

American Warranty

13 Year Limited New Home Warranty

1 Year Workmanship/Materials

2 Years Systems

13 Years Warranted Structural Components

THIS WARRANTY IS AN EXPRESSED WRITTEN LIMITED WARRANTY PROVIDED BY EASTWOOD HOMES. TO THE FULLEST EXTENT PERMITTED BY LAW, EXCEPT FOR THE HOME WARRANTY, IF APPLICABLE, ALL WARRANTIES REGARDING THE PROPERTY, INCLUDING BUT NOT LIMITED TO STATUTORY, HABITABILITY AND IMPLIED WARRANTIES SUCH AS WARRANTIES OF QUALITY OR FITNESS FOR USE OR PARTICULAR PURPOSE, WARRANTIES OF CONSTRUCTION IN A GOOD AND WORKMANLIKE MANNER, ARE HEREBY DISCLAIMED BY SELLER AND WAIVED BY BUYER.

American eWarranty

Section 1. OVERVIEW OF THE LIMITED WARRANTY

Eastwood Homes has provided this written Limited Warranty for your benefit. Eastwood Homes has chosen to provide an enhanced written limited warranty of thirteen (13) years instead of the standard ten (10) years. American eWarranty is the warranty administrator and is NOT a warrantor under this agreement.

The following pages explain this Limited Warranty on your Home:

- what it does and does not include;
- how it works, and other details, conditions and limitations that apply;
- certain terms contained in this Limited Warranty defined in Section 8;
- the process for requesting warranty performance explained in Section 6;
- it includes the process of binding arbitration if needed for resolving disputes.

Read this document in its entirety, including definitions, to understand the Warranty, the exclusions that apply, your responsibilities, how the Limited Warranty is interpreted, and how it operates.

This is not a warranty service contract. If you have questions, be sure to contact Eastwood Homes warranty department.

Prior to Buyer's closing, Buyer agrees he/she/they has/have been given and has/have read the Eastwood Homes Warranty Program's new home warranty booklet ("Home Warranty") that governs Buyer's rights regarding warranty coverage. Seller and Buyer agree to be bound by all of the terms, conditions and exclusions of the Home Warranty. Buyer understands the Home Warranty is not any type of insurance policy and Buyer waives for him/herself, and/ or on behalf of anyone acquiring rights through Buyer, all subrogation or other rights for claims for repair or loss against Seller. The Home Warranty automatically transfers to the subsequent owner of the home; however such transfer does not extend any warranty coverage period.

Section 2. THE LIMITED WARRANTY CONDITIONS

- A. Eastwood Homes will provide you a Warranty Certificate (formEH149) at closing for your signature. This form confirms the warranty on your home has been activated. This warranty is not in effect until the Warranty Certificate is issued by the administrator of the program.
- B. Warranty Start Date is Homeowner's settlement date.
- C. For one (1) year from the Warranty Start Date, items described and specified in Section 5.A in this Limited Warranty will function and operate according to the Warranty Standards.
- D. For two (2) years from the Warranty Start Date, the component of your home described and specified in Section 5.B in this Limited Warranty will function and operate according to Warranty Standards.
- E. For thirteen (13) years from the Warranty Start Date, Warranted Structural Components (WSC) as identified and specified in Section 5.C in this Limited Warranty will meet the established performance standards.
- F. Eastwood Homes is the Warrantor in years one (1) and two (2); the Insurer identified on your Warranty Certificate is the Warrantor in years three (3) through thirteen (13). If Eastwood Homes fails to correct warranted construction deficiencies in years one and two, the Insurer will assume the responsibilities subject to the terms and conditions of this Limited Warranty. American eWarranty is the administrator of this warranty.
- G. This agreement is non-cancelable by the Warrantor.
- H. Only specified standards and actions represented in this warranty are applicable to this warranty.
- I. Eastwood Homes is responsible for all work performed under its direction for the period of the applicable warranty. Eastwood Homes is only responsible for warranted defects about which they receive notice on or before the expiration of the warranty coverage to which the notice applies but in no event later than thirty days (30) following the applicable warranty period stated in this Section.

- J. Repair of a construction defect shall be performed in a manner and using such materials and methods consistent with the Performance Standards found in Section 5. The repair shall be made in accordance with the usual and customary business practices. See Section 3.H for additional information.
- K. Repair condition
 - 1. In connection with a repair of a warranted defect, any repairs performed by Eastwood Homes will include those components of the Home originally installed by Eastwood Homes that have to be removed or altered in order to repair the defect. Repair shall be made so that the condition is returned to its condition as it existed at the time immediately preceding the defect.
 - 2. The Warrantor is not responsible for damage to any improvement, fixture or property not constructed, installed or provided by Eastwood Homes that may need to be removed to repair a warranted defect or which may be damaged by the implementation of repairs to the warranted defect.
- L. Surfaces altered incident to any repair will be finished or touched up to match the surrounding area as closely as is reasonably possible. In connection with the repair of finish or surface material such as paint, wallpaper, flooring or a hard surface, Eastwood Homes will match the standard and grade as closely as reasonably possible. Your Builder will attempt to match the finish but will not be responsible for discontinued patterns or materials, color variations or shade variations. When the surface finish material must be replaced and the original material has been discontinued, your Builder is responsible for installing replacement material substantially similar in appearance to the original material.
- M. Manufactured products shall be installed in accordance with the manufacturer's instructions and specifications.
 - 1. Eastwood Homes shall use only new manufactured products and parts unless otherwise agreed in writing by the parties. If your Builder did not install a manufactured product in accordance with the manufacturer's specifications or use newly manufactured parts as required, your Builder shall take such action as is necessary to bring the variance within the standard.
 - 2. Manufactured items such as appliances, fixtures or equipment covered by a manufacturer's warranty and defects in any of the systems resulting from a failure in manufactured items are not covered by this warranty.
- N. Notwithstanding a performance standard stated in this section, a specialty feature – work performed or material supplied incident to certain design elements shown on the construction plans and specifications and agreed to in writing by Eastwood Homes and the homeowner – shall be deemed to be compliant with the performance standards stated in this section so long as all items are compliant with code.
- O. The Warrantor's responsibilities and liability are limited to the terms and conditions contained in this Limited Warranty including its performance standards. The Warrantor is providing only the warranty obligations contained in the Limited Warranty subject to its provisions, exclusions, limitations, performance standards, definitions and coverage. The warranties established herein are the only warranties provided by the Warrantor.

Section 3. HOMEOWNER RESPONSIBILITIES AND APPLICABLE CONDITIONS

- A. General and preventative maintenance of the home and the lot on which the home is located is essential to the proper functioning of the home. The homeowner is responsible for:
 - 1. Maintenance of the home and the lot.
 - 2. Maintenance items described in this paragraph
 - 3. Those maintenance items identified separately in the performance standards set forth in this Limited Warranty.

