**«Opportunity_AgreementId»** «Opportunity_AgreementId»

**Community: «Neighborhood_CommunityName»** **Lot: «Product_Lot»**

## TOLL BROTHERS LIMITED WARRANTY

Dear Homebuyer(s):

You are purchasing a Home with warranty protection provided by the seller of your Home ("Toll Brothers"). Toll Brothers is providing you with the Toll Brothers Limited Warranty (the "Warranty"), pursuant to which Toll Brothers is warranting that the components of your Home will meet certain "Standards of Performance", which are attached hereto as Appendix A. The Warranty Period for each Standard is defined below and in more detail in the Standards of Performance, e.g., a limited one-year warranty on certain materials and workmanship, a limited two-year warranty on certain systems, and a limited ten-year warranty on certain structural elements. Some appliances, equipment, and other components included in the Home are not covered by the Warranty but are covered by separate warranties provided directly by the manufacturer or the supplier of the component. These manufacturers' warranties are assigned to you at the closing for your Home, and you should make any warranty claims relating to these components directly to the manufacturer as required by the manufacturer.

For the purposes of the Warranty, "Home" means a single family residence or a condominium unit or other attached housing unit contained in a residential structure that is covered by this Warranty. If the Home is part of a community association (e.g. homeowners, condominium or cooperative association ("Association"), "Home" includes any building or site components of the community that are conveyed to you or the Association by Toll Brothers and are controlled, replaced or maintained by the Association pursuant to the Association's governing documents (hereinafter referred to as "Common Elements"). For the purposes of the Warranty, "you" and "your" means the homeowner(s) and their respective heirs, executors, administrators, and assigns. As to a Common Element, "you" and "your" refers to the Association that owns or is responsible for maintaining, replacing or repairing the Common Element and has standing under the law to make a claim relating to the Common Element.

The Warranty is the sole and exclusive warranty provided to you by Toll Brothers. The limited express warranties contained in the Warranty are specific and detailed as to the scope of your warranty coverage. **To the extent allowed by law**, **all other warranties, express or implied, including, but not limited to, any statutory and implied warranties of habitability, merchantability, good quality, workmanship, design and construction in a good, fit, and workmanlike manner, fitness for its intended purpose, or fitness for a particular purpose as well as any implied warranties that the Home is free from faulty materials, is free from any defect resulting from noncompliance with building codes or standards, or was constructed according to sound engineering standards are hereby expressly disclaimed and waived, including with respect to latent defects.** Section 10 of the Warranty contains additional information regarding the disclaimer of implied warranties.

**To the extent allowed by law, all claims for personal injury relating to microorganisms, fungus, decay, rot or mold are hereby waived.**

While Toll Brothers will make every effort to resolve any warranty items to your satisfaction, YOU SHOULD BE AWARE THAT THIS WARRANTY INCLUDES A REQUIREMENT THAT ALL DISPUTES BE SUBMITTED TO BINDING ARBITRATION. BY THIS AGREEMENT, BOTH YOU AND TOLL BROTHERS ARE WAIVING THE RIGHT TO A PROCEEDING IN A COURT OF LAW AND THE RIGHT TO A JURY TRIAL.

Please take the time to become familiar with this Warranty and read it in its entirety in order to understand the protection it provides, the exclusions that apply, and the Standards of Performance that determine whether a condition is covered. The Warranty defines Toll Brothers' responsibilities to you and your responsibilities to your Home. Please also bear in mind that proper maintenance of your Home is necessary in order for your Home to perform, and the failure to perform the required maintenance on your Home will limit or void your rights under this Warranty.

This Warranty gives you specific legal rights, and you may also have other rights which vary from state to state. If your Home is located in California, Colorado, Maryland, Minnesota, New York, Texas or Virginia, please also refer to the state-specific provisions in Section 11. If your Home is located in New Jersey, Prince George's County, MD or New Castle County, Delaware, this Warranty does not apply to your Home.

Separation of This Warranty From the Agreement of Sale: This Warranty is separate and independent of the Agreement of Sale between you and Toll Brothers for the construction and/or sale of your Home. The provisions of this Warranty shall in no way be restricted by anything contained in the construction and/or Agreement of Sale between you and Toll Brothers. The provisions of this Warranty shall survive closing.

## 1. The Toll Brothers Express Limited Warranty

Under the Warranty, Toll Brothers warrants that your Home will meet the Standards of Performance set forth in this Warranty. Certain specific components of your Home are covered for either one year, two years or ten years as indicated in the Standards of Performance (the "Warranty Periods"). Toll Brothers' obligations are expressly limited to the Standards of Performance and the Warranty Periods. This Warranty is the sole and exclusive warranty provided to you by Toll Brothers and constitutes the exclusive remedy with respect to all claims by you against Toll Brothers. You specifically waive the right to seek damages or to assert any claims against Toll Brothers, except as may be provided in this Warranty.

Warranty Start Date: The Warranty Start Date is defined as follows: Warranty coverage begins on the closing date of the original purchase of your residential unit, i.e., a detached home, condominium or other attached housing as indicated in the Standards of Performance. Warranty coverage for Common Elements that are part of a structure containing one or more residential units begins on the closing date of the original purchase of the first residential unit that closes in the structure in which the Common Elements are located. Warranty coverage for Common Elements that are not part of a structure containing residential units begins on the earlier of the date of substantial completion or the date title to these Common Elements is transferred to the Association.

To whom the Warranty Applies: The Warranty is given to you as the owner or owners of the Home and you take the Home subject to it. If the Home is part of an Association, the Warranty for a Common Element applies to the Association that has standing under the law to make a claim relating to the Common Element.

Warranty Coverage: Toll Brothers warrants that your Home will meet the Standards of Performance during the Warranty Period for the components identified in the Standards of Performance. If a component is not specifically identified in the Standards of Performance, then it is not warranted by Toll Brothers under the Warranty or otherwise. This Warranty provides three coverages:

One-year "Materials and Workmanship" Coverage: Toll Brothers warrants certain materials and workmanship for the Home as set forth in the Standards of Performance for a period of one year after the Warranty Start Date.

Two-year "Systems" Coverage: Toll Brothers warrants the workability of certain plumbing, electrical, heating, ventilating, air conditioning, and other mechanical systems as defined in the Standards of Performance for a period of two years after the Warranty Start Date.

Ten-year "Structural" Coverage: Toll Brothers warrants that the construction of the Home will meet the tolerances set forth in the Standards of Performance for certain defined structural elements for a period of ten years after the Warranty Start Date.

No action will be required by Toll Brothers unless the structural element is incapable of performing its load-bearing function such that the Home is unsafe. Structural elements as identified in the Standards of Performance do not include the Home's exterior wall cladding, which could include, but is not limited to, brick, stucco or other siding materials.

Discretion to Repair or Make Payment: Toll Brothers shall repair any item that does not meet a Standard of Performance or Toll Brothers may elect at its sole discretion to (1) pay you the reasonable cost for Toll Brothers to perform the repair, or (2) pay you the diminution in fair market value of the Home caused by the failure to meet the Standard of Performance. In lieu of making a repair, Toll Brothers may elect at its sole discretion to replace the warranted item. References to "repair" in this Warranty are intended to include "replacement" where Toll Brothers elects to replace a warranted item rather than repair it.

Costs of Temporary Housing: If your Home becomes temporarily uninhabitable due to a condition that is covered by the Warranty or due to work that is necessary to repair a condition that is covered by the Warranty, Toll Brothers will reimburse you for the reasonable costs of temporary hotel accommodations and a reasonable daily food allowance for the period of time during which you cannot reasonably reside in the Home. The costs of temporary hotel accommodations must be pre-approved by Toll Brothers or you will waive the ability to recover these costs from Toll Brothers. You must also provide proof of payment for all costs in order to receive reimbursement from Toll Brothers.

Post-Repair Condition of Home: If an item covered under the Warranty deviates from the Standards of Performance, Toll Brothers may repair it to conform to the Standards of Performance. In the case of structural elements that deviate from the Standards of Performance, Toll Brothers may repair the structural element to restore the element's load-bearing function, as designed, and make other repairs necessary to return the Home to a safe condition. Repairs undertaken pursuant to the Warranty are intended to restore the Home to approximately the same condition as existed prior to the Warranty Request, but not a new condition. If Toll Brothers repairs surfaces, finishes, or coverings, then Toll Brothers will attempt to achieve as close a match with the original surrounding areas as is reasonably possible, but Toll Brothers cannot guarantee and does not warrant an exact match. Toll Brothers will only repair those surfaces, finishes, and coverings that: (1) are actually damaged as a result of a deviation from the Standards of Performance (or damaged in the course of repairing conditions that deviate from the Standards of Performance) and (2) were part of the Home when title was first transferred by Toll Brothers. Toll Brothers will repair such surfaces, finishes, and coverings that are damaged as a result of a deviation from the Standards of Performance, or, alternatively, at Toll Brothers' sole option, Toll Brothers will pay you the fair market value of such item or property at the time the damage occurred. You acknowledge that you accept the risk of damage to your personal property or surfaces, finishes, coverings or other components added to the Home by you and that you will take measures you deem appropriate to mitigate that risk, either through insurance or otherwise.

Assignment: Upon Toll Brothers undertaking repairs or payment, you hereby assign to Toll Brothers all claims you may have against any other person or entity who Toll Brothers believes may have responsibility for the claim.

Release: Upon completion of repairs to a warranted item or upon payment to you in lieu of repairs pursuant to this Warranty, you agree to sign a full release of Toll Brothers' obligation for the deviation from the Standard of Performance and any related damage. Unless otherwise agreed to by you, the release shall apply only to the claim that is resolved by the repair or payment (as the case may be) and does not prevent you from making a Warranty Request for any other deviation from the Standards of Performance for other claims during the Warranty Periods.

No Voluntary Payments: Subject to Section 7 of this Warranty, you agree not to make any voluntary payments, assume any obligations, or incur any expenses to address a condition that you believe constitutes a deviation from a Standard of Performance without prior written

approval from Toll Brothers. Toll Brothers will not reimburse you for repairs that you make or pay for without first (1) notifying Toll Brothers of the problem, (2) allowing Toll Brothers to investigate and repair it as required by this Warranty, and (3) obtaining Toll Brothers' prior written approval.

Limitation of Liability: Toll Brothers' total financial obligations under the Warranty are limited to the original sales price of your Home regardless of the number of claims made pursuant to the Warranty. The amount that Toll Brothers spends to satisfy its obligations under the Warranty will be calculated based on the cumulative total of all repairs and payments made pursuant to the Warranty, including Toll Brothers' costs of designing, performing, and monitoring repairs in your Home. Once Toll Brothers' limit on its financial obligations has been paid, no further claims can be made pursuant to this Warranty.

