunctions not mentioned from your final walk through such as sticking of drawers and doors, doors not latching, etc., and (to the extent that such items are normal Builder responsibility) corrections or adjustments will be made.

Procedure: Maintain a list of such items with the included sheet provided to you during the final walk through and return it via mail, fax, e-mail, or in person to Square 1 Builders, Inc. no later than thirty days after your move-in date (the due date is shown on the provided paperwork). Only one list should be turned in and it will be reviewed and contact from Square 1 Builders, Inc. will be initiated in regards to viability, problem description, location, and scheduling of date and accessibility to said residence to make necessary corrections. Other items, if any, will be discussed with the homeowner(s) with suggestions for possible solution. The completion of the thirty day claim items will complete Square 1 Builders, Inc. and subcontractor(s) obligations for touch up and minor adjustments until the one year warranty period. Any claims turned in before the one-year warranty sheet is due will not be addressed unless it is a major structural defect in which case, please following the instruction listed under Major structural defect.

1-year warranty period

Like the thirty-day “break-in” period you may have noticed additional issues with you home that have occurred. During the months following your “break-in” period you may note additional minor malfunctions not mentioned from your final walk through or your thirty day “break-in” warranty that were submitted such as sticking of drawers and doors, doors not latching, etc., and (to the extent that such items are normal Builder responsibility) corrections or adjustments will be made.

Procedure: Maintain a list of such items with the included sheet provided to you during the final walk through and return it via mail, fax, e-mail, or in person to Square 1 Builders, Inc. no later than one year after your move-in date (the due date is shown on the provided paperwork). Only one list should be turned in and it will be reviewed and contact from Square 1 Builders, Inc. will be initiated in regards to viability, problem description, location, and scheduling of date and accessibility to said residence to make necessary corrections. Other items, if any, will be discussed with the homeowner(s) with suggestions for possible solution. The completion of the one-year claim items will complete Square 1 Builders, Inc. and subcontractor(s) obligations for touch up and minor adjustments. Any claims turned in before the one-year warranty sheet is due will not be addressed unless it is a major structural defect in which case, please following the instruction listed under Major structural defect.

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Major structural defects

Should it appear after the thirty day break-in and one-year warranty period that a possible major structural defect (non-emergency) has developed, outline all pertinent details in a letter, signed by all parties whom own said residence and mail a copy, fax, email, or drop office a copy to Square 1 Builders, Inc.'s office. Following the receipt of said letter, Square 1 Builders, Inc. will make an inspection of the claim. If a major structural defect exists, remedial action will be scheduled as soon as possible.

Supplier service

A supplier service item usually constitutes a malfunction in equipment (built-in range, dishwasher, microwave, range hood, etc.)

Procedure: To insure prompt attention, please refer to the subcontractor list below. Contact the service department of the applicable equipment supplier, or subcontractor noted thereon. A telephone call, particularly in an emergency item should insure expedient attention; however, if service is lacking, after a reasonable time, please advise Square 1 Builders, Inc.'s office. Square 1 Builder's may accept only emergency service requests via the telephone.

Important notes

Read all bulletins and manual concerning your appliances and/or other equipment. Experience dictates caution in checking probable causes in equipment or appliance malfunctions. Oftentimes it may that the item is not being operated properly, or it may be that some other related system such as electrical, mechanical, or plumbing may be malfunctioning. Accurate appraisal will aid in expedient corrective action if service is in need.

Square 1 Builders, Inc., the equipment suppliers and subcontractors are always ready to correct malfunctions or defect under the specified warranties: however, undue service inspection requests must be charged to the homeowner on the basis of time and/or materials involved.

Supplier/Subcontractor contact information

| | | |
|-------------------------------|---|---------------------|
| Heating and Air conditioning: | <u>Schmucker Heating & Air</u> | <u>574-642-4502</u> |
| Plumbing: | <u>Rich's Plumbing</u> | <u>574-825-3242</u> |
| Electrician: | <u>Schmucker Heating & Air</u> | <u>574-642-4502</u> |
| Appliance supplier: | <u>Sears Contract Sales (Dan Gregory)</u> | <u>574-262-3664</u> |
| Security system: | <u>Nobi Corporation</u> | <u>574-295-5765</u> |
| Central Vac. System: | <u>Erv's Vac Shop</u> | <u>574-533-2952</u> |
| Sprinkling system: | <u>Aquagreen Irrigation</u> | <u>574-536-4524</u> |
| Landscaping: | <u>Sautter's Landscaping</u> | <u>574-293-5584</u> |
| Builder: | <u>Square 1 Builders, Inc.</u> | <u>574-533-2797</u> |