4. Ongoing maintenance responsibilities that affect the performance of the home but that may not be expressly stated in this warranty.
5. Such ongoing maintenance responsibilities include but are not limited to
 - a. Periodic repainting and resealing of finished surfaces as necessary,
 - b. Caulking for the life of the home,
 - c. Regular maintenance of mechanical systems, regular replacement of HVAC filters, cleaning and proper preservation of grading around the home, and
 - d. Drainage systems to allow for the proper drainage of water away from the home.
- B. Prior to occupancy or closing, whichever occurs first, you and Eastwood Homes must establish a written, final walk-through inspection list identifying items in need of service. Keep a copy for your records. Any pre-existing conditions or defects (often referred to as punch list items) are not covered by this Limited Warranty.
- C. Consumer products are excluded from coverage under the Home Warranty and pursuant to the Magnuson-Moss Warranty Act (15 USC § 2301, et seq.) Buyer is hereby assigned by Seller, effective after closing, all rights in any consumer product warranties of any consumer products installed in or upon Buyer's property. Seller shall not be liable for any damage to a consumer product or for any damage caused by a consumer product installed in or upon the property. If the consumer product malfunctions/is defective, Buyer will follow the procedures in the applicable manufacturer's warranty documents.
- D. If Eastwood Homes does not complete any part of the Home, it is your responsibility to complete such parts. Any damage resulting from your failure to have the work completed will not be covered under this Limited Warranty.
- E. Repairs of warranted defects will not extend the coverage periods established in this Limited Warranty.
- F. The Warrantor is not responsible for exact color, texture, grain or finish matches where materials must be replaced or repaired.
- G. In case of an EMERGENCY, (a situation or condition which may be hazardous to the home or occupants if not repaired immediately), you must contact Eastwood Homes or the Administrator to receive authorization to make emergency repairs or follow the procedures established by Eastwood Homes. If unavailable, you must make repairs to mitigate further damage and report the emergency to Eastwood Homes or the Administrator on the next business day. Any unauthorized repairs will not be reimbursed unless you have followed these procedures. Emergency items will be evaluated by American eWarranty based on imminent danger to the home. Determination regarding the extent of expenses that are reimbursable under the warranty for an emergency is at the discretion of Eastwood Homes or American eWarranty.
- H. The Warrantor shall have the option and choose to repair, replace, or pay the reasonable cost of repair or replacement of Warranted Defects. The method and manner of repairs are at the discretion of the Warrantor. Regarding a Warranted Structural Component (WSC), the Warrantor's obligation is limited to actions necessary to restore the WSC to the specified tolerances identified in this Limited Warranty. The aggregate cost to the Warrantor(s) under this Limited Warranty shall not exceed the Final Sales Price of the Home as listed on the Warranty Certificate.
- I. No warranties extend beyond the items described and contained in this Limited Warranty.
- J. This Limited Warranty automatically transfers to a new Homeowner if you sell your Home during the thirteen (13) year term of the Limited Warranty. This Limited Warranty cannot be cancelled by the Warrantor.

- K. The homeowner shall take measures to prevent landscaping materials or plants from contacting the exterior surface of the home and from interfering with the proper drainage of water away from the foundation. The homeowner should not improperly alter the proper drainage pattern or grade of the soil within ten feet of the foundation so that it negatively impacts the home's performance or fails to comply with code.
- L. The homeowner should take the following actions to prevent excessive moisture accumulation by:
 - 1. Properly using ventilation equipment;
 - 2. Preventing excessive temperature fluctuations; and
 - 3. Taking any other action reasonably necessary to avoid excessive moisture, dampness, humidity or condensation in the home that may lead to damage due to excessive moisture or dryness.
- M. The homeowner shall properly maintain each component of the home including proper cleaning, care and upkeep of the home. The homeowner shall use home components for the purposes for which they are intended and shall not damage, misuse or abuse home components.
- N. Self-help. Upon observation of a circumstance that may cause further damage to the home or a component of the home, the homeowner shall take reasonable action necessary to prevent further damage to the home.
- O. The Warrantor is not responsible for repair, loss or damage to a component or that part of a component of a home caused by or made worse by failure of the homeowner to comply with the homeowner's responsibilities as set forth in this Limited Warranty.

Section 4. EXCLUSIONS TO THE LIMITED WARRANTY

- A. This Limited Warranty does not include the following:
 - 1. Loss, damage or injury to land, person, animals, personal property, and improvements or structures, other than items in the Home identified in this Limited Warranty.
 - 2. Loss or damage resulting directly or indirectly from or made worse by:
 - a. Insects, birds, vermin, rodents, or wild or domestic animals, except where the builder has failed to use proper materials or construction methods designed to prevent infestation or intrusion.
 - b. Any loss or damage that arises while the home is being used primarily for nonresidential purposes;
 - c. Soil movement, including subsidence, expansion or lateral movement of the soil regardless of which condition is covered by any other insurance or for which compensation is granted by State Legislation;
 - d. Flood, surface water, waves, tidal water, or spray from any of these (whether or not driven by wind); water that backs up from sewers or drains; changes in the water table which were not reasonably foreseeable; (Note: damage to the home caused by an unforeseen hydrostatic situation due to surface or underground water is warranted in the first year);
 - e. Deterioration resulting from normal wear and tear; shrinkage, expansion or contraction due to drying or settlement;
 - f. Material or work which was not supplied by Eastwood Homes or its employees, agents or subcontractors;

- g. Any damage to the extent it is caused or made worse by negligence, improper maintenance or improper operations by anyone other than the builder or its employees, agents, or subcontractors;
 - h. Structurally attached decks, balconies, patios, porches, porch roofs and porticos after the first year;
 - i. Components of the Home which are constructed separate from foundation walls or other structural components of the Home such as, but not limited to, chimneys;
 - j. Any damage to the extent it is caused or made worse by changes of the grading of the ground by anyone other than the builder, its employees, agents, or subcontractors;
 - k. Any modification or addition to the Home or the property under or around the Home, made after the Warranty Start Date (other than changes made in order to meet the obligations of this Limited Warranty);
 - l. Outside sillcocks (hosebibs) and other house connections.
 - m. The weight of a water bed or any other type of furnishing or equipment that exceeds the load-bearing design of the Home;
 - n. The presence of radon, formaldehyde, carcinogenic substances or other pollutants and contaminants, or the presence of hazardous or toxic materials within the Home;
 - o. Acts or omission by you, your agents, employees, licensees, or invitees; accidents, riots, civil commotion, nuclear hazards, acts of God or nature, fire, explosion, blasting, smoke, water escape, wind storm, hail, lightening, ice, snow, falling trees, aircraft, vehicles, flood, mudslides, sinkholes, mine subsidence, faults, crevices, earthquake, shock waves or tremors occurring before, during or after a volcanic eruption;
 - p. Your failure to minimize or prevent loss or damage in a timely manner; see Section 3;
 - q. Dampness or condensation due to your failure to adequately maintain ventilation, caulking, flashing or gutters;
 - r. Negligent operation of any part of the Home by anyone other than Eastwood Homes, its agents, employees or subcontractors; and/or
 - s. Swimming pools whether located in or outside of the Home;
3. Eastwood Homes' failure to finish any or all construction of the Home on or before the Warranty Start Date, or damages arising from such failure. (An incomplete item is not considered a Warranted Defect. Eastwood Homes, however, may be obligated to complete such items under separate agreements.)
 4. A deficiency which does not result in actual physical damage or loss to the Home.
 5. Consequential Damages.
 6. Violation of applicable building codes or ordinances, unless such violation results in a Warranted Defect. Under such circumstance, the obligation of the Warrantor under this Limited Warranty shall be only to repair the Warranted Defect, but not necessarily to restore or bring the Home into compliance with the codes or ordinances.
 7. Any claim submitted to American eWarranty after an unreasonable delay or later than thirty (30) days after the expiration of the applicable warranty period.
 8. A non-emergency Warranted Defect that you repair without prior written authorization of Warrantor.

9. Removal and/or replacement of items not covered by this Limited Warranty, such as landscaping or personal property, and items not originally installed by Eastwood Homes, like wallpaper, where removal and replacement are required to repair a Warranted Defect.
10. Wiring, wires and cables that connect the Home to communications services such as telephone, television, intercom, computer and security systems.
11. Loss or damage to EIFS synthetic stucco systems.
12. Any issue consisting of, caused by contributed to, related to or aggravated by moisture, rotting of any kind, mold, mildew, fungus or rust.
13. Sound transmission and sound proofing.
14. Glass breakage.
15. Improvements not part of the Home itself, including, but not limited to: recreational facilities; driveways; walkways; patios, porches and stoops not structurally attached to the Home; decks and balconies which are not bolted to or cantilevered from the Home; boundary and/or retaining walls; bulkheads; fences; landscaping, sodding, seeding, shrubs, trees and plantings; subsurface drainage systems (other than footer drains); lawn sprinkler systems; off site improvements, including streets, sidewalks, adjacent property and the like; outbuildings (except those which contain a Heating, Ventilating, and Cooling System, Plumbing System or Electrical System serving the Home, and then only to the extent that these systems are affected).
16. Improper alteration of the drainage pattern or grade of the soil by the homeowner within ten feet of the foundation so that it negatively impacts the home's performance or fails to comply with code.
17. Diminished market value of the home.
18. Any item not listed as a warranted item in this Limited Warranty. The enumeration of the Exclusions above is not intended to be exhaustive of the items that are not covered by this Limited Warranty.