## 2. Homeowner Maintenance Obligations

All homes require regular maintenance to prevent premature deterioration and water intrusion and to ensure that the home's systems perform properly. Toll Brothers will provide you with a Home Care Guide that provides recommendations for maintenance of your Home. You are required to care for and perform regular maintenance on your Home in accordance with the Home Care Guide and to perform any other maintenance that a reasonable homeowner (or Association, as the case may be) should perform in the region where your Home is located.

## 3. Requesting Warranty Service

If you believe that a component of your Home is not meeting the Standards of Performance during the applicable Warranty Period, you may make a warranty request (the "Warranty Request") by logging into **www.mytollhome.com** and following the instructions. If you cannot access **www.mytollhome.com**, you may make a Warranty Request by filling out the Warranty Request form attached as Appendix B and sending the Warranty Request to the appropriate Toll Brothers division office listed in Appendix C by Certified Mail, return receipt requested. Appendix C provides the current address for each of the division offices, but please confirm the location before mailing a Warranty Request. A Warranty Request must be made in writing and submitted online through **www.mytollhome.com** or by Certified Mail. Providing notice orally in person or by telephone or electronic mail does not constitute a Warranty Request.

The Warranty Request must list the specific warranty claim and the date on which you first observed the condition for which you seek Warranty coverage. You must notify Toll Brothers of any deviation from the Standards of Performance as soon as possible and in no event later than 30 days after you become or should have become aware of the deviation from the Standards of Performance. If Toll Brothers receives the Warranty Request more than 30 days after the applicable one-year, two-year, or ten-year Warranty Period expires, regardless of when you became aware of the deviation, Toll Brothers will have no obligations under the Warranty. In the event that you fail to notify Toll Brothers and give Toll Brothers the opportunity to inspect and repair the conditions giving rise to your claim, Toll Brothers will not be responsible for any repairs or any other costs or expenses (including, but not limited to, home inspector, consultant, or design professional fees) that you incur to address the claim.

Investigating Warranty Requests often requires an inspection of the Home, and under certain circumstances, invasive testing. By submitting a Warranty Request, you agree to provide Toll Brothers and its representatives prompt and complete access to your Home during the normal business hours of 8:00 a.m. to 5:00 p.m. Monday through Friday (not including holidays) to

inspect, repair, and conduct tests as Toll Brothers deems necessary. If you refuse to allow Toll Brothers access to your Home, your Warranty Request will be deemed waived and Toll Brothers will be excused from its obligations under the Warranty.

If Toll Brothers determines that a deviation from the Standards of Performance exists, Toll Brothers will remedy the item in accordance with the remedies set forth in this Warranty. If Toll Brothers determines that any of the items that you report are not covered by the Warranty, Toll Brothers will advise you in writing of Toll Brothers' determination of no coverage.

If, after you make a Warranty Request, you believe Toll Brothers has not met its obligations under the Warranty, you may seek resolution of any claim you may have pursuant to the mandatory mediation/arbitration provisions set forth in Section 9 of this Warranty.

## 4. Your Cooperation

In order for Toll Brothers to satisfy its obligations under the Warranty and respond to your Warranty Request properly, we need your cooperation. You agree to cooperate with Toll Brothers and any third parties acting on Toll Brothers' behalf for the purpose of inspecting, investigating, testing, monitoring, repairing, replacing, or otherwise correcting a condition that deviates from the Standards of Performance. This includes providing reasonable access to the Home (as set forth above in Section 3) and providing Toll Brothers with documents and information that it may need. If you fail to cooperate or provide Toll Brothers reasonable access to the Home for the purpose of inspecting, investigating, testing, monitoring, repairing, or replacing a condition that is the subject of your Warranty Request, your Warranty Request will be deemed waived and Toll Brothers will be excused from its obligations under the Warranty.

## 5. What Is Not Covered by the Warranty

In addition to other limitations and exclusions set forth in this Warranty and the accompanying Standards of Performance, the Warranty does not provide coverage for the following items, which are specifically excluded:

a. Your failure to properly maintain the Home or the failure of any prior owner of the Home (other than Toll Brothers) to properly maintain the Home by performing regular care and maintenance of the Home.

b. Normal wear and tear or normal deterioration.

c. Any deviation from the Standards of Performance caused by, or resulting from, materials or work supplied by someone other than Toll Brothers, its agents, or subcontractors.

d. Loss of or damage to any property, fixture, structure or improvement that is not part of the Home or was not constructed by Toll Brothers. You shall be responsible for paying any costs required to remove such property, fixture, structure, or improvement if Toll Brothers deems it reasonably necessary to address a Warranty Request.

e. Loss or damage caused by a failure by you or any prior owner of the Home (other than Toll Brothers) to take timely action to mitigate a condition that you are aware of or should be aware of.

f. Damage to personal property.

g. Dampness or condensation due to the failure to maintain adequate ventilation or appropriate temperature.

h. Economic damages due to the Home's failure to meet your expectations.

i. Any non-conformity with local building codes, regulations, or requirements and any deviation from plans and specifications where the condition does not result in a deviation from the Standards of Performance and actual physical damage to the Home.

j. Any failure by Toll Brothers to complete any component of the Home when such failure is apparent and obvious.

k. Any claim for which Toll Brothers has obtained a release.

l. Any damages to, or resulting from, a swimming pool that is located either within or outside the Home as a result of its construction, placement, use, equipment or maintenance.

m. Sound transmission and sound proofing between rooms and floor levels within a single family home or within a unit in a multi-family building.

n. Any exclusions set forth in the Standards of Performance.

o. Loss or damage caused or made worse by:

   i. Failure to maintain proper temperatures (heating and cooling) and humidity within the Home.

   ii. Use of the Home for nonresidential purposes.

   iii. Installation or alteration of improvements (including, for example, drain or gutter outlets) by anyone other than Toll Brothers, or contractors or agents performing work for or on behalf of Toll Brothers, that results in surface drainage towards the Home.

   iv. Installation or alteration of improvements by anyone other than Toll Brothers, its agents, or its subcontractors, that results in improper drainage that permits water to pond or become trapped in localized areas or against the foundation of the Home.

   v. Negligence, improper maintenance, or intentional or improper operation by anyone other than Toll Brothers, its agents, or subcontractors.

   vi. Abnormal loading of structural elements by anyone other than Toll Brothers, its agents, or its subcontractors that exceeds design loads as mandated by applicable building codes.

   vii. Failure of anyone other than Toll Brothers, its agents, or its subcontractors to comply with the manufacturers' warranty requirements for appliances, equipment, or fixtures.

viii. Changes to the grading of the ground by anyone other than Toll Brothers, its agents, or its subcontractors.

ix. Failure to give timely notice to Toll Brothers of deviations from the Standards of Performance under the Warranty.

x. Failure to take timely and reasonable steps to protect and minimize damage resulting from a deviation from the Standards of Performance.

xi. Riot or civil commotion, war, vandalism, hurricane, tornado, windstorm, wind-driven rain or water, fire, explosion, power surges or failures, blasting, smoke, water escape, tidal wave, over-flow of a body of water, flood, water that backs up from sewers or drains, hail, snow, ice storm, lightning, falling trees or other objects, aircraft, vehicles, landslide, mudslide, avalanche, earthquake, volcanic eruption, or Acts of God.

xii. Abuse of your Home.

xiii. Microorganisms, fungus, decay, wet rot, dry rot, soft rot, rotting of any kind, moisture, mold, mildew, vermin, termites, insects, rodents, birds, wild or domestic animals, plants, corrosion, rust, naturally-occurring gases (such as radon and methane), radiation, formaldehyde, asbestos, any solid, liquid or gaseous pollutant, contaminant, toxin, irritant or carcinogenic substance, whether organic or inorganic, and electromagnetic field or emission, including any claim of health risk or uninhabitability based on any of the foregoing.

xiv. Costs or expenses resulting from the direction of any governmental entity to test, clean up, remove, treat, contain or monitor pollutants.

xv. Buried debris, underground springs or other water, sinkholes, mineshafts or other subsurface anomalies, not known or reasonably discoverable by Toll Brothers at the time of construction.

xvi. Changes in the level of the underground water table or water below the surface of the ground that were not reasonably foreseeable at the time the Home was constructed.

xvii. Except as provided in the Standards of Performance, defects in recreational facilities, driveways, walkways, sidewalks, concrete steps, patios, porches and stoops not structurally attached to the Home, decks and balconies that are not bolted to or cantilevered from the main structure of the Home, boundary and retaining walls, bulkheads, fences, landscaping, sodding, seeding, shrubs, trees, plantings, subsurface drainage systems (other than footer drains), lawn sprinkler systems, off-site improvements (including streets, sidewalks, and adjacent properties), or any other improvements that are not part of the Home.

xviii. Defects in detached garages or outbuildings (except those that contain plumbing, electrical, heating, cooling or ventilation systems that serve the Home and then only to the extent that the defects would affect these systems). A detached garage is one that is constructed on its own foundation, separate and apart from

the foundation of the Home. A breezeway, fence, utility line, or similar union shall not cause a garage or outbuilding to be considered attached.

xix. Except as provided in the Standards of Performance, any portion of a water supply system, private or public, including volume and pressure of water flow.

xx. Except as provided in the Standards of Performance, any portion of a sewage disposal system, public or private, including the design.

xxi. Malfunction of equipment or lines of the utility companies, including but not limited to telephone, gas, power, or water companies.

## 6. Manufacturer's Warranties on Consumer Products

Except as specifically provided in the Standards of Performance, this Warranty does not apply to any manufactured item that is a Consumer Product for purposes of the Magnuson-Moss Warranty Act (15 U.S.C. § 2301, *et seq.*). This Warranty also does not cover conditions that are caused by the failure of any such Consumer Products. Examples of Consumer Products include, but are not limited to: air conditioning equipment, air handling equipment, attic fans, boilers, carbon monoxide detectors, ceiling fans, central vacuum systems, chimes, dishwashers, electric meters, electronic air cleaners, exhaust fans, fire alarms, sprinkler systems, furnaces, garage door openers, garbage disposals, gas meters, gas or electric grills or cook-tops, heat exchangers, heat pumps, humidifiers, intercoms, oil tanks, outside lights or lights not attached to the Home, gas or electric ovens, microwave ovens, range hoods, ranges, refrigerators, freezers, security systems, sewage pumps, smoke detectors, solar collectors, solar water heaters, solar water heating panels, heaters, sump pumps, thermostats, trash compactors, clothes washers, clothes dryers, water pumps, water softeners, water heaters, whirlpool baths, and whole house fans.

Toll Brothers assigns to you at the time of closing any manufacturer's warranty that applies to any Consumer Product that Toll Brothers or its subcontractors installed in your Home. Any Consumer Product failure covered by this Section is excluded from the Warranty and covered only by a manufacturer's warranty, if any. If an issue arises with respect to any Consumer Product covered by a manufacturer's warranty, you must contact the manufacturer or supplier directly under the applicable warranty.