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Limitation of warranty and non-warrantable conditions

This home warranty does not cover:

1. Electric appliances which are guaranteed by the manufacturer
2. Accidental or willful damage to the home or normal maintenance requirements
3. Ordinary wear and tear, abuse, neglect, or general maintenance connected with home ownership.
4. Acts of God, nature, war, and riot.

This limited warranty does not extend beyond the product warranty of the supplier, subcontractor or manufacturer's warranty, as to items covered by such warranties. In addition,

5. Any secondary loss or damage caused by any warrantable defect.
6. All labor and materials furnished by Homeowner(s) during construction of the home. Any addition, remodeling, an/or repair performed by or authorized by the Homeowner(s) which has an adverse affect on any warrantable condition shall invalidate the warranty as to such warrantable condition.
7. Cracks, Leveling, and Settling:
 - a. Concrete: Porches, patios, foundations, walks, and drives can develop minor crack due to concrete's characteristics of expanding and contracting or that of the soil on which it is laid. There is no known method of eliminating this condition.
 - b. Mortar cracks can develop in the mortar used in bonding bricks, blocks, or stone together. This is a normal condition due to shrinkage in either the mortar or the materials it is bonding to or with and this will no affect structural strength or integrity of the home.
 - c. Sheetrock, paneling, moldings, wood shrinkage cracks, and nail pops on exterior siding materials can appear during the drying out process of your home. This too is normal. Drywall will be repaired as a warranty item up to, but not beyond the one-year warranty, even though the issues may occur.
 - d. Minor cracking or loss of grouting between ceramic and marble tiles after the one-year warranty.
8. Broken glass not documented at the final walk through.
9. Water seepage under garage doors. Water seepage in and around garage doors may occur during heavy rain or rain and windstorms.
10. Stained wood cabinets, paneling, trim, flooring and doors have variations in the wood grain. In addition, Minor warp age of wood doors and cabinet doors can occur. These variations cannot be controlled.
11. Brick discoloration may occur over time due to the elements, rain run-off, weathering, or its innate materials.
12. Non-uniformity of or appearance of antique, used, handmade, or face brick.
13. Paint conditions of colorfastness and mildew shall not be warrantable. Paint touch-ups after the one-year warranty are not covered.

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14. Chips, scratches, loss of finish, or mars in tile, marble (plastic or natural), resilient flooring, woodwork, mirrors, windows, walls, porcelain, brick, mortar, plumbing fixtures, tubs and showers, minor scratches on plastic laminate tops, etc. not documented at the final walk through.
15. Spots on carpeting not documented at the final walk through, minor fading due to a variety of exposures of light, and slight dye lot variations.
16. Plumbing stoppage due to foreign materials being deposited in the lines by occupants. Frozen water pipes due to crawl space vents left open during the winter and outside hose bibs not shut off or disconnect during the winter too.
17. Leaky toilet tank seals due to usage of chlorine products in the tank.
18. Issues arising from humidity cause from the drying out period or humidifier set improperly.
19. Service company meter problems, service lines installed by the utility companies, backfilling, or slumping thereof.
20. Alteration to grading and or established drainage provision: We assume no responsibility for the grading if established pattern is altered.
21. Grass, shrubbery, trees, plants, etc. are warrantable as to their condition at the time of closing only. Existing natural trees and landscaping are not warrantable.

The warranty herein contained is the only representation made to the Purchaser or Homeowner(s) regarding the construction of the home. No agent, representative, or salesman for Square 1 Builders, Inc. has the authority to make, or has made, any statement, representation or warranty, oral, or written in connection herewith that modifies, adds to, or changes the terms of this warranty. This warranty is from Square 1 Builders, inc. to the original Purchaser(s) (Homeowner(s)) only. By signing below and purchaser initialing all pages, all parties involved agree that they have fully read, understand and are in agreement to all terms presented through out the entire warranty document.

 Square 1 Builder's Agent

 Date

 Homeowner/Purchaser

 Date

 Homeowner/Purchaser

 Date