Section 5. WARRANTY STANDARDS

A. Year 1 Only

The following Warranty Standards are applicable only to warranted items installed by your Builder and expressly stated in this Limited Warranty. Read Section 1 through 4 to determine if the following Warranty Standards apply. These Standards are included to provide an understanding of how issues will be evaluated.

CATEGORY	REF.	CONDITION	STANDARD	REMARKS
A1. SITE WORK				
Drainage	A 1.1	Erosion around the foundation	Your Builder is not responsible for soil erosion due to acts of God or other conditions (site alterations, lack of maintenance, etc.) beyond the Builder's control.	Homeowner is responsible for removal and replacement of all Homeowner installed landscaping.

CATEGORY	REF.	CONDITION	STANDARD	REMARKS
	A 1.2	Improper grades or swales which cause standing or ponding water and affect drainage	Your Builder will correct grades which cause standing or ponding water for more than 24 hours and affect the drainage within 10' of the foundation of the home or swales which cause standing or ponding water for more than 48 hours and affect the drainage within 20' of the foundation of the home.	Standing or ponding water beyond the defined area is not covered by this Limited Warranty. Homeowner is responsible for maintaining proper grades and adequate ground cover.
	A 1.3	Ground settling around foundation walls, utility trenches or other filled areas on the property where excavation and backfill has affected foundation drainage.	If your Builder established the original final grading, they will replace fill in excessively settled areas one time only	Settling less than 6 inches, is a Homeowner maintenance item. Homeowner is responsible for proper grades and maintaining adequate ground cover.
A 2. FOUNDATION, FLOORS, WALLS, CRAWL SPACES, SLABS				
Concrete Floor	A 2.1	Separation or movement of concrete slab at expansion joints.	This is normal and no corrective action is required.	Slabs are designed to move at expansion/contraction joints. This is not a warranted condition.
	A2.2	Foundation is out of square or level	Out of square: Measured at the top of the foundation wall, the diagonal of a triangle with sides of 12' and 16' shall not be out of square more than 1" +/- in 20'. Out of level: no point shall be more than 1/2' higher or lower than any point within 20'.	Squareness and levelness are aesthetic and may be corrected in subsequent construction.
	A 2.3	Cracks in concrete footing	Cracks greater than 1/4" in width are considered excessive. Your Builder will repair.	Minor cracks in concrete are common and normal in new home construction.
	A 2.4	Pitting, scaling or spalling of the concrete floor surface.	Your Builder will repair disintegrated surfaces caused by improper installation of concrete.	Deterioration caused by chemicals, implements used and other factors beyond Builder's control is not a warranted condition.
	A 2.5	Cracks in concrete floors in conditioned area.	Your Builder will repair cracks which exceed 3/16 inch in width or vertical displacement if the floor is in conditioned space.	If floor has covering, finish material will be replaced in area of repair to match as closely as possible. Minor imperfections in floor covering are not a warranted condition.
	A 2.6	Cracks in concrete floor in non conditioned area.	Your Builder will repair cracks greater than 1/4 inch in width or vertical displacement.	Shrinkage cracks are common and can be expected. Patching and epoxy injections are acceptable methods of repair.

CATEGORY	REF.	CONDITION	STANDARD	REMARKS
	A 2.7	Cracks in garage floor slab.	Your Builder will repair cracks greater than $\frac{1}{4}$ inch in width or vertical displacement.	Shrinkage cracks are common and can be expected. Patching and epoxy injections are acceptable methods of repair.
	A 2.8	Uneven concrete floors in areas designed for living purposes.	Your Builder will repair uneven areas (including pits or depressions) greater than $\frac{3}{8}$ inch within a 32-inch measurement.	In rooms not initially designed as finished living areas or where a floor or a portion of a floor surface has been designed for specific drainage purposes, a slope which exceeds the tolerance warranted condition is acceptable.
	A 2.9	Leaks resulting in actual seeping of water through the floor.	Your Builder will take such action as is necessary to correct the leak. If this happens only once, Your Builder may investigate and delay action to determine the cause.	Homeowner is to maintain positive grading around the Home and maintain any Builder installed surface water control systems. Leaks caused by landscaping improperly installed by the Homeowner are excluded from this Warranty. Dampness and condensation are not covered by this Limited Warranty.
Basement Walls and Crawl Spaces	A 2.10	Cracks in poured concrete foundation walls.	Your Builder will repair cracks greater than $\frac{1}{4}$ inch in width.	Shrinkage cracks are common and can be expected. Patching and epoxy injection are acceptable methods of repair.
	A 2.11	Cracks in masonry or veneer wall.	Your Builder will repair cracks greater than $\frac{1}{4}$ inch in width.	Small cracks are common in masonry mortar joints. Patching and epoxy injection are acceptable methods of repair.
	A 2.12	Bowed walls	Your Builder will stabilize basement walls that are bowed in excess of 1-inch in 8 feet when measured from the base to the top of the wall.	Lateral pressure may cause basement walls to bow.
	A 2.13	Wall is out of plumb	Your Builder will repair if wall is out of plumb greater than 1" in 8'.	No corrective action is necessary if codes are met.
	A 2.14	Condensation on walls, joists, support columns and other components of basement area.	Not a warranted condition.	Homeowner is responsible for maintaining adequate ventilation and moisture control.
Crawl space	A 2.15	Insufficient ventilation.	Your Builder will install louvers or vents according to industry standards.	Homeowner is responsible for ventilation and moisture control, including seasonal adjustment of vent openings.
A 3. GENERAL CARPENTRY				
Walls and Ceilings	A 3.1	Wood frame walls out-of-plumb.	Your Builder will correct if out-of-plumb condition is greater than $\frac{3}{8}$ inch within 32 inches vertical measurement.	Minor framing imperfections less than the standard are not a warranted condition.
	A 3.2	Wood frame wall is not squared.	Not a warranted condition.	Minor framing imperfections can be expected.

CATEGORY	REF.	CONDITION	STANDARD	REMARKS
	A 3.3	Bowed stud walls or ceilings	Your Builder will correct if unevenness is greater than ½ inch within a 32-inch horizontal measurement or ½ within any 8 foot vertical measurement.	All exterior and interior frame walls and ceiling have slight variations on the finish surfaces.
Floors	A 3.4	Uneven wood framed floors.	Your Builder will correct if high or low areas are greater than ¼ inch within a 32-inch measurement.	Depending on the surface finish, self leveling compounds are acceptable.
	A 3.5	Floor squeaks.	Your Builder will correct if caused by a defective joist or improperly installed or loose subfloor. An isolated floor squeak is not a Warranted Defect.	A squeak-proof floor cannot be guaranteed. Squeaks can be caused by wood shrinkage, temperature and humidity changes and other factors beyond the Builder's control.
Roof	A 3.6	Split or warped rafters or trusses.	Not a warranted condition.	Splitting and warping can be caused by high temperature effects on wood and other factor beyond the Builder's control.
A 4. EXTERIOR				
Stoop, Porch and Patio	A 4.1	Settling or heaving of structurally attached stoop, porch and patio.	Your Builder will correct if movement is greater than 1 inch from the Home.	Stoops, porches and patios poured separately are not considered structurally attached.
	A 4.2	Concrete splatters on adjacent surfaces.	Not a warranted condition.	This item should be identified on a pre-closing walk-through inspection list.
Structurally Attached Wood Decks	A 4.3	Twisting, warping or splitting of wood.	Your Builder will correct if condition was caused by improper installation.	Wood deck material is exposed to changing weather conditions which can cause twisting, warping and splitting.
	A 4.4	Deck settles.	Your Builder will correct slope of deck if greater than 2 inches in a 10 foot measurement.	Some slope is normal for proper water drainage.
	A 4.5	Railing or post becomes loose.	Your Builder will correct if the condition is due to improper installation.	Homeowner is responsible for conditions not related to installation.
Exterior Walls	A 4.6	Separation of siding or trim joints, or separation between trim and abutting masonry siding.	Your Builder will caulk separations greater than 3/8 inch. Also, exterior trim abutting masonry siding shall perform its function of excluding the elements.	Separations 3/8 inch or less are considered normal.
	A 4.7	Cracks in stucco and cement plaster surfaces.	Your Builder will repair cracks greater than 1/8 inch in width. Exact match of color or texture cannot be expected.	Hairline cracks are common in this type of wall finish.
	A 4.8	Siding deteriorates, delaminates or comes loose.	Your Builder will repair damaged siding and secure loose siding if caused by improper workmanship or materials.	Homeowner is responsible for maintenance. Wood siding will split, shrink and cup.