## 7. Emergencies

An emergency condition is an event or situation that creates the imminent threat of serious damage to the Home or results in an unsafe living condition due to a deviation from a Standard of Performance that occurs at a point in time that you are unable to obtain Toll Brothers' prior written approval to initiate repairs and prevent further damage. If an emergency condition exists that requires immediate action to protect the safety of the occupants of your Home or to prevent imminent serious damage to your Home, you must take reasonable measures to neutralize the imminent threat or unsafe living conditions (which may require partial or full repairs) until Toll Brothers has a reasonable opportunity to inspect and initiate appropriate repairs, in which case Toll Brothers will reimburse you for the reasonable cost of those required actions if they would otherwise be covered by this Warranty. You are still obligated to give Toll Brothers notice as soon as possible, even in an emergency situation, and in no event later than 5 days after any repairs are made. To obtain reimbursement, you must provide Toll Brothers with a complete and accurate written record of the repair costs. If a complete and accurate written record of the repair costs is not provided, Toll Brothers is not required to reimburse you.

## 8. Transfer to Subsequent Homeowners

All of your rights and obligations under the Warranty, including the mandatory mediation and mandatory binding arbitration provision, shall, unless they have been previously released by you or your successor, transfer to each successor owner of the Home (including any mortgagee in possession) for the remainder of the applicable Warranty Period. If you sell your Home during the term of the Warranty, you agree to give this Warranty and the Home Care Guide to the subsequent owner as part of the contract of sale of the Home. The subsequent owner must register by creating an account on **www.mytollhome.com** as a new owner no later than 60 days after the closing date for the subsequent owner's purchase of the Home. Any transfer of this Warranty to a subsequent owner shall not affect, increase or reduce the coverage provided under the Warranty. All subsequent owners of the Home are bound by the terms and conditions of the Warranty including, but not limited to, the requirement to submit any disputes that may arise to mediation and, if necessary, binding arbitration.

## 9. Resolving Disputes: Mandatory Mediation and Mandatory, Binding Arbitration

You and Toll Brothers must use the procedure set out in this Section to resolve any and all disputes that you may have with each other. Before filing a request for mediation, you must first request warranty service from Toll Brothers by submitting a Warranty Request pursuant to Section 3 of this Warranty. If you are not satisfied with Toll Brothers' response to your Warranty Request, you may file a request for mediation as set forth below. You must participate in mediation before you can file a demand for arbitration.

For the purposes of this Section of the Warranty (Section 9), "Toll Brothers" includes the entity that sold the Home to the original purchaser of the Home, Toll Brothers, Inc., Toll Bros., Inc., and their respective officers, directors, agents, employees, representatives, and parent, subsidiary, affiliate and successor entities.

### a. Mandatory Mediation

As a precondition to filing a demand for arbitration, you (on your own behalf and on behalf of all residents of the Home, including minor children) and Toll Brothers (on its own behalf and on behalf of its parent company or their respective partners, subsidiaries and affiliates) agree that any and all claims, controversies, or disputes that you have against each other arising out of or related to your Home, your purchase of the Home, this Warranty, any repair performed or payment made pursuant to this Warranty, and any other agreements, communications, or dealings between you and Toll Brothers including, but not limited to, disputes concerning breach of contract, express or implied warranties, personal injuries and/or illness, representations or omissions by Toll Brothers, on-site and off-site conditions, the purchase and sale of your Home, whether a claim is covered under the Warranty, and all other tort and statutory causes of action must be submitted to mediation. Toll Brothers may, at its sole election, include its contractors, subcontractors, vendors, suppliers, product manufacturers, insurance carriers, and design professionals as parties to the mediation.

The mediation shall be filed with and administered through either (at your election) the American Arbitration Association ("AAA") (www.ADR.org) or DeMars & Associates, Ltd. (www.demarsassociates.com). Mediation is not arbitration. In mediation, a neutral third party (the mediator) works with the parties to try to reach an agreement that will resolve a dispute. You and Toll Brothers agree to use your best, good faith efforts to resolve any disputes through mediation. If the dispute between you and Toll Brothers is not resolved within 30 days after the

first mediation session, either party may then file a demand for arbitration. Submission to mediation is a condition precedent to filing a demand for arbitration.

You and Toll Brothers agree to share the costs of the mediation equally. The party who files the request for mediation must pay any filing fee to initiate the mediation, subject to a credit in the amount of half of the filing fee that will be charged to the other party as its share of the mediation costs. You and Toll Brothers shall bear your own costs and expenses, including attorneys' fees, for any mediation. The entire mediation proceeding shall be confidential.

**b. State Procedures - Prior to Arbitration**

Certain states may require parties to take preliminary steps before they can file a claim for arbitration pursuant to the state's notice and opportunity to inspect and repair statute. Those steps may include, but are not limited to, a notice of alleged problems by the homeowner to a particular person or by specific means (such as certified mail or personal delivery). Any response by Toll Brothers to a notice that does not comply with the applicable state's legal requirements shall not be construed as a waiver of Toll Brothers' rights under applicable state law.

**Mandatory and Binding Arbitration**

If the mediation process or any applicable state procedures discussed above do not resolve the disputes between you and Toll Brothers, you and Toll Brothers agree to submit your claims to binding arbitration. Accordingly, you (on your own behalf and on behalf of all of your heirs, executors, administrators, successors, and assigns, and all residents of the Home, including minor children) and Toll Brothers (on its own behalf and on behalf of its parent company or their respective partners, subsidiaries and affiliates) agree that any and all claims, controversies, or disputes that you have against each other arising out of or related to your Home, your purchase of the Home, this Warranty, any repair or replacement performed or payment made pursuant to this Warranty, and any other agreements, communications, or dealings between you and Toll Brothers including, but not limited to, disputes concerning breach of contract, express or implied warranties, personal injuries and/or illness, representations or omissions by Toll Brothers, on-site and off-site conditions, the purchase and sale of your Home, whether a claim is covered under the Warranty, whether a claim or issue should be submitted to arbitration, and all other tort and statutory causes of action shall be resolved by binding arbitration. Toll Brothers may, at its sole election, include its contractors, subcontractors, vendors, suppliers, product manufacturers, insurance carriers and design professionals as parties to the arbitration for purposes of pursuing claims for contribution, indemnity, or any other contractual or common law form of relief. The provisions of this Section of the Warranty (Section 9) shall be governed by the Federal Arbitration Act, 9 U.S.C. §§ 1, *et seq*. If a party must resort to litigation to enforce this agreement to arbitrate disputes, then the court will award such party its court costs and reasonable attorneys' fees incurred to enforce this agreement to arbitrate.

**Binding arbitration means that, instead of suing in court, the parties agree to resolve disputes only by arbitration. You and Toll Brothers are waiving the right to a proceeding in a court of law and the right to a trial by jury. The arbitrator's decision is final and binding, and review of the arbitrator's decision is limited.**

Claims shall be submitted to AAA pursuant to its Expedited Procedures of the Commercial Arbitration Rules in effect on the date that the arbitration demand is filed. Arbitration shall be commenced by either party by filing a demand for arbitration with AAA and serving a copy of the demand on the other party. If there are no Commercial Arbitration Rules in effect on the date

that the arbitration demand is filed, then the applicable and appropriate arbitration rules in effect at AAA on the date that the arbitration demand is filed shall govern. No AAA rule shall apply if it is inconsistent with the provisions of this Warranty. If AAA is unable or unwilling to administer the arbitration, the parties will agree to an alternative arbitrator or arbitration service or, if the parties cannot agree, have a court appoint an alternative arbitrator or arbitration service, whose experience is similar to that of a AAA arbitrator. For claims relating to Toll Brothers' performance under the Warranty, the arbitrator shall consider only whether Toll Brothers is responsible for repairing an allegedly warranted item. In the event the arbitrator determines that Toll Brothers is obligated under the Warranty to remedy a deviation from the Standards of Performance, the arbitrator shall give Toll Brothers the option of satisfying an arbitration award either by making the required repair or making payment of a sum certain representing Toll Brothers' cost of such repair. The arbitrator may award actual, reasonable shelter expenses during the term of the repair only if the arbitrator makes the specific finding that repair activity renders the Home uninhabitable while repairs are being performed.

If your claim relates solely to Toll Brothers' performance under the Warranty, instead of using AAA, you may, at your election, submit your claim to DeMars & Associates, Ltd. for arbitration pursuant to its Construction Arbitration Program for Home Warranty Disputes in effect on the date that the arbitration demand is filed. Such arbitration may be commenced by filing a demand for arbitration with DeMars & Associates, Ltd., and serving a copy of the demand on Toll Brothers. If there is no Construction Arbitration Program for Home Warranty Disputes in effect on the date that the arbitration demand is filed, then the applicable and appropriate arbitration program or arbitration rules in effect at DeMars & Associates, Ltd., on the date that the arbitration demand is filed shall govern. No DeMars & Associates, Ltd. rule shall apply if it is inconsistent with the provisions of this Warranty. The arbitrator shall consider only whether Toll Brothers is responsible for repairing an allegedly warranted item. In the event the arbitrator determines that Toll Brothers is obligated under the Warranty to remedy a deviation from the Standards of Performance, the arbitrator shall give Toll Brothers the option of satisfying an arbitration award either by making the required repair or making payment of a sum certain representing Toll Brothers' cost of such repair. The arbitrator may award actual, reasonable shelter expenses during the term of the repair only if the arbitrator makes the specific finding that repair activity renders the Home uninhabitable while repairs are being performed. If DeMars & Associates, Ltd., is unable or unwilling to administer the arbitration, the parties will agree to submit the matter to AAA for arbitration as set forth above.

Timing of Arbitration Demand: Except as otherwise required by law, your arbitration demand must be received by either DeMars & Associates, Ltd., or AAA (as applicable) no later than 90 days after exhausting the mediation.

Location of Arbitration: The arbitration hearing shall take place in the county in which the Home is located.

Filing Fees and Costs of Arbitration: The party who files the arbitration demand must pay the filing fee to initiate the arbitration, subject to a credit in the amount of half of the filing fee that will be charged to the other party as its share of the arbitration costs. You and Toll Brothers agree to share any additional arbitration fees (including but not limited to the fees of the arbitrator) equally. You and Toll Brothers shall bear your own costs and expenses, including attorneys' fees, for any arbitration.

Power of Arbitrator: The arbitrator shall have the power to hear and dispose of motions, including motions to dismiss and motions for summary judgment, in the same manner as a trial

court judge. The arbitrator shall have the power to summarily decide issues of fact or law, including the availability of remedies, even if the issue decided could dispose of an entire cause of action or defense.

No Representative, Collective, or Class Action Proceedings: Any arbitration that is brought may not allow for the consolidation of more than your claims. The arbitrator may not preside over any form of representative, collective or class action proceeding, all of which are hereby expressly waived and precluded.