CATEGORY	REF.	CONDITION	STANDARD	REMARKS
Doors	A 4.9	Door binds against jamb or does not lock.	Your Builder will adjust door or latch if caused by faulty workmanship or materials, one time only.	Doors will expand and contract due to changes in climatic conditions.
	A 4.10	Wood door panels shrink exposing bare wood.	Not a warranted condition.	Panels will shrink due to the nature of wood. Exposed unfinished surfaces can be expected.
	A 4.11	Warpage of exterior doors.	Your Builder will correct warpage greater than ¼ inch, measured diagonally.	Doors will expand and contract due to changes in climatic conditions.
	A 4.12	Door panel splits.	If split allows the entrance of elements, your Builder will correct one time.	Splits which do not allow the entrance of elements are considered normal. Homeowner maintenance is required.
	A 4.13	Drafts around door.	Your Builder will adjust poorly fitted doors or weather-stripping to prevent excessive infiltration under normal conditions.	Some infiltration is normal especially during high winds. Homeowner is responsible for minor alterations to adjustable thresholds and other parts of the door.
	A 4.14	Torn or damaged screens.	Not a warranted condition.	Damaged door and window screens should be identified on a pre-closing walk-through inspection list.
	A 4.15	Garage door fails to operate or fit properly.	Your Builder will adjust garage doors to meet the manufacturer's installation tolerances.	Garage doors are not designed to be weather-tight. Some entrance of elements can be expected and is not considered a deficiency. If Homeowner installs a garage door opener, the Homeowner is responsible for operation of door.
Windows	A 4.16	Condensation or frost on interior window surface.	Not a warranted condition.	Condensation can occur on various types of windows. Temperature, humidity and living conditions can cause condensation.
	A 4.17	Clouding or condensation on inside surface of insulated glass.	Your Builder will replace glass to comply with manufacturers requirements.	If condition is caused by Homeowner negligence, this is not a warranted condition.
	A 4.18	Glass breakage.	Not a warranted condition.	Broken glass should be identified on a pre-closing walk-through inspection list.
	A 4.19	Drafts around windows.	Your Builder will adjust poorly fitted windows or weather-stripping to prevent excessive infiltration under normal conditions.	Some drafts are normal especially during high winds. Caulking expands and contracts. Maintenance of caulking and weather stripping is Homeowner's responsibility

CATEGORY	REF.	CONDITION	STANDARD	REMARKS
	A 4.20	Windows are difficult to open, close or lock.	Your Builder will adjust for proper fit according to the manufacturer's guidelines.	Windows should operate in conformance with the design standards established by the manufacturer.
Exterior Paint	A 4.21	Paint or stain peels or deteriorates.	Your Builder will refinish affected areas matching color as closely as possible.	Fading is normal. Mildew and fungus on siding can be caused by weather conditions and are considered routine maintenance. Varnish or lacquer will deteriorate quickly and is not a warranted condition.
	A 4.22	Paint splatters and smears on other surfaces.	This is not a warranted condition.	This item should be noted on a pre-closing walk-through inspection list.
	A 4.23	Inadequate paint coverage.	Your Builder will repair affected area matching color as closely as possible.	Minor imperfections such as overspray and brush marks can be expected.
	A 4.24	Knots appear through paint or stain.	Your Builder will seal affected areas where excessive bleeding of knots appear and touch-up with original material color to match as closely as possible.	Knots may be visible due to the material used.
Exterior Walls	A 4.25	Cracks in masonry, veneer or stone exteriors.	Your Builder will repair cracks greater than ¼ inch in width.	Small cracks are common in masonry mortar joints. Patching and epoxy injection are acceptable methods of repair.
Roof	A 4.26	Roof or flashing leaks.	Your Builder will correct roof or flashing leaks that occur under normal weather conditions.	If the cause of the leak is due to snow or ice build-up, high winds, driving rains, or Homeowner negligence, this is not a warranted condition.
	A 4.27	Lifted, torn or curled roof shingles.	Your Builder will repair or replace if due to poor installation.	Damage caused by fire, explosion, smoke, hail, lightening or other accidents is not a warranted condition.
	A 4.28	Inadequate ventilation.	Your Builder will install louvers or vents based on industry standards.	Attics should be adequately vented to prevent excessive moisture buildup. Homeowner is responsible to keep vents clear of obstructions for proper air flow.
	A 4.29	Gutters leak and have standing water.	Your Builder will repair joints to be leak free and correct pitch if standing water depth exceeds 1 inch.	Homeowner is responsible for keeping gutters and downspouts free from leaves and debris.
A 5. INTERIOR				
Sub-Flooring	A 5.1	Loose sub-flooring.	Your Builder will repair if caused by improper installation.	Wood will shrink due to temperature and humidity changes which can affect sub-flooring.
Hard Surface Flooring (flagstone, marble, ceramic tile, slate)	A 5.2	Flooring cracks or becomes loose.	Not a warranted condition.	This condition should be noted on a pre-closing walk-through inspection list.

CATEGORY	REF.	CONDITION	STANDARD	REMARKS
	A 5.3	Hollow sounding tile.	Not a warranted condition if tile is bonded.	Hollow sounding tile is not considered a defect.
	A 5.4	Shrinking or deterioration of caulking.	Your Builder is responsible only for initial application.	Caulking shrinks and deteriorates. Homeowner is responsible for maintenance.
	A 5.5	Cracks in grouting of ceramic tile joints.	Your Builder will repair cracks greater than 1/8 inch one time only.	Regrouting of cracks in grout joints is a Homeowner maintenance item.
Floor Covering	A 5.6	Gaps at seams of resilient flooring.	Your Builder will correct gaps of similar materials in excess of 1/16 inch, and 1/8 inch where dissimilar materials abut.	Minor gaps should be expected.
	A 5.7	Cuts and gouges in floor covering.	Not a warranted condition.	All cuts and gouges should be identified on a pre-closing walk-through inspection list.
	A 5.8	Nail pops appear on the surface of resilient flooring.	Your Builder will repair nail pops that have damaged floor covering.	Damage caused by high heels, table and chair legs and similar objects is not a warranted condition.
	A 5.9	Depressions or ridges in resilient flooring due to sub-flooring irregularities.	Your Builder will repair depressions or ridges greater than 1/8 inch. Ridges will be measured with a 6 inch straight edge centered on the ridge with a 1/2 inch spacer placed on one end.	Condition is to be repaired so as to comply with the tolerance and not be readily visible.
	A 5.10	Resilient flooring fades, stains or discolors.	Not a warranted condition.	Fading, stains or discoloration should be identified on a pre-closing walk-through inspection list.
	A 5.11	Resilient flooring loses adhesive.	Your Builder will repair as necessary but is not responsible for discontinued patterns or color variations.	Homeowner is responsible for proper maintenance.
	A 5.12	Seams in carpet.	Your Builder will repair seams in carpeting that separate due to improper installation.	Homeowner maintenance is required to prevent separation of seams.
	A 5.13	Carpet loosens or buckles.	Your Builder will restretch carpet if condition is caused by an installation defect.	Stretching of new carpet is normal. Homeowner is responsible for proper care.
	A 5.14	Carpet shows wear.	Not a warranted condition.	High-traffic areas in entryways and hallways will normally show wear. Homeowner is responsible for maintenance.
Hardwood Floors	A 5.15	Gaps or cracks between finished floor boards	Your Builder will correct separations exceeding 1/8".	It is normal for wood to shrink and expand due to changes in humidity. Repair may be effected by filling the gap

CATEGORY	REF.	CONDITION	STANDARD	REMARKS
	A 5.16	Finished floor boards that cup, crown or become loose.	Your Builder will correct only if the cause is due to improper installation.	It is normal for wood to experience some cupping or crowning due to the changes in humidity and other inherent features. Finished floors are subjected to Homeowner living conditions. Builder is not responsible for defects resulting from causes beyond its control.
Wall and Ceiling Surfaces	A 5.17	Drywall cracks.	Your Builder will repair cracks greater than $\frac{1}{16}$ inch in width, one time only during the first year.	Minor cracks and slight imperfections, are common and can be expected.
	A 5.18	Nail pops, trowel marks, tape blisters.	Your Builder will repair nail pops which have broken finished surface. Marks and blisters must be readily seen by visual inspection at a minimum distance of 6 feet under normal light conditions.	Minor depressions and slight mounds at nail heads are not warranted conditions.
	A 5.19	Peeling of wallpaper installed by Builder.	Your Builder will repair unless due to Homeowner neglect or abuses.	Maintaining adequate ventilation in areas of high humidity is the Homeowner's responsibility.
	A 5.20	Lumps, ridges and nail pops in wallboard which appear after Homeowner has installed wall covering.	Not a warranted condition.	Homeowner should insure that surface to receive wall covering is suitable and is properly prepared.
	A 5.21	Surface defects in finished woodwork	Your Builder will repair surface marks that are visible at a distance of 6 feet under natural light.	Surface defects caused by Homeowner negligence are not a warranted condition.
	A 5.22	Gaps between trim and adjoining surfaces.	Your Builder will correct gaps greater than $\frac{1}{4}$ inch.	Wood shrinkage is common.
	A 5.23	Inadequate paint coverage on wall or trim surfaces.	Your Builder will repair affected area matching color as close as possible.	Minor imperfections such as overspray and brush marks can be expected.
Doors	A 5.24	Door binds against jamb or does not latch.	Your Builder will adjust door or latch if caused by improper workmanship or materials.	Doors will expand and contract due to changes in climatic conditions.
	A 5.25	Warpage of interior doors.	Your Builder will correct warpage greater than $\frac{1}{4}$ inch, measured from top to bottom vertically, or diagonally.	Doors will expand and contract due to changes in climatic conditions.
	A 5.26	Excessive opening at bottom.	Your Builder will correct gaps that exceed $1\frac{1}{2}$ inch between bottom of passage door and finished floor or 2 inches between bottom of closet door and finished floor.	It is common to have an opening to allow an air passage.

CATEGORY	REF.	CONDITION	STANDARD	REMARKS
	A 5.27	Bottom of door rubs on carpet.	Your Builder will undercut door as necessary.	Your Builder is not responsible if Homeowner installed the carpet or if Homeowner selects an excessively high pile.
	A 5.28	Hardware does not work or perform its intended purpose.	Your Builder will repair, adjust or replace as required.	Normal wear and tear can be expected. The hardware manufacturer's warranty shall apply.
A 6. MECHANICAL				
Plumbing System	A 6.1	Faucet, valve or pipe leak.	Your Builder will repair a leaking faucet or valve if due to faulty workmanship and materials. Condensation on pipes does not constitute a leak.	Homeowner is responsible for maintenance including replacing worn or defective washers or seals. Scratches, tarnishing or marring must be identified on a pre-closing walk-through inspection list.
	A 6.2	Noisy water pipe.	Your Builder will correct hammering noise.	Some noise can be expected due to flow of water and pipe expansion. This is not a warranted condition.
	A 6.3	Plumbing pipes freeze and burst.	Your Builder will repair if caused by faulty workmanship or materials. Pipes are to be adequately protected to prevent freezing during normal anticipated cold weather.	Homeowner is to maintain suitable temperatures inside the Home to prevent freezing or bursting. Homes unoccupied for an extended period of time should be properly winterized or checked periodically to insure that systems are in good working condition. Homeowner negligence is not a warranted condition.
Water Supply System	A 6.4	Water supply fails to deliver water.	Your Builder will correct if due to faulty workmanship or materials.	Drought or causes other than faulty workmanship and materials will not be covered under this Limited Warranty.
Sewage Disposal System	A 6.5	Clogged drain or sewer.	Your Builder will correct clog within structure caused by faulty workmanship or materials.	Clogs and stoppages beyond the exterior wall are not covered by this Limited Warranty. Routine Homeowner maintenance and proper use is required.
	A 6.6	Septic system fails.	Your Builder is responsible for installing the system in compliance with local codes and requirements. Defects resulting from noncompliance are warranted.	Homeowner is responsible for maintenance and proper care of the system. Issues not related to workmanship or materials are considered non-warranty items.
Electrical System	A 6.7	Malfunction of outlets, switches or fixtures.	Your Builder will repair or replace defective outlets, switches or fixtures.	Homeowner should exercise caution if an outlet, switch or fixture appears defective.

CATEGORY	REF.	CONDITION	STANDARD	REMARKS
	A 6.8	Drafts from electrical outlets.	Not a warranted condition.	Air can be drawn through outlets. This is normal.
	A 6.9	Failure of wiring to carry its designated load.	Your Builder will repair wiring if failure is caused by improper installation or materials.	If failure is caused by overloading the circuit or Homeowner negligence, this is not a warranted condition.
Heating, Ventilating and Cooling System	A 6.10	Inadequate heating.	Your Builder will correct if heating system cannot maintain a 70 degree Fahrenheit temperature, under normal operating and weather conditions. Temperature shall be measured at a point 5 feet above floor in center of affected area. Builder will balance dampers, registers and make minor adjustments one time only during the first year. All rooms may vary in temperature by 5 or 6 degrees. This is acceptable under industry standards.	Orientation of the Home, location of rooms and location of vents can cause temperature variations. If outdoor temperature falls below design temperature, the temperature in the Home will be affected. Design features such as expansive stairways, open foyers, sunrooms or cathedral ceilings may cause abnormal variations and are beyond the scope of coverage.
	A 6.11	Inadequate cooling.	Your Builder will correct if cooling system cannot maintain a 78 degree Fahrenheit temperature, under normal operating and weather conditions. Temperature shall be measured at a point 5 feet above floor in center of affected area. On hot days, when outside temperature is above 95 degrees Fahrenheit, a difference of 17 degrees from outside temperature will be difficult to maintain. This standard may be superseded by energy codes adopted by the local jurisdiction. All rooms may vary in temperature by 5 or 6 degrees. This is acceptable under industry standards.	Orientation of the Home, location of room and location of vents can cause temperature variations. If outdoor temperature rises above design temperature the temperature in the Home will be affected. Design features such as expansive stairways, open foyers, sunrooms or cathedral ceilings may cause abnormal variations and are beyond the scope of coverage.
	A 6.12	Leak in cooling system.	Your Builder will repair if due to faulty installation or materials.	Homeowner is responsible for system maintenance.
	A 6.13	Duct work separates.	Your Builder will reattach and resecure separated ductwork.	Homeowner maintenance is required.
	A 6.14	Ductwork noise and oilcanning.	Your Builder will take necessary steps to eliminate oilcanning and booming noise.	When metal heats or cools noise in ductwork may occur for a brief period of time.
A 7. GENERAL NEW HOME COMPONENTS				
Bathroom and Kitchen	A 7.1	Gaps between cabinets, walls or ceiling.	Your Builder will repair gaps greater than ¼ inch. Cabinets are to be securely mounted.	Minor separation is normal. Acceptable methods of repair may be caulking, molding, or other ways to meet the standard.