## 10. Limitations of Liability and General Conditions of the Warranty

**Disclaimer of Implied Warranties:** It is understood and agreed that Toll Brothers' liability, whether in contract, tort, statute, negligence or otherwise, is limited to the remedies provided in this Warranty.

**Except as prohibited by laws of the state in which the Home is located, all other warranties, express or implied, including, but not limited to, any statutory and implied warranties of habitability, merchantability, good quality, workmanship, design and construction in a good, fit, and workmanlike manner, fitness for its intended purpose, or fitness for a particular purpose as well as any implied warranties that the Home is free from faulty materials, is free from any defect resulting from noncompliance with building codes or standards, or was constructed according to sound engineering standards are hereby expressly disclaimed and waived, including with respect to latent defects.**

This Warranty replaces all such warranties. This means that this Warranty is the sole and exclusive warranty that applies to and governs your and Toll Brothers' rights and obligations related to the Home and means that there are no other warranties except as required by law. Some states do not allow the disclaimer or limitation of implied warranties, so some or all of the disclaimers and limitations listed above may not apply to you.

No Modifications: The Warranty cannot be modified, altered, or amended in any way except by a written document signed by you and Toll Brothers.

Incidental and Consequential Damages Not Covered: Toll Brothers shall not be liable for, and you expressly waive recovery of, any incidental and consequential damages that may result from the condition of any part of the Home, including, but not limited to: any diminution in fair market value of the Home before or after repairs are performed; stigma damages; lost profits; damage to personal property; attorneys', experts', and consultants' fees and costs (including the costs of inspection and investigation); lost wages for time you or any resident of the Home took off from work; and costs of food, shelter, transportation, moving and storage, relocation expenses, or rental value of the Home or any other costs due to loss of use, inconvenience, or annoyance during repairs other than as set forth in Section 1 of the Warranty. Some states do not allow the exclusion or limitation of incidental or consequential damages, so the above limitations or exclusions may not apply to you.

Not an Insurance Policy: The Warranty is not an insurance policy and Toll Brothers does not provide you any insurance through the Warranty or otherwise. You should always obtain homeowner's insurance to protect your Home, and your bank or other mortgage provider may require homeowner's insurance if you have a mortgage.

Warranty Periods Not Extended: The periods of coverage provided under the Warranty or any applicable statute of limitations or statute of repose shall not be extended by any repair, replacement, or payment made under the Warranty. There shall be no new warranty, express or implied, arising from repair work performed by or on behalf of Toll Brothers.

Previously-Known Conditions: The Warranty covers only those conditions that first occur during the term of the Warranty. In addition, any conditions that were apparent by reasonable inspection prior to closing are not covered by the Warranty unless otherwise agreed to in writing by Toll Brothers.

Applicable Law: The law of the state where the Home is located shall govern this Warranty.

Severability: If any provision of the Warranty is determined to be unenforceable under applicable law, such determination shall not affect the validity of the remaining provisions of the Warranty.

Subrogation: If Toll Brothers or someone acting on Toll Brothers' behalf makes a repair, replacement, or payment under this Warranty, Toll Brothers shall be subrogated to all of your rights of recovery therefore against any potentially responsible person or entity and you agree to execute and deliver any and all instruments and papers and to take any and all other actions necessary to secure such rights. You have an obligation to cooperate with Toll Brothers if Toll Brothers exercises these rights. You agree that you shall do nothing to prejudice Toll Brothers' rights of subrogation.

## 11. State or Region Specific Provisions

The state specific provisions below apply only if your Home is located in the specific state or region identified.

California: Nothing in this Warranty shall diminish any rights, obligations or remedies that you or Toll Brothers may have under California Civil Code Sections 895 et seq. (the "California Right of Repair Act").

This Warranty is not intended to be a Builder's Enhanced Protection Agreement, as permitted by the California Right to Repair Act. If this Warranty is in any way deemed to limit the application or reduce the protection of the California Right to Repair Act, the provisions of the California Right to Repair Act shall control and shall supersede any term, condition, provision, definition, limitation, exclusion, right, duty,or requirement stated in this Warranty.

As allowed by the California Right to Repair Act, Toll Brothers has elected to use certain procedures for the resolution of construction defect claims regarding your Home that are set forth in the Individual Dispute Resolution Agreement for your Home, as described in the Dispute Resolution and Title 7 Addendum to your agreement to purchase the Home ("Right to Repair Claims Procedure"). Providing Toll Brothers with a Warranty Request under this Warranty does not constitute a "Notice of Claim" under the Right to Repair Claims Procedure in the Individual Dispute Resolution Agreement or a claim under the California Right to Repair Act. If you are electing to use the Right to Repair Claims Procedure in the Individual Dispute Resolution Agreement, the dispute resolution procedures in this Warranty do not apply and you must comply with the claims procedure in the Individual Dispute Resolution Agreement. The reporting and notice procedures set forth in this Warranty apply solely to covered claims under this Warranty and do not in any way constitute any election to use or commencement of the Right to Repair Claims Procedure.

Notwithstanding Section 9.c., for arbitrations initiated in California, Toll Brothers shall be responsible for the arbitration fees necessary to initiate the arbitration. You and Toll Brothers agree to share any additional arbitration fees (including but not limited to the fees of the arbitrator) equally. You and Toll Brothers shall bear your own costs and expenses, including attorneys' fees, relating to any arbitration. If a party must resort to litigation to enforce the agreement to arbitrate, then each party shall bear their own court costs and attorneys' fees incurred to enforce the agreement to arbitrate notwithstanding the last sentence of the first paragraph of Section 9.c.

Colorado: The Limitation of Liability set forth as Section 10 of the Warranty is applicable only to claims asserting a breach of the Warranty. The Limitation of Liability does not apply to any other claim or action for damages, indemnity, or contribution brought against Toll Brothers by you with respect to a claim, counterclaim, cross-claim, or third-party claim for damages or loss to, or the loss of use of, real or personal property, or personal injury caused by a defect in the design or construction of the Home. Such other claims or actions shall be subject to and governed by the Construction Defect Action Reform Act, C.R.S. 13-20-801 *et seq.*, and shall be subject to the requirement to mediate and arbitrate claims as provided in Section 9 of the Warranty. Except for claims asserting a breach of the Warranty, nothing in this Warranty is intended to constitute a waiver of, or limitation on (1) the legal rights, remedies, or damages provided by the Construction Defect Action Reform Act, C.R.S. 13-20-801 *et seq.*, or provided by the Colorado Consumer Protection Act, Article 1 of Title 6, C.R.S., as described in the Construction Defect Action Reform Act, or (2) the ability to enforce such legal rights, remedies, or damages within the time provided by applicable statutes of limitation or repose.

Maryland: The Warranty is intended to meet or exceed the terms and rights available under Maryland Code § 10-601, *et seq.* Where the statutory coverage provides greater coverage than the Warranty, the statutory coverage shall apply. During the first year of your Home's Warranty period, subject to all applicable exclusions contained in this Warranty, where a specific standard is not specified in the Standards of Performance and a performance guideline applicable to an otherwise covered item is contained in the Residential Construction Performance Guidelines published by the National Association of Home Builders (in effect at the time of the Sales Agreement), that performance guideline shall be used to determine Toll Brothers' responsibility for the alleged condition.

Montgomery County, Maryland: (applicable only if your Home is located in Montgomery County, Maryland). The Warranty is intended to meet or exceed the terms and rights available under the Montgomery County Code. Where the Montgomery County Code provides greater coverage than the Warranty, the Code shall apply. On November 18, 1986, Montgomery County, Maryland, enacted Executive Regulations prescribing the form and coverage of minimum warranty standards on all new homes sold in that county. The Executive Regulations took effect on December 18, 1986. Should the provisions of this Warranty be more rigid or less rigid than those enacted by Montgomery County, Maryland, the more rigid requirements shall apply wherever they are in conflict.

Minnesota: The Warranty is intended to meet or exceed the terms and rights available under Minn. Stat. 327A.01. Where the statutory coverage provides greater coverage than the Warranty, the statutory coverage shall apply.

All references to "30 days" in Section 3 above are changed to "six months."

New York:

The Warranty is intended to meet or exceed the terms and rights available under New York State's General Business Law Article 36-B. Should the Standards of Performance be found not to equal or exceed the performance standards of those enacted by the State of New York, then the performance standards enacted by the State of New York as specified by New York State's General Business Law Article 36-B shall apply. Specifically, to the extent the Warranty and Performance Standards do not equal or exceed the performance standards of those enacted by the State of New York, the Warranty and Performance Standards are modified as follows: (A) one year from and after the Warranty Start Date the home will be free from defects due to a failure to have been "constructed in a skillful manner"; (B) two years from and after the Warranty Start Date the plumbing, electrical, heating, cooling and ventilation systems of the Home will be free from defects due to a failure by the builder to have installed such systems in a skillful manner; and (C) six years from and after the Warranty Start Date the Home will be free from "material defects." For purposes of this addendum only, "constructed in a skillful manner" means that workmanship and materials meet or exceed the specific standards of the applicable building code. When the applicable building code does not provide a relevant specific standard, such term means that workmanship and materials meet or exceed the standards of locally accepted building practices. For purposes of this addendum only, "material defects" means actual physical damage to the following load-bearing portions of the Home which affects their load-bearing functions to the extent that the Home becomes unsafe, unsanitary or otherwise unlivable: foundation systems and footings, beams, girders, lintels, columns, walls and partitions, floor systems, and roof framing systems.

As long as the laws of the State of New York preclude an agreement for binding arbitration between the parties, you are not required to submit disputes related to or arising out of this Warranty to the Mandatory Mediation and Mandatory, Binding Arbitration procedure contained in Section 9 of the Warranty.

Texas: The Warranty is intended to meet or exceed the terms and rights available under section 430.001 *et seq.* of the Property Code and regulations on performance standards found in Title 10, Chapter 304 of the Texas Administrative Code. The Warranty will provide the greater of the coverage of the Warranty or the Texas warranties and building and performance standards whenever there is a conflict between them.