CATEGORY	REF.	CONDITION	STANDARD	REMARKS
	A 7.2	Cracked door panel.	Not a warranted condition.	Cracked door panels should be identified on a pre-closing walk-through inspection list.
	A 7.3	Warping of cabinet door or drawer front.	Your Builder will repair warpage greater than ¼ inch from the face of the cabinet frame to the most distance of warpage on door in a closed position.	Warpage may be a temporary condition when cause by climatic changes.
	A 7.4	Doors or drawers malfunction.	Your Builder will repair or replace as needed.	Homeowner negligence is not a warranted condition.
	A 7.5	Defective plumbing fixture, fitting or appliance.	Your Builder will repair any fixture or fitting which does not conform to the manufacturer's standards.	Homeowner is responsible for maintenance.
Countertops	A 7.6	Chips, cracks, scratches in countertops, cabinets, fixtures, or appliance.	Not a warranted condition.	These conditions should be identified on a pre-closing walk-through inspection list.
	A 7.7	Delamination in high pressure laminates of countertops.	Your Builder will repair.	This condition should be identified on a pre-closing walk-through inspection list.
Chimney and Fireplace	A 7.8	Chimney separates from the Home.	Your Builder will repair separation greater than ½ inch within 10 feet.	It is normal for chimneys to settle causing separation.
	A 7.9	Chimney smoke inside Home.	Your Builder will repair if the condition is caused by improper construction or inadequate clearance one time only.	Smoke is caused by a negative draft where outside air is pulled into the room through the chimney. It can be caused by high winds, outdoor obstructions such as trees or the physical location of the chimney. A negative draft is usually temporary and can be corrected by opening a window to create a positive draft.
	A 7.10	Water infiltration into firebox from flue.	Not a warranted condition.	A certain amount of rainwater can be expected under certain conditions.
	A 7.11	Firebrick or mortar joint cracks or color of firebrick changes.	Not a warranted condition.	Heat in a fireplace may cause cracking or discoloration.
Appliances and Equipment	A 7.12	Appliances or equipment installed by your Builder does not operate.	Your Builder will repair or restore the operation of appliances and equipment if damaged during installation or improper installation.	Normal wear and tear and defects resulting from negligence or Homeowner abuse are not warranted. Other manufacturers' warranties may apply to new appliances and equipment.

CATEGORY	REF.	CONDITION	STANDARD	REMARKS
Construction Deficiencies	A 7.13	Failure of the Home to comply with acceptable trade practices for quality standards that result from poor workmanship or substandard materials which impair the normal functions of the Home.	Your Builder will repair the construction deficiency to comply with acceptable industry quality standards.	Normal wear and tear and deficiencies resulting from negligence or Homeowner abuse are not considered construction deficiencies.
B. YEAR 2 COVERAGE ONLY				
Electrical System	B. 1	Wiring fails to carry specified load.	Your Builder will correct if failure is due to improper installation or materials.	Electrical fixtures are covered in year one only.
Heating and Cooling Systems	B. 2	Duct work separates.	Your Builder will correct.	Homeowner maintenance is required.
Plumbing Systems	B. 3	Pipe leaks.	Your Builder will correct.	Condensation on pipes does not constitute leakage.
	B. 4	Water supply fails to deliver water.	Your Builder will correct if due to faulty workmanship or materials inside the Home.	Drought or causes other than faulty workmanship and materials will not be covered under this Limited Warranty.
	B. 5	Clogged drain or sewer.	Your Builder will correct clog within structure caused by faulty workmanship or materials.	Clogs and stoppages beyond the exterior wall are not covered by this Limited Warranty. Routine Homeowner maintenance and proper use is required.
	B. 6	Septic system fails.	Your Builder is responsible for installing the system in compliance with local codes and requirements. Defects resulting from noncompliance are warranted.	Homeowner is responsible for maintenance and proper care of the system. Issues not related to workmanship or materials are considered non-warranty items.

C. Thirteen Year WSC Coverage only

The following Warranty Standards are applicable only to the Warranted Structural Component expressly stated in this Limited Warranty. Read Section 1 through 4 to determine if the following Warranty Standards apply. These Standards are included to provide an understanding of how issues will be evaluated.

CATEGORY	REF.	CONDITION	STANDARD	REMARKS
C. 13 YEAR COVERAGE - WARRANTED STRUCTURAL COMPONENTS				
Concrete Components	C.1	Cracks in concrete beams	Warrantor will repair cracks greater than ¼ inch in width and ½ the beam thickness in depth. Corrective action may include measures as determined by the Warrantor.	Shrinkage and non-structural cracks are typical in new home construction and are not considered a warranted condition.
	C.2	Cracks in poured concrete walls.	Warrantor will repair cracks greater than ¼ inch in width or vertical displacement and ½ of the wall thickness in depth. Corrective action may include measures as determined by the Warrantor.	Minor cracking due to shrinkage, backfilling or soil conditions is typical in new home construction and are not considered a warranted condition.
	C.3	Cracks in poured concrete slab.	Warrantor will repair cracks greater than ¼ inch in width and ¼ inch vertical displacement and floor covering directly affected by the crack.	Warrantor will match finish as closely as possible.
	C.4	Movement in poured concrete floor.	Warrantor will repair movement greater than 1 inch per 120 inches from original placement.	Some movement should be expected due to regional soil conditions and seasonal climate changes. Expansion joints allow for expansion and contraction. This is not considered a warranted condition.
Masonry Components	C.5	Cracks in load bearing concrete and masonry walls.	Warrantor will repair cracks greater than ¾ inch in vertical or horizontal displacement. Corrective action may include measures as determined by the Warrantor.	Shrinkage and non-structural cracks are common in new home construction. Masonry veneers are not Warranted Structural Components.
	C.6	Column movement.	Warrantor will repair out-of-plumb movement greater than 1 inch in 96 inches.	Some movement is typical in new home construction and is not considered a warranted condition.
Wood Components	C.7	Deflection in beam or joist.	Warrantor will repair deflection greater than 1 inch in 120 inches.	Some deflection is typical in new home construction. Minor warping is typical as wood dries out and is not considered a warranted condition.

CATEGORY	REF.	CONDITION	STANDARD	REMARKS
	C.8	Deflection in floor or roof trusses.	Warrantor will repair deflection greater than 1 inch in 120 inches.	Some deflection is typical in new home construction. Variations in temperature and humidity may cause temporary deflection beyond the standard. Minor warping is typical as wood dries out and is not considered a warranted condition.
	C.9	Movement of a load bearing wall.	Warrantor will repair movement greater than 1½ inches per 96 inches.	Some movement is typical in new home construction. Minor warping may occur as wood dries out and is not considered a warranted condition.
	C.10	Deflection of a load bearing wall.	Warrantor will repair deflection greater than 1 inch in 96 inches measured horizontally or vertically.	Some deflection is typical in new home construction. Deflection of 1 inch or less is not considered a warranted condition.
	C.11	Movement of a wood column.	Warrantor will repair movement greater than 1½ inches per 120 inches of vertical height.	Some movement is typical in new home construction. Movement of 1½ inches or less is not considered a warranted condition.
	C.12	Deflection of a wood column	Warrantor will repair deflection greater than 1 inch per 120 inches.	Some deflection is typical in new home construction. Deflection of 1 inch or less is not considered a warranted condition.
Metal Components	C.13	Deflection in beam or joist.	Warrantor will repair deflection greater than 1 inch in 120 inches.	Some deflection is typical in new home construction. Deflection of 1 inch or less is not considered a warranted condition.
	C.14	Deflection in floor or roof trusses.	Warrantor will repair deflection greater than 1 inch in 120 inches.	Some deflection is typical in new home construction. Deflection of 1 inch or less is not considered a warranted condition.
	C.15	Movement of a load bearing wall.	Warrantor will repair movement greater than 1½ inches per 96 inches.	Some movement is typical in new home construction. Movement of 1½ inches or less is not considered a warranted condition.
	C.16	Deflection of a column	Warrantor will repair deflection greater than 1 inch per 96 inches.	Some deflection is typical in new home construction. Deflection of 1 inch or less is not considered a warranted condition.

Section 6. REQUEST FOR WARRANTY PERFORMANCE.

A. Notice to Warrantor

If you believe your Home has a defect covered (and not excluded) under this warranty, you must notify the Warrantor in writing as provided below. This written request for warranty performance must be postmarked no later than thirty (30) days after the expiration of the applicable warranty period. For example, if the item is one that is warranted during the first year of coverage, a request for warranty performance must be postmarked no later than thirty (30) days after the end of the first year to be valid. In all cases you must notify the Warrantor immediately of an alleged defect in a Warranted Structural Component.