Virginia: As used in Section 9, above, all references to "the American Arbitration Association" or "AAA" are changed to "The McCammon Group".

| Type of Material or area of YOUR HOME | Specific item or work | Condition | Warranty Period (Year(s)) | OUR Responsibility | YOUR Responsibility |
|---|---|---|---|---|---|
| **Appendix A** | | | | | |
| A. Site Work | 1. Site Grading | a. settling of ground around foundation, utility trenches or other filled areas does not allow water to drain away from home | 1 | **WE** will fill excessively settled areas which affect the proper drainage. | Remove and replace shrubs, sod or other landscaping affected by the placement of the fill. |
| | 2. Site Drainage | a. improper drainage of the site | 1 | **WE** will establish the proper grades and swales (sloped low areas) for water to properly drain away from the **HOME**. Where lot lines permit, the protective slope will be 6 inches in 10 feet around the foundation. Water will not stand or pond in crawl spaces. Water will not stand or pond within 10 feet of the home for extended periods after a rain (usually not more than 24 hours). For swales which drain other areas or where sump pumps discharge; a longer time is not unusual (48 hours). It is normal for water to stand after a heavy rainfall. **WE** will not make grading or ponding determinations while there is frost or snow on the ground, or while the ground is saturated or frozen. | Maintain the grades and swales after they have been properly established by **US**.<br><br>Insure established drainage patterns are not impeded by landscaping, decking, patios, pools, driveways, walls, etc. which **YOU** install. Do not change the grade of the soil away from the foundation by building planters, raised beds, or other blocking construction. Damage caused by changes in drainage and grading is not covered. |
| A. Site Work (cont'd) | 2. Site Drainage (cont'd) | a. improper drainage of the site (cont'd) | | | Where a sump pit has been installed by **US** but the sump pump was not |

| Type of Material or area of YOUR HOME | Specific item or work | Condition | Warranty Period (Year(s)) | OUR Responsibility | YOUR Responsibility |
|---|---|---|---|---|---|
| | | | | | contracted for or installed by **US**, **YOU** must first install a properly sized pump to determine whether this will correct the condition. |
| B. Concrete | 1. "Poured" concrete | a. cracks in basement or foundation walls | 1 | Shrinkage cracks are common in concrete foundation walls. **WE** will repair all cracks more than 1/8" wide. | |
| | | b. cracks in basement floor | 1 | Minor cracks in basement floors are normal. **WE** will repair cracks more than 3/16" wide or 1/8" in vertical displacement. | |
| | | c. cracks in slab in attached garage | 1 | **WE** will repair cracks in garage slabs more than 1/4" wide or 1/4" in vertical displacement. | |
| | | d. uneven concrete floors or slabs | 1 | Concrete floors in rooms designed for habitability (as living space) will not have pits, depressions, or raised surfaces greater than 1/4" in 30". **WE** will repair these defects. | |
| B. Concrete (cont'd) | 1. "Poured" concrete (cont'd) | e. cracks in concrete slab-on-grade floors under finished flooring | 1 | **WE** will repair cracks which rupture the finished flooring material so the cracks are not readily apparent when the finished flooring material is in place. (See also Standard G., "Finishes.") | |

| Type of Material or area of YOUR HOME | Specific item or work | Condition | Warranty Period (Year(s)) | OUR Responsibility | YOUR Responsibility |
|---|---|---|---|---|---|
| | | f. pitting, scaling or spalling (flaking, chipping) of concrete surfaces covered by the warranty | 1 | It is normal for some minor chipping of the surface to occur. Concrete surfaces should not disintegrate so that the aggregate is exposed and loosened under normal use and weather conditions. **WE** will repair concrete surfaces. **WE** are not responsible for deterioration caused by salt, chemicals, mechanical implements or other factors beyond **OUR** control. | Avoid damaging concrete with salt, chemicals, mechanical equipment, etc. |
| | | g. settling, heaving or separating of stoops, steps or garage floors | 1 | Stoops, steps or garage floors will not settle, heave or separate more than 1" from the **HOME**. **WE** will repair these deficiencies. | |
| | | h. standing water on stoops | 1 | Water shall drain from outdoor stoops and steps. However, it is normal for small amounts of water to stand on stoops for short periods after it rains. **WE** will correct any improper drainage. | |
| C. Masonry | 1. Unit Masonry | a. cracks in masonry basement or foundation walls | 1 | Cracks up to 1/8" wide are not unusual in mortar joints of masonry foundation walls. **WE** will repair cracks more than 1/8" wide. | |

| Type of Material or area of YOUR HOME | Specific item or work | Condition | Warranty Period (Year(s)) | OUR Responsibility | YOUR Responsibility |
|---|---|---|---|---|---|
| | | b. cracks in masonry or veneer walls | 1 | Cracks up to 3/8" wide due to shrinkage are common in mortar joints in masonry construction. **WE** will repair cracks more than 3/8" wide. **WE** will not be responsible for any difference in the color of the old and new mortar. | |
| D. Wood & Plastic | 1. Rough carpentry | a. squeaking floors or subfloors that appear loose | 1 | These conditions are often temporary in new homes. **WE** will correct these conditions only if they are caused by underlying defects in construction. A squeak proof floor cannot be guaranteed. | |
| | | b. uneven wood floors | 1 | **WE** will repair any floors that have more than 1/4" ridge or depression within any 30" measurement when measured in any direction to the joists. | |
| D. Wood & Plastic (cont'd) | 1. Rough carpentry (cont'd) | c. bowed walls or other interior exposed surfaces | 1 | All interior and exterior walls have slight variances on their finished surfaces. Bowing of walls will not detract from or blemish the wall's finished surface. **WE** will repair any walls which bow more than 3/8" out of line within any 30" horizontal or vertical measurement taken a | |

| Type of Material or area of YOUR HOME | Specific item or work | Condition | Warranty Period (Year(s)) | OUR Responsibility | YOUR Responsibility |
|---|---|---|---|---|---|
| | | | | minimum of 16" from any sheetrock corner or opening. | |
| | | d. out-of-plumb walls | 1 | **WE** will repair any walls that are more than 1/4" out-of-plumb for any 30" vertical measurement. | |
| | 2. Kitchen cabinets | a. warped kitchen cabinets | 1 | **WE** will repair any doors or drawer fronts that are warped more than 1/4". This condition is measured by closing the drawer or door and measuring from the face frame to the point of furthermost warpage. **WE** are not responsible for matching cabinet finishes. | |

| **Type of Material or area of YOUR HOME** | **Specific item or work** | **Condition** | **Warranty Period (Year(s))** | **OUR** Responsibility | **YOUR** Responsibility |
|---|---|---|---|---|---|
| D. Wood & Plastic (cont'd) | 2. Kitchen cabinets (cont'd) | b. gaps between the cabinets, or between the cabinets, ceiling, or walls | 1 | **WE** will correct any gap that is more than 1/4" wide. | Do not overload cabinets. |
| | | c. split in panels of a cabinet door | 1 | If light is visible through the split in a panel, **WE** will repair the panel. | |
| | 3. Countertops | a. Separation from wall | 1 | **WE** will repair the crack. Caulking is acceptable. **WE** will repair only once after closing or first occupancy, whichever occurs first. | |
| | 4. Interior finish carpentry (trim inside the home) | a. Trim/molding has open joints between moldings and the surface areas to which the moldings are attached | 1 | **WE** will repair open joints in moldings or between moldings and surfaces if the gaps are more than 3/16" wide. Caulking is acceptable. | |

| Type of Material or area of YOUR HOME | Specific item or work | Condition | Warranty Period (Year(s)) | OUR Responsibility | YOUR Responsibility |
|---|---|---|---|---|---|
| D. Wood & Plastic (cont'd) | 5. Exterior finish carpentry (wood siding, or masonry trim on the outside of the home) | a. Trim has open joints between pieces of trim, including siding and masonry | 1 | **WE** will repair any open joints that are more than 3/8" wide or which do not keep out the elements. Caulking is acceptable. | Maintain exterior finish by caulking and painting. |
| | 6. Exterior siding | a. inadequate clearance between exterior siding and finished grade | 1 | **WE** will insure there is a 6" clearance between siding and finished grade at the time of closing or first occupancy whichever occurs first. | Maintain a 6" clearance between siding and finished grade. |
| E. Thermal and moisture protecting materials | 1. Waterproofing | a. leaks in basement | 1 | Dampness on the walls or floors in the basement is not a defect. However, if water is actually trickling into the basement, **WE** will repair the leaks. | Maintain proper grades and drainage around the home and landscape properly to avoid water problems in the home. |
| | 2. Insulation | a. insufficient insulation | 1 | **WE** will insulate the home as required to meet local energy and building requirements or, as applicable, FHA or VA requirements. Insulation does not render a wall or room soundproof. | |

| Type of Material or area of YOUR HOME | Specific item or work | Condition | Warranty Period (Year(s)) | OUR Responsibility | YOUR Responsibility |
|---|---|---|---|---|---|
| E. Thermal and moisture protecting materials (cont'd) | 3. Louvers and vents | a. rain or snow leaks into the attic through louvers and vents | 0 | Homes must have louvers and vents for proper ventilation. Rain or snow will sometimes come through these openings. | |
| | 4. Roofing and siding | a. ice build-up on roof | 0 | During prolonged cold spells, ice is likely to build up on the eaves of the roof. This build-up will occur when snow and ice accumulate and gutters and downspouts freeze up. | |
| | | b. leaks in roof or flashing | 1 | **WE** will repair roof or flashing leaks. Leaks caused by ice build-up are not **OUR** responsibility. | Clean leaves from valleys, gutters and downspouts. |
| | | c. standing water on a flat roof | 1 | It is not unusual for minor ponding to occur on a flat roof for up to 24 hours after a rainfall. However, if water is not draining properly, **WE** will correct the drainage. **WE** are not responsible if the roof was specifically designed to retain water. | |
| E. Thermal and moisture protecting materials (cont'd) | 4. Roofing and siding (cont'd) | d. delamination of veneer siding or joint separation | 1 | All siding will be installed so that it meets the manufacturer's standards and industry standards and is sufficiently painted or protected. **WE** will repair or replace any siding that delaminates or separates. **WE** will only paint new materials as part of the repair. The paint may not be an exact match to the | Protect the siding from damage, such as leaning heavy objects against siding, ball dents and water from sprinklers striking the siding.<br><br>Annually, seal or recaulk siding. |

| Type of Material or area of YOUR HOME | Specific item or work | Condition | Warranty Period (Year(s)) | OUR Responsibility | YOUR Responsibility |
|---|---|---|---|---|---|
| | | | | original colors. | |
| | | e. wood siding | 0 | Gaps on end and side edge may occur due to normal expansion and contraction. **WE** cannot control wood expansion and contraction. | |
| | 5. Sheet metal | a. leaks in gutters and/or down-spouts | 1 | Gutters and downspouts might overflow during heavy rains. They should not leak at connections. **WE** will repair leaks. | Keep leaves and debris out of gutters to allow water to flow properly.<br><br>Do not lean ladders against gutters and downspouts. |
| E. Thermal and moisture protecting materials (cont'd) | 5. Sheet metal (cont'd) | b. standing water in gutters | 1 | It is common practice to install gutters approximately level, resulting in small amounts of water standing in a gutter after a rain. If the water is more than 1" deep in a gutter and the gutter is not clogged with debris, **WE** will repair the gutter so that water can drain properly. | Keep leaves and debris out of gutters to allow water to flow properly. |

| Type of Material or area of YOUR HOME | Specific item or work | Condition | Warranty Period (Year(s)) | OUR Responsibility | YOUR Responsibility |
|---|---|---|---|---|---|
| | 6. Sealants | a. leaks in exterior (outside) walls because caulking is inadequate | 1 | If water enters the home, **WE** will repair leaking joints or cracks in the exterior wall surface, around openings and flashings one time only. | Properly installed caulking may shrink. **YOU** must maintain caulking during the life of the home. |
| F. Doors and windows | 1. Wood and plastic doors | a. outside doors are warped | 1 | **WE** will repair any doors that warp to the extent that they satisfy one of the following:<br>- they no longer work;<br>- they are no longer weather resistant; or<br>- they warp more than 1/4", measured diagonally from corner to corner. **WE** will refinish any new doors to match other doors as closely as possible. | If **YOU** paint outside doors, doors must be properly prepared. |
| F. Doors and windows (cont'd) | 1. Wood and plastic doors (cont'd) | b. inside doors or closet doors are warped | 1 | **WE** will repair any doors that warp more than 1/4", measured diagonally from corner to corner. In the event **WE** install a new door, **WE** will finish new doors to match other doors as closely as possible. | |
| | | c. panels in doors shrink so that raw wood edges show | 0 | It is normal for panels to shrink. | |
| | | d. split in panels of a door | 1 | If light is visible through the split in a panel, **WE** will repair the panel. **WE** will make this repair only once after closing or first occupancy, whichever occurs first. | |

| Type of Material or area of YOUR HOME | Specific item or work | Condition | Warranty Period (Year(s)) | OUR Responsibility | YOUR Responsibility |
|---|---|---|---|---|---|
| | 2. Garage doors on garages that are attached to the home | a. garage doors do not opera1te properly | 1 | If garage doors do not operate properly under normal use, **WE** will adjust or correct them. If **YOU** install a garage door opener, **WE** are no longer responsible for the operation of the garage door. | Keep all movable parts lubricated. |
| F. Doors and windows (cont'd) | 2. Garage doors on garages that are attached to the home (cont'd) | b. rain or snow leaks through garage doors | 1 | Garage doors will be installed in accordance with manufacturer's specifications. **WE** will repair leaks resulting from a failure to properly install the garage doors. During severe weather conditions, some leakage may be normal. | |
| | 3. Wood, plastic, and metal windows | a. windows do not function properly | 1 | **WE** will correct the windows so that they are relatively easy to operate. | Keep tracks and rollers cleaned, lubricated and adjusted. |
| | | b. condensation and/or frost on inside surfaces of windows | 0 | Condensation may occur on the interior window surfaces with extremes in temperature and humidity. Individual living habits can impact humidity levels. These conditions are beyond **OUR** control and **WE** have no responsibility. | If a humidifier is installed, **YOU** must follow the manufacturer's recommendations for proper setting of the humidistat. |

| Type of Material or area of YOUR HOME | Specific item or work | Condition | Warranty Period (Year(s)) | OUR Responsibility | YOUR Responsibility |
|---|---|---|---|---|---|
| | 4. Weather stripping and seals | a. air leaks in around doors and windows | 1 | Doors and windows will be installed in accordance with the manufacturer's standards. If air comes in because doors, windows, or weatherstripping were fitted poorly, **WE** will repair the improperly fitted doors, windows, or weatherstripping. | If **YOU** live in an area with high winds, storm doors and windows may be installed. |
| F. Doors and windows (cont'd) | 5. Sliding doors | a. sliding doors do not operate properly | 1 | Sliding doors will be installed in accordance with the manufacturer's specifications. **WE** will repair inoperative sliding doors. | Keep tracks and rollers cleaned, lubricated, and adjusted. |
| | 6. Glass | a. broken glass | 0 | **WE** will repair broken glass reported to **US** prior to closing or at first occupancy, whichever occurs first. | Report to **US** all broken glass prior to closing or at first occupancy, whichever occurs first. |
| | 7. Hardware | a. locks on doors or windows do not operate properly | 1 | **WE** will repair any hardware which does not meet manufacturer's standards. | |
| G. Finishes | 1. Lath and plaster | a. cracks in inside walls and ceilings | 1 | Cracks in inside walls and ceilings are not unusual. **WE** will repair all cracks that are more than 1/8" wide. **WE** will repair these cracks only once after closing or first occupancy, whichever occurs first. | |

| Type of Material or area of YOUR HOME | Specific item or work | Condition | Warranty Period (Year(s)) | OUR Responsibility | YOUR Responsibility |
|---|---|---|---|---|---|
| | 2. Gypsum wallboard | a. nail pops and blisters in tape on inside walls and ceilings | 0 | Nail pops and blisters in tape are common in gypsum wallboard installation and are considered acceptable. **WE** will however correct any of these imperfections which are noted during a pre-settlement walk through prior to closing. | It is strongly recommended that no custom color/custom paint including but not limited to matte, semi-gloss, and/or "custom" finishes be installed until after one year of occupancy. |
| G. Finishes (cont'd) | 2. Gypsum wallboard (cont'd) | b. cracks due to settlement, movement, and shrinkage of the home | 1 | If the wallboard has cracks that are more than 1/8" wide, **WE** will repair these cracks only once after closing. | |
| | 3. Ceramic tile | a. chips or cracks in floor, counter or wall tile | 0 | **WE** will replace cracked or chipped tiles reported to **US** prior to closing or at first occupancy. **WE** will not be responsible to match the tile patterns or color between the old and the new tile and grout. | Report to **US** all cracked or chipped tiles prior to closing or at first occupancy, whichever occurs first. |
| | | b. loose floor, counter or wall tile | 1 | **WE** will resecure loose tiles. | |
| | | c. cracks in grouting of ceramic tile joints or at junctions between tiles and other materials (e.g., between tiles and bathtub) | 1 | Cracks in grouting of ceramic tile joints are commonly caused by normal shrinking of the grouting. **WE** will repair cracks that are more than 1/8" wide only once after closing or first occupancy. **WE** will not be responsible for discontinued grout or for differences in color between the old and the new grout. | Regrout cracks during the lifetime of the home. |

| Type of Material or area of YOUR HOME | Specific item or work | Condition | Warranty Period (Year(s)) | OUR Responsibility | YOUR Responsibility |
|---|---|---|---|---|---|

| Type of Material or area of YOUR HOME | Specific item or work | Condition | Warranty Period (Year(s)) | OUR Responsibility | YOUR Responsibility |
|---|---|---|---|---|---|
| G. Finishes (cont'd) | 4. Finished wood floors | a. cracks between the floor boards | 1 | **WE** will repair all cracks that are more than 3/16" wide. | |
| | 5. Resilient flooring or floor covering | a. nail pops on surface of resilient floor covering | 1 | **WE** will repair any nail pops that break the surface of the flooring. | |
| | | b. depressions or ridges in resilient flooring because the subfloor is irregular | 1 | **WE** will repair any ridges or depressions which are readily apparent and which are more than 1/8" high or deep. The ridge or depression measurement is the gap created at one end of a 6" straight-edge placed over the depression or ridge with 3" of the straightedge on one side of the defect, held tightly to the floor. **WE** will not be responsible to match the old and the new flooring. | |
| | | c. resilient flooring lifts, bubbles, or becomes unglued | 1 | **WE** will repair these defects. | |
| | | d. visible seams or shrinkage gaps at joints of resilient flooring | 1 | If the gaps are more than 1/8" wide between pieces of resilient flooring, **WE** will repair them. If the gaps between flooring and other materials are more than 1/8" wide, **WE** will repair the affected area only. | |

| Type of Material or area of YOUR HOME | Specific item or work | Condition | Warranty Period (Year(s)) | OUR Responsibility | YOUR Responsibility |
|---|---|---|---|---|---|
| G. Finishes (cont'd) | 5. Resilient flooring or floor covering (cont'd) | e. cuts and gouges | 0 | **WE** will repair cuts and gouges reported to **US** prior to closing or at first occupancy, whichever occurs first. | Report to **US** prior to closing or at first occupancy, whichever occurs first. |
| | 6. Paint, stain, or varnish | a. deteriorating, fading, or peeling of outside paint | 1 | Fading of a paint or stain is normal and not considered a defect. The amount of fading will depend on the climate where the home is located and the exposure of the home. **WE** will repair paint, stain or varnish which peels or deteriorates. **WE** will properly prepare and refinish any areas that are affected. | |
| | | b. painting made necessary by other repair work | 1 | If painting is required because of other repair work, **WE** will paint to match surrounding areas as closely as possible. | |
| | | c. deteriorating varnish or lacquer finish on outside woodwork | 0 | Varnish or lacquer on outside woodwork deteriorates quickly and is not covered. | |
| | | d. deteriorating varnish or lacquer finish on inside woodwork | 1 | **WE** will retouch areas of the woodwork where the finish has deteriorated. **WE** will make this repair only once after closing or first occupancy, whichever occurs first. | |

| Type of Material or area of YOUR HOME | Specific item or work | Condition | Warranty Period (Year(s)) | OUR Responsibility | YOUR Responsibility |
|---|---|---|---|---|---|
| G. Finishes (cont'd) | 6. Paint, stain, or varnish (cont'd) | e. mildew or fungus on painted surfaces | 0 | **WE** will remove mildew or fungus reported to **US** prior to closing or first occupancy. Mildew or fungus may form on painted surfaces over time because of warmth and moisture. | Report to **US** prior to closing or at first occupancy, whichever occurs first.<br><br>Clean mildew or fungus regularly from exterior or interior surfaces. |
| | | f. deteriorating, fading, or peeling of interior paint | 1 | Interior painted surface should not deteriorate, fade, or peel. **WE** will touch-up only the affected areas one time after closing or first occupancy, whichever occurs first. | Maintain interior paint per manufacturer's specifications. |
| | 7. Wall coverings | a. peeling wall covering | 1 | **WE** will repair wall covering which peels within the first year. | |
| | | b. mismatched edges of wall covering, pattern mismatch, and open seams | 0 | **WE** will repair these conditions when reported to **US** prior to closing or at first occupancy, whichever occurs first. | |
| | 8. Carpeting | a. open seams in carpeting | 1 | Visible carpet seams are not a defect. **WE** will repair any openings or gaps in the seams. | |
| G. Finishes (cont'd) | 8. Carpeting (cont'd) | b. wall-to-wall carpeting comes up, is loose or stretched | 1 | If **WE** originally installed wall-to-wall carpeting as a primary floor covering, **WE** will re-attach or re-stretch any of the carpeting that has loosened from the material to which it was attached. | |