1. Notice to Warrantor in year one and two. If any disputes arise regarding this Home Warranty after closing, initial dispute inquiries should be initially directed to the following areas, according to the agreed process:
 - a. Buyer agrees to contact the local Division office *in writing* and identify the warranty issue so the matter can be reviewed by Seller, see www.eastwoodhomes.com;
 - b. Eastwood Homes will, within a reasonable period of time, investigate your claim and determine whether the defects described in the complaint are covered under this Limited Warranty. You are to cooperate with Eastwood Homes including access to your Home to inspect the affected areas during normal business hours and at other reasonable times. Failure to allow access during normal business hours and at other reasonable times will void this Warranty.
 - c. Eastwood Homes will advise you in writing as to whether your complaint is a defect covered by this Limited Warranty. If it is, Eastwood Homes will perform repair work as described in this Limited Warranty which includes the Builder's option to make payment for the repair. If you added improvements which were not part of the Builder's original construction work, you are responsible for removal and/or repair of these items. Warranty repairs will be made during normal business hours.
2. If Eastwood Homes does not respond to your request for warranty performance within a reasonable time, you must give written notice to American eWarranty as provided in Section 6.B. Such notice to American eWarranty must be received within thirty (30) days of the expiration of the applicable coverage period or the request will be rejected as untimely made. A request for warranty performance to Eastwood Homes does not constitute notice to American eWarranty and it will not extend application coverage periods.
3. Notice to Warrantor for Warranted Structural Components in years three through thirteen.
 - a. If a defect related to a Warranted Structural Component occurs in years three through thirteen of the Limited Warranty, you must notify American eWarranty in writing as provided in Subsection b below.
 - b. Your request for warranty performance must describe the condition of the Warranted Structural Component in reasonable detail.

B. Notice to American eWarranty

1. Written notice to the American eWarranty requesting warranty performance must be sent by certified mail, return receipt requested to American eWarranty, Department C, 119 Aster Drive Suite 105, Harrisburg, PA 17112.
2. Your notice to American eWarranty must contain the following information:
 - a. Unique Warranty ID Number and Start Date of Warranty indicated on your Warranty Certificate;
 - b. Your Builder's name and address;

- c. Your name, address, email, and telephone number (including home and work numbers);
 - d. A reasonably specific description of the Defect(s);
 - e. A copy of any written notice to Eastwood Homes; and
 - f. Photographs, if they would be helpful in describing the Defect.
4. When a request for warranty performance is filed and the alleged Warranted Defect cannot be observed under normal conditions, it is your responsibility to substantiate that the need for warranty performance exists and to pay both the cost of the substantiation and the cost of correcting any damage done by such substantiation. If properly substantiated, your reasonable expenses in this regard will be reimbursed by the Warrantor.
- C. Mediation and inspection following a request to American eWarranty for warranty performance.
- 1. Within thirty (30) days after American eWarranty receives proper notice requesting warranty performance, we will review and mediate your request by communicating with you, Eastwood Homes and any other individuals or entities who may possess relevant information.
 - 2. At any time after American eWarranty receives proper notice of your request for warranty performance, we may schedule an inspection of the alleged Warranted Defect. Your cooperation is essential and we may request access to inspect the home and ask for more information to process your request
 - 3. If Eastwood Homes defaults on a year one or two Warranted Defect obligation for which your Builder is the Warrantor and you are entitled to a remedy under this Limited Warranty, prior to repair or replacement of the Warranted Defect(s), you must pay to American eWarranty a Warranty Service Fee of \$50.00. If American eWarranty elects to pay you cash rather than to repair or replace the Warranted Defect, the Warranty Service Fee will be subtracted from the cash payment due you.
 - 4. During years three through thirteen, you must pay American eWarranty a Warranty Service Fee of \$250.00 per claim for warranty performance regarding a Warranted Structural Component prior to repair or replacement. If American eWarranty elects to pay you cash rather than to repair or replace the warranted item, the Warranty Service Fee will be subtracted from the cash payment due you.

D. Arbitration

- 1. If American eWarranty has not been able to successfully mediate your request within thirty (30) days or at an earlier time if we believe that Eastwood Homes and you are at an impasse, then American eWarranty will notify you that your request has become an Unresolved Request.**
- 2. If American eWarranty determines that an Unresolved Request Item exists, either you or the Warrantor may request arbitration. Arbitration is the sole recourse for an Unresolved Request Item. It is in lieu of court proceedings, the right to which is hereby waived, and the findings of the Arbitrator are final binding on all parties.**
- 3. To begin the arbitration process, you must give American eWarranty written notice requesting arbitration of the Unresolved Request Item. Notice must be provided in the manner described in Section 6. B. If you make this request, you must pay the arbitration fee before the matter is submitted to the arbitration service. After the request is made, the parties will each be responsible for their own arbitration costs, fees and any other charges as applicable. The Arbitrator has the power, however, at the close of the arbitration to determine who is responsible for fees or to split them between the parties.**

4. **Within twenty (20) days after American eWarranty receives your written request and the arbitration fees, your Unresolved Request Item will be submitted to a neutral, reputable arbitration service for resolution. The arbitration service will select a qualified Arbitrator to arbitrate the matter from a panel of three with you and the builder providing rank order input. The arbitrator shall be competent to address the subject matter of the request.**
 5. **The arbitration will be conducted by a recognized professional arbitration service in accordance with its applicable rules, this Limited Warranty, and the Federal Arbitration Act, 9 U.S.C. Sections 1 et seq.**
 6. **Enforcement of Arbitration Award.**
 - a **Except as provided in Subsection b below:**
 - i **For a year one or two Warranted Defect, your Builder must comply with the Arbitrator's Award within sixty (60) days from the date American eWarranty sends it to your Builder.**
 - ii **In years three through thirteen for a Warranted Structural Component, the Warrantor must comply with the Arbitrator's Award within sixty (60) days from the date American eWarranty receives it.**
 - b **The Warrantor must begin compliance as soon as possible and complete it within the sixty (60) day compliance period, except for repairs that would reasonably take more than sixty (60) days. An example that could extend the time frame would be inclement weather. In such circumstances, the Warrantor will complete such repairs or replacement as soon as possible without incurring overtime or weekend expenses.**
 - c **You must provide the Warrantor with reasonable weekday access to your Home during normal business hours so that it can perform its obligations. Failure by you to provide such access to the Warrantor may result in further damage that will not be covered by this Limited Warranty and may extend the time during which Warrantor may fulfill its obligations.**
- E. **Conditions of Warranty Performance.**
1. **Before the Warrantor pays for the reasonable cost of repair or replacement, you must sign and deliver to the Warrantor a full and unconditional release, in recordable form, of all legal obligations with respect to the Warranted Defects and any relating conditions. The repaired or replaced Warranted Items will continue to be warranted by the Limited Warranty for the remainder of the applicable periods of coverage.**
 2. **If the Warrantor elects to make a cash settlement for the reasonable cost of a warranted defect, the settlement must be in writing. The Homeowner shall have up to two (2) weeks to respond.**
 3. **If the Warrantor repairs, replaces or pays you the reasonable cost to repair or replace a Warranted Item, the Warrantor shall be subrogated to all your rights of recovery against any person or entity. You must execute and deliver any and all instruments and papers and take any and all other actions necessary to secure such rights, including, but not limited to, assigning the proceeds of any insurance or warranties to the Warrantor. You shall do nothing to prejudice these rights of subrogation.**

Section 7. WARRANTY PROVISIONS

- A. **This Limited Warranty is NOT an insurance policy, a maintenance agreement or a service contract.**
- B. **This Limited Warranty provides coverage only in excess of coverage provided by other warranties or insurance, whether collectible or not.**
- C. **This Limited Warranty is binding on Eastwood Homes and you and your heirs, executors, administrators, successors and assigns.**
- D. **This Limited Warranty shall be interpreted and enforced in accordance with the state in which the Home is located.**

- E. This Limited Warranty is separate and apart from other contracts between you and Eastwood Homes, including any sales agreements. It cannot be affected, altered or amended in any way by any other agreement, except by a formal written instrument signed by you, Eastwood Homes, and American eWarranty.
- F. If any provision of this Limited Warranty is determined by a court of competent jurisdiction to be unenforceable, that determination will not affect the validity of the remaining provision.
- G. All notices required under this Limited Warranty must be in writing and sent to the address the recipient may designate in writing.
- H. If performance by the Warrantor under this Limited Warranty is delayed by an event beyond its control, such performance will be excused until the delaying effects of the event are remedied. Such events include, but are not limited to, acts of God or nature, acts of the common enemy, war, riot, civil commotion or sovereign conduct, or acts or omissions by you or a person or entity not a party to this Limited Warranty.
- I. In this Limited Warranty, reference to a person includes entities and vice versa. Use of the singular includes the plural. Use of one gender includes the other gender.

Section 8. DEFINITIONS

Certain terms used in this Limited Warranty book are defined below. This is designed to help you better understand the meaning of terms and the warranty described herein:

- A. American eWarranty: this is the administrator of this Limited Warranty. American eWarranty is neither the Warrantor nor the Insurer.
- B. “Appliances, fixtures, and items of equipment” means furnaces, boilers, oil tanks and fittings, air purifiers, air handling equipment, ventilating fans, air conditioning equipment, water heaters, pumps, stoves, refrigerators, garbage disposals, compactors, dishwashers, automatic door openers, washers and dryers, bathtubs, sinks, toilets, faucets and fittings, lighting fixtures, circuit breakers, and other similar items.
- C. Arbitration. A binding dispute resolution process in which a designated neutral third party conducts a hearing where the parties present live testimony and evidence to the arbitrator. The arbitrator shall render a decision as to responsibility of each party based on the terms and conditions of the warranty and applicable law.
- D. Arbitrator. A representative of an arbitration service, appointed by such service to resolve an Unresolved Request Item.
- E. Consequential Damages. All Consequential Damages, including, but not limited to, damage to the Home that is caused by a Warranted Defect, but is not itself a Warranted Defect, as well as costs of shelter, transportation, food moving, storage, or other incidental expenses related to relocation during repairs, and bodily injury or property damage.
- F. Eastwood Homes and “Builder” means the legal entity registered with American eWarranty who has obtained this warranty.
- G. “Electrical systems” means all wiring, electrical boxes, switches, outlets and connections up to the public utility connection.
- H. Exclusion – items, conditions or situations not warranted or not covered by a performance standard.
- I. Habitable area is the living space defined as the enclosed area in a home that is suitable for year-round residential use.
- J. “Heating, Ventilating, and Cooling System” means all duct work, steam, water and refrigerant lines, registers, convectors, radiation elements and dampers.
- K. “Homeowner” means the purchaser of a new home who uses the home for residential purposes during the warranty period.

- L. Homeowner responsibility – an action required by the homeowner for proper maintenance or care of a home or the element or component of the home concerned. A homeowner’s failure to substantially comply with a stated homeowner responsibility creates an exclusion to the warranty for the performance standard.
- M. Home Warranty is this written limited warranty book.
- N. Insurer. The warranty insurer identified on the Warranty Certificate.
- O. Limited Warranty. The terms and conditions contained in this warranty book. It applies to specific components and standards which are identified in this book.
- P. Manufactured product – a component of the home that was manufactured away from the site of the home and that was installed in the home without significant modifications to the product as manufactured. Manufactured products commonly installed in residential construction include but are not limited to dishwashers, cook tops, ovens, refrigerators, trash compactors, microwave ovens, kitchen vent fans, central air conditioning coils and compressors, furnace heat exchanges, water heaters, carpet, windows, doors, light fixtures, fireplace inserts, pipes and electrical wire. For purposes of this warranty, a manufactured product includes any component of a home for which the manufacturer provides a warranty.
- Q. “New home” means a newly constructed private dwelling unit and the fixtures and structure that are made a part of a newly constructed private dwelling unit at the time of construction.
“New home” does not include:
 - 1. Outbuildings, including detached carports, except outbuildings that contain plumbing, electrical, heating, cooling, or ventilation systems serving the new home;
 - 2. Driveways;
 - 3. Walkways;
 - 4. Patios and decks;
 - 5. Boundary walls;
 - 6. Retaining walls not necessary for the structural stability of the new home;
 - 7. Landscaping;
 - 8. Fences;
 - 9. Off-site improvements; and/or
 - 10. Appurtenant recreational facilities.
- R. Original construction elevations – actual elevations of the foundation taken prior to substantial completion of the home. Such actual elevations shall include elevations of porches and garages if those structures are part of a monolithic foundation. To establish original construction elevations, elevations shall be taken at a rate of approximately one elevation per 100 square feet showing a reference point, subject to obstructions. Each elevation shall describe the floor. If not such actual elevations are taken, then the foundation for the habitable areas of the home are presumed to be level +/- 0.75 (three-quarters of an inch) over the length of the foundation.
- S. “Plumbing systems” means:
 - 1. Gas supply lines and fittings;
 - 2. Water supply, waste, and vent pipes and their fittings;
 - 3. Septic tanks and their drain fields;
 - 4. Water, gas, and sewer service piping and their extensions to the tie- in of a public utility connection;
 - 5. On-site wells and sewage disposal systems.

- T. Structurally Attached. An integral part of the Home being structurally supported by footings, block walls or reinforced concrete and connected to the foundation of the Home.
- U. Unresolved Request. All requests for warranty performance, demands, disputes, controversies and differences that may arise between the Homeowner and the Warrantor that cannot be resolved between them. An Unresolved Request Issue may be a disagreement regarding:
 1. What this Limited Warranty covers;
 2. An action performed, to be performed, or not performed under this Limited Warranty; or
 3. The cost to repair or replace any item covered by this Limited Warranty.
- V. Warranted Defect. A condition of a Warranted Item that, according to the Warranty Standards described in this Limited Warranty requires action by the Warrantor. Failure to complete construction of the Home or any portion of the Home, in whole or in part is not considered a Warranted Defect.
- W. Warranted Items. Those items in the Home that are specifically identified in the Warranty Standards described in Section 5 that can require action from the Warrantor if a warranty standard is not met.
- X. Warranted Structural Components (WSC). Those items defined in this Limited Warranty in Section 5.C.
- Y. Warrantor. Eastwood Homes in years one and two; the Insurer in years three through thirteen for Warranted Structural Components and for Defects in years one and two if Eastwood Homes defaults.
- Z. Warranty Standards. The standards, described in Section 5, by which the condition of a warranted item will be judged to determine whether action by the Warrantor is required, and if so, the type of action that such condition requires of Warrantor.
- AA. Warranty Certificate. Identified as form EH149 and given to the homeowner at closing, it validates this warranty. This Limited Warranty is not in effect until the Warranty Certificate is signed by the homeowner and Eastwood Homes.
- BB. "Warranty date" means the first day that the owner occupies the new home, settles on the new home, makes the final contract payment on the new home, or obtains an occupancy permit for the new home if the home is built on the owner's property, whichever is earlier.

HUD Addendum: Applicable if your home is financed by FHA/VA.

Section 2. The Limited Warranty Conditions - The following language is substituted:

- C. For one (1) year, beginning on the warranty date, your Builder will correct defects in workmanship and materials resulting from the failure of the covered property to comply with standards of quality as measured by acceptable trade practices, as well as correct the problems with, or restore the reliable function of, appliances and equipment damaged during installation or improperly installed by your Builder.

Section 6.D.2. Arbitration - The following language is added:

Judicial resolution is another option which may be used in lieu of arbitration.

Section 6.E.2 Conditions of Warranty Performance - The following language is added.

Any settlement over \$5,000 is subject to an on-site inspection by a HUD approved inspector paid by the Warrantor. The HUD inspection will not be required if the settlement is the result of legal action, or the Homeowner is represented by a lawyer, or the settlement is based on a third party contractor who agrees to complete warranted repairs.