| Type of Material or area of YOUR HOME | Specific item or work | Condition | Warranty Period (Year(s)) | OUR Responsibility | YOUR Responsibility |
|---|---|---|---|---|---|
| | | c. spots or minor fading on carpet | 0 | Spots and/or minor fading can occur naturally when a carpet is exposed to light. **WE** have no responsibility for this condition. | |
| | 9. Stucco | a. cracks in outside stucco walls | 1 | Cracks are not unusual in the surfaces of outside stucco walls. **WE** will repair one time only, any cracks that are more than 1/8" wide. | |
| | 10. Marble and stone products, real or synthetic, plastic laminate, porcelain, and fiberglass | a. blemishes, scratches, stains, nicks, or chips | 0 | **WE** will repair blemishes, stains, scratches, nicks, or chips reported to **US** prior to closing or at first occupancy, whichever occurs first. **WE** are not responsible for discontinued patterns or for differences in color between old and new. | Report to **US** prior to closing or at first occupancy, whichever occurs first. |
| H. Louvers, vents, and fireplaces | 1. Louvers and vents | a. inadequate ventilation of crawl spaces | 1 | **WE** will repair the louvers and vents so that they provide proper ventilation. **WE** will not be responsible for problems caused by changes made to the original ventilation system. | |
| H. Louvers, vents, and fireplaces (cont'd) | 2. Fireplaces and chimneys | a. improper drawing of fireplace or chimney | 1 | A number of items can cause temporary negative draft situations in a fireplace or chimney. These include high winds, obstructions such as large branches or trees too close to the chimney, or tight insulation and weatherproofing throughout the house. **WE** will not be responsible for these problems. If | Insure there is sufficient fresh air make-up for the flue to draw properly. Before the beginning of the season that **YOU** will use the fireplace, look for any obstructions and clear prior to use. |

| Type of Material or area of YOUR HOME | Specific item or work | Condition | Warranty Period (Year(s)) | OUR Responsibility | YOUR Responsibility |
|---|---|---|---|---|---|
| | | | | the draft problem is caused by improper installation, **WE** will repair the problem. | |
| | | b. separation of chimney from the structure to which it is attached | 1 | It is not unusual for a new chimney to separate slightly from the structure to which it is attached. **WE** will repair any chimney that has separated from the home more than 1/2" in any 10 feet vertical measurement. | |
| | | c. firebox (area where combustion takes place) finish has changed | 0 | The heat from a fire can naturally change any finish on the firebox. This condition is not covered. | |
| | | d. cracks in firebrick (brick that lines the fireplace) and mortar joints | 0 | Roaring fires can naturally cause this cracking. This condition is not a deficiency. | |

| Type of Material or area of YOUR HOME | Specific item or work | Condition | Warranty Period (Year(s)) | OUR Responsibility | YOUR Responsibility |
|---|---|---|---|---|---|
| I. Mechanical systems | 1. Plumbing, water supply, and septic systems | a. plumbing pipes have frozen and burst | 1 | Drain, waste, vent, and water pipes will be adequately protected to prevent freezing as required by the applicable plumbing requirements for normally anticipated cold weather and in accordance with the design temperatures established by the American Society of Heating, Refrigerating, and Air Conditioning Engineers (ASHRAE). **WE** will repair any pipes not meeting the ASHRAE standards. | Drain water pipes and outside faucets when they are exposed to freezing temperatures. |
| | | b. leaks in faucets or valves | 1 | **WE** will repair or replace any faucets or valves that leak due to deficiencies in workmanship or materials. | |
| | | c. deficiencies in plumbing fixtures, appliances, or trim fittings | 1 | **WE** will repair any fixture, appliance, or fitting which does not meet the manufacturer's standards. | |
| | | d. noisy water pipes | 1 | Some noise in the water pipes is natural and comes from the flow of water and from the pipes expanding. If there is a pounding noise from improperly anchored pipes, **WE** will repair. | |
| I. Mechanical systems (cont'd) | 1. Plumbing, water supply, and septic systems (cont'd) | e. leaks in pipes | 1 & 2 | **WE** will repair any leaks in the drain, waste, vent or water pipes. Condensation on pipes is not the same as a leak, and is not a deficiency. | |

| Type of Material or area of YOUR HOME | Specific item or work | Condition | Warranty Period (Year(s)) | OUR Responsibility | YOUR Responsibility |
|---|---|---|---|---|---|
| | | f. stopped up sewers, fixtures, and drains | 1 & 2 | **WE** will repair all sewers, fixtures, and drains that are clogged because of defects in construction. **WE** are not responsible for any deficiency which is not construction related, including any failure of municipal systems. | If sewers, fixtures, and drains are clogged because of **YOUR** actions, then **YOU** will pay the cost of repairing them. |
| | | g. water supply system does not deliver water | 1 & 2 | **WE** are responsible for connecting all on-site service to municipal water mains and to private water supplies. **WE** are also responsible for making sure that an individual well on-site is installed to comply with all building and plumbing requirements. **WE** will repair problems caused by deficiencies in workmanship and materials. **WE** are not responsible for water quality. **WE** are not responsible for problems caused by conditions beyond **OUR** control. | |

| Type of Material or area of YOUR HOME | Specific item or work | Condition | Warranty Period (Year(s)) | OUR Responsibility | YOUR Responsibility |
|---|---|---|---|---|---|
| I. Mechanical systems (cont'd) | 1. Plumbing, water supply, and septic systems (cont'd) | h. septic tank, distribution box and pump do not meet state, county or local requirements | 1 & 2 | Septic tank will meet state, county, or local requirements. **WE** will repair any septic system that cannot properly handle the normal flow of household waste because of defects in workmanship or materials. **WE** are not responsible for conditions beyond **OUR** control, such as freezing, saturated soil, an increase in the elevation of the water table, excessive use of the system, or limitations established by the local governing agency. | Properly maintain the septic tank system to include proper grades, landscaping, and protection from vehicular traffic or excessive weight which would result in soil compaction. Tanks may need to be pumped during periods of excessive use or extended rainfall. |
| | | i. septic drain fields | 1 & 2 | Septic drain fields will meet state, county, or local requirements. **WE** will repair any septic drain fields that cannot properly handle the normal flow of household waste because of defects in workmanship or materials. **WE** are not responsible for conditions beyond **OUR** control, such as freezing, saturated soils, increase in elevation of the water table, excessive use of the system, or limitations established by the local governing agency. | |

| Type of Material or area of YOUR HOME | Specific item or work | Condition | Warranty Period (Year(s)) | OUR Responsibility | YOUR Responsibility |
|---|---|---|---|---|---|
| I. Mechanical systems (cont'd) | 2. HVAC system | a. inadequate heating | 1 | Heating system is designed to maintain an indoor temperature of 70º F. The temperature is measured in the center of each room at a height of 5 feet above the floor (under local outdoor winter design conditions as specified in the ASHRAE handbook). Federal, state, or local energy requirements take precedence.<br><br>**WE** will repair the heating system so that it provides the required temperature. | Balance dampers and registers and make other minor adjustments for change of seasons.<br><br>Maintain unit per manufacturer's specifications. |
| | | b. leaks in refrigerant lines | 1 & 2 | **WE** will repair all leaking refrigerant lines and will recharge the unit, unless **YOU** caused the damage. | |

| Type of Material or area of YOUR HOME | Specific item or work | Condition | Warranty Period (Year(s)) | OUR Responsibility | YOUR Responsibility |
|---|---|---|---|---|---|
| I. Mechanical systems (cont'd) | 3. Refrigeration | a. inadequate air conditioning | 1 | Cooling system is designed to maintain an indoor temperature of 78º F. The temperature is measured in the center of each room at a height of 5 feet above the floor (under local out-door summer design conditions as specified in ASHRAE handbook). If the temperature outside is above 95ºF, cooling system must be able to maintain an inside temperature that is 15º below the outside temperature. Federal, state, or local energy requirements take precedence. **WE** will repair the cooling system so that it provides the required temperature. | Balance dampers and registers and make other minor adjustments for change of seasons and maintain proper window treatment to optimize cooling capabilities.<br><br>Maintain unit per manufacturer's specifications. |
| | 4. Condensation drain lines | a. clogged con-densation drain lines | 0 | **WE** will provide clear condensation drain lines at closing or first occupancy, whichever occurs first. After this, **YOU** are responsible for keeping the condensation drain lines clear. | Condensation drain lines may clog, under normal use. **YOU** should keep these clear. Prior to using the cooling system each season, check condensation lines to ensure the drain lines are clear. |
| I. Mechanical systems (cont'd) | 5. Evaporative cooling system | a. mechanical part of the evaporative cooling system does not operate properly | 1 | **WE** will correct or adjust the blower and the water system so that it functions properly. | |

| Type of Material or area of YOUR HOME | Specific item or work | Condition | Warranty Period (Year(s)) | OUR Responsibility | YOUR Responsibility |
|---|---|---|---|---|---|
| | 6. Air distribution system | a. ductwork makes ticking and crackling noises | 0 | The ductwork may make ticking and crackling noises when the metal in it expands from the heat and contracts from the cold. This condition is natural and is not a deficiency. | |
| | | b. ductwork makes a booming noise | 1 | This booming is called "oilcanning." **WE** will repair the ductwork. | |
| | | c. separated or unattached ductwork | 1&2 | **WE** will re-attach or re-secure all ductwork that has become separated or unattached. | **YOU** should not walk on, place heavy objects against or otherwise subject ductwork to unusual loads. |
| J. Electrical system | 1. Electrical conductors, fuses, and circuit breakers | a. fuses blow or circuit breakers (excluding ground fault interrupters) "kick out" | 1 | **WE** will check the wiring circuits and make sure that they conform with approved local electrical requirements. | Do not overload circuits. |
| | 2. Outlets, switches, and fixtures | a. air leaks around electrical outlets | 1 | Cold air can be drawn through an outlet on an exterior wall into a room. **WE** will repair one time after closing or first occupancy, whichever comes first. | |
| J. Electrical system (cont'd) | 2. Outlets, switches, and fixtures (cont'd) | b. malfunction in electrical outlets, switches, and fixtures | | **WE** will repair or replace all defective outlets, switches, or fixtures. | |

| Type of Material or area of YOUR HOME | Specific item or work | Condition | Warranty Period (Year(s)) | OUR Responsibility | YOUR Responsibility |
|---|---|---|---|---|---|
| | 3. Service and distribution | a. ground fault interrupters frequently trip (these are sensitive safety devices that are installed into the electrical system to protect from electrical shock) | 1 | Ground fault interrupters are sensitive and can be easily tripped. Normally, this is not indicative of a construction defect. **WE** will install ground fault interrupters to meet the electrical requirement. **WE** will correct the interrupters if the tripping is due to a defect in installation. | A tripped ground fault interrupter usually indicates an overloaded circuit or the connected appliance contains a faulty ground. |
| | | b. electrical wiring does not carry its designed load for normal residential use | 1 & 2 | **WE** will repair any wiring that does not conform with approved local electrical requirements. **WE** are responsible for original installation only. **WE** are not responsible for problems caused by conditions beyond **OUR** control. | |

The Warranty Period for the following Structural Standards of Performance is 10 years. In the event one or more of the structural elements identified below contains a flaw of such a magnitude that the warranty tolerance is exceeded, that condition may be indicative of a construction defect, subject to the terms and conditions of the Warranty, and should be reported to Toll Brothers. **Deflection** means the difference in elevation of high and low points along a diagonal, horizontal or vertical plane caused by stress induced deformation of a load bearing member. **Deflection** is measured from any two end points and a third reference point. The reference point may be located at any distance between the two end points.

| **Structural Element** | **Warranty Tolerance** |
|---|---|
| A. Arches | |
| 1. Masonry | Crack of 1/4 inch in width in arch, **or** settlement in span of arch of 1/2 inch. |
| B. Floor Systems | |
| 1. Structural Concrete | Crack of 1/4 inch in width and 1/4 inch vertical displacement. |
| 2. Joists | **Deflection** of 1 inch in 15 feet. |
| 3. Trusses | **Deflection** of 1 inch in 10 feet. |
| C. Foundation | |
| 1. Concrete Beams | Crack of 1/8 inch in width, or Deflection of 1/4 inch in 30 inches. |
| 2. Wood Beams: Built-up, Laminated or Solid | **Deflection** of 1 inch in 10 feet. |
| 3. Steel Beams | **Deflection** of 1/2 inch in 8 feet. |
| 4. Footings | Crack of 1/2 inch in width. |
| 5. Concrete Walls | Crack of 1/4 inch in width and 1/4 inch vertical displacement, or out-of-plumb 1/4 inch in 12 inches measured from base of wall. |
| 6. Masonry Walls | Crack of 3/8 inch in width, or out-of-plumb 1/4 inch in 12 inches measured from base of wall. |
| 7. Concrete Columns | Bow of 1/2 inch in 8 feet, or out-of-plumb 1/4 inch in 12 inches measured from base of column. |

| | | |
|---|---|---|
| 8. | Masonry Columns | Out-of-plumb 1/8 inch in 12 inches measured from base of column. |
| 9. | Steel Columns | Bow of 1 inch in 8 feet, or out-of-plumb 1/4 inch in 12 inches measured from base of column. |
| 10. | Wood Columns | Bow of 1 inch in 8 feet, or out-of plumb 1/4 inch in 12 inches measured from base of column. |

D. Lintels and Headers

| | | |
|---|---|---|
| 1. | Concrete, Masonry, Steel, or Wood | **Deflection** of 1 inch in 4 feet. |

E. Roof Framing

| | | |
|---|---|---|
| 1 | Ridge Beam | **Deflection** of 1 inch in 10 feet. |
| 2. | Rafters<br>Common, Jack, or Valley/HIP | **Deflection** or bow of 1 inch in 10 feet. |
| 3. | Ceiling Joists | **Deflection** of 3/4 inch in 10 feet. |
| 4. | Trusses | **Deflection** of 1 inch in 10 feet. |

F. Structural Beams and Girders

| | | |
|---|---|---|
| 1. | Steel | **Deflection** of 1/2 inch in 8 feet. |
| 2. | Wood<br>Solid, Built-up, or Laminated | **Deflection** of 1 inch in 10 feet. |

G. Structural Columns

| | | |
|---|---|---|
| 1. | Concrete | Bow of 1/2 inch in 8 feet, **or** out-of-plumb 1/4 inch in 12 inches measured from base of column. |
| 2. | Masonry | Out-of-plumb 1/8 inch in 12 inches measured from base of column. |
| 3. | Steel | Bow of 1 inch in 8 feet, **or** out-of-plumb 1/4 inch in 12 inches measured from base of column. |
| 4. | Wood | Bow of 1 inch in 8 feet, **or** out-of-plumb 1/4 inch in 12 inches measured from base of column. |

H. Load Bearing Walls and Partitions

| | | |
|---|---|---|
| 1. | Studs | Bow or cup of 1 inch in 8 feet |

**Appendix B**

## Toll Warranty Request Form

(Use only if you do not have access to **mytollhome.com**)

**PLEASE MAIL TO:**
*(List your community name below)*

**Toll Bros, Inc., Warranty Dept.**
*(List state address below)*

Community: _____ TBI Homesite #: _____

Closing Date: _____ Homeowner: _____

Street Address: _____

Phone: _____ *(cell)* _____ *(other)*

Email: _____ Date: _____

1. Please complete Column A below.
2. Columns B and C will be completed by a Toll Representative after the items are inspected.
3. Column D is to be initialed and dated by the homeowner upon completion of the work.

**NOTE:** **EXCEPT IN AN EMERGENCY, ALL REQUESTS MUST BE SENT TO THE WARRANTY DEPT., NOT TO THE FIELD CONSTRUCTION OFFICE.**

| | (A) DESCRIPTION | (B) INSPECTOR'S COMMENTS | (C) TRADE | (D) COMPLETE/ HO INITIAL |
|---|---|---|---|---|
| 1 | | | | |
| 2 | | | | |
| 3 | | | | |
| 4 | | | | |

☐ **Check Here if additional pages included**

Please be advised that: *(Check one)* ☐ Someone is usually home during the day. ☐ Someone will stay home by appt.

**TO BE COMPLETED AFTER ITEMS ARE INSPECTED**

The above items represent the agreed upon resolution of this warranty request. Toll will endeavor to complete these items within 30 days. I, the homeowner, will acknowledge completion of individual items by initialing and dating column D above.

Homeowner: _____ TOLL Rep: _____

*Signature* *Date* *Signature* *Date*

**TBI USE ONLY** **Date Received:** TBI Community #:

Distribution

CM: _____

Original: Corp. Homesite File/VP

PM: _____

SR.MGR: _____

Other:

Date work Orders Issued: _____

Work Completion Due Date: _____

Contractor Note: _____

**Toll Warranty Request Form**
(Use only if you do not have access to **mytollhome.com**)

*(Page__ of__ )*
(This page must be used with page 1)

Homeowner: _____ Date: _____

Community: _____ TBI Homesite #: _____

1. Please complete Column A below.
2. Columns B and C will be completed by a Toll Representative after the items are inspected.
3. Column D is to be initialed and dated by the homeowner upon completion of the work.

**NOTE: EXCEPT IN AN EMERGENCY, ALL REQUESTS MUST BE SENT TO THE WARRANTY DEPT. AND NOT TO THE FIELD CONSTRUCTION OFFICE.**

| | **(A) DESCRIPTION** | **(B) INSPECTOR'S COMMENTS** | **(C) TRADE** | **(D) COMPLETE/ HO INITIAL** |
|---|---|---|---|---|
| 1 | | | | |
| 2 | | | | |
| 3 | | | | |
| 4 | | | | |
| 5 | | | | |
| 6 | | | | |

**Appendix C**

For quickest results, warranty requests should be submitted through **www.mytollhome.com.** If and only if you cannot use this website, submit a Warranty Request form to the respective division office listed below. Do not submit Warranty Requests to your community's field office.

| | |
|---|---|
| Arizona | 8767 E. Via de Ventura, Suite 390<br>Scottsdale, AZ 85258 |
| California - Northern | 6800 Koll Center Parkway, Suite 320<br>Pleasanton, CA 94566-7053 |
| California - Palm Springs | 1299 Celadon Street<br>Palm Springs, CA 92262 |
| California - Southern | 725 W. Town and Country Road, Suite 200<br>Orange, CA 92868 |
| Colorado | 10 Inverness Drive East, Suite 125<br>Englewood, CO 80112 |
| Colorado Springs | 535 Chapel Hill Drive, Suite 150<br>Colorado Springs, CO 80920 |
| Connecticut | 42 Old Ridgebury Road, 2nd Floor<br>Danbury, CT 08610 |
| Delaware | 1140 Virginia Drive<br>Fort Washington, PA 19034 |
| Florida - Central | 2966 Commerce Park Drive, Suite 100<br>Orlando, FL 32819 |
| Florida - East | 951 Broken Sound Parkway, Suite 180<br>Boca Raton, FL 33487 |
| Florida - North | 40 Everest Lane, Suite 5<br>St. Johns, FL 32259 |
| Florida - West | 24201 Walden Center Drive, Suite 204<br>Bonita Spring, FL 34134 |
| Georgia | 4080 McGinnis Ferry Road, Suite 701<br>Alpharetta, GA 30005 |
| Illinois | 220 N. Smith Street #307<br>Palatine, IL 60067 |
| Maryland - Ocean City | 1140 Virginia Drive<br>Fort Washington, PA 19034 |
| Maryland - all other | 7164 Columbia Gateway Drive, Suite 230<br>Columbia, MD 21046 |
| Massachusetts | 116 Flanders Road, Suite 1200<br>Westborough, MA 01581 |
| Michigan | 28004 Center Oaks Court, Suite 200<br>Wixom, MI 48393 |
| Minnesota | 14260 23rd Avenue North<br>Plymouth, MN 55447 |

| | |
|---|---|
| Nevada | 1140 North Town Center, Suite 250<br>Las Vegas, NV 89144 |
| North Carolina - Charlotte | 6067 Hemby Road<br>Weddington, NC 28104 |
| North Carolina - Raleigh/Durham | 2310 T.W. Alexander Drive, Suite G<br>Raleigh, NC 27617 |
| New York City Metro<br>(Area including Westchester & Long Island) | 42 Old Ridgebury Road, 2nd Floor<br>Danbury, CT 06810 |
| New York - Urban | 75 Broad Street, Suite 2100<br>New York, NY 10004 |
| Oregon | 4949 Meadows Road, Suite 420<br>Lake Oswego, OR 97035 |
| Pennsylvania | 1140 Virginia Drive<br>Fort Washington, PA 19034 |
| South Carolina | 6067 Hemby Road<br>Weddington, NC 28104 |
| Texas - Austin | 2136 Rutland Drive, Suite D<br>Austin, TX 78758<br>Fax: 512-263-8974 |
| Texas - Dallas | 2557 SW Grapevine Parkway, Suite 100<br>Grapevine TX 76051<br>FAX: 817-488-2496 |
| Texas - Houston | 10110 W. Sam Houston Parkway N, Suite 210<br>Houston, TX 77064<br>Fax: 281-955-5049 |
| Texas - San Antonio | 23490 IH 10 West<br>San Antonio, TX 78257<br>Fax: 210-698-6997 |
| Utah | 14034 South 145 East, Suite 202<br>Draper, UT 84020 |
| Virginia - Dominion Valley / Lenah Mill /<br>South Riding / Richmond | 5162L Jacobs Creek Place<br>Haymarket, VA 20169 |
| Virginia - Loudoun Valley | 43089 Ryan Road, Suite 100<br>Ashburn, VA 20148 |
| Virginia - all other | 43089 Ryan Road, Suite 100<br>Ashburn, VA 20148 |
| Washington | 8815 122nd Avenue NE, Suite 200<br>Kirkland, WA 98033 |