

HOMEOWNER WARRANTY MANUAL



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We strive to build an impeccable home, yet we are realistic enough to know that it may not be perfect or something in the home may not perform as intended. We will make the necessary corrections within the limits of our warranty.

In support of this commitment, we'll provides you with a 1-Year Limited Warranty, a 2-Year Limited Warranty, and a 10-Year Structural Warranty.

QUALITY ASSURANCE

Monticello Homes performs a Quality Assurance Inspection on every home prior to the homeowner orientation with the new buyer. This is to ensure that each home meets or exceeds the quality levels.

"Residential Performance Guidelines" established by the "National Association of Home Builders" (NAHB). These guidelines are standards the building community uses to establish certain quality levels in their construction.

The "National Association of Home Builders" is recognized as an objective and qualified source for establishing new home standards. These standards are objective, credible and uniform and spell out the minimum performance for acceptable workmanship and product performance. Monticello Homes seeks to meet or exceed these standards on each home that we build.



1-YEAR LIMITED WARRANTY

Monticello Homes warrants that every home we build has been constructed with materials and workmanship of a quality that meets or exceeds industry standards. For a period of one (1) year beginning on the closing date specified above ("Warranty Period"), the Builder warrants to Purchaser that:

The Home will be free from defects in workmanship and materials due to non-compliance with the structural, mechanical, electrical, and quality standards of the home building industry for the geographic area in which the Residence is located which are in effect at the time the Residence is constructed.

The Home will be free from defects in the installation of the plumbing, heating, cooling, and electrical systems resulting in non-compliance with the applicable plumbing, mechanical, or electrical code in effect at the time the Residence was permitted provided, however, <u>that this warranty does not apply to defects in an appliance</u>, <u>fixture</u>, <u>or item of equipment or defects in the plumbing</u>, <u>heating</u>, <u>cooling</u>, <u>or electrical systems caused by defects in an appliance</u>, <u>fixture</u>, <u>appliance</u>, <u>fixture</u>, <u>or item of equipment</u>. These will be covered under the Manufacturer's Warranty.

2-YEAR LIMITED WARRANTY

Limited coverage for HVAC, plumbing and electrical systems.

10-YEAR STRUCTURAL WARRANTY

In addition to the 1-Year and 2-Year Monticello Homes Warranty, your home is also protected by a 10-Year Structural Warranty. For a period of ten (10) years beginning on the closing date ("Structural Warranty Period"), the Builder warrants to Purchaser that:

The Home will be free from Structural Defects.

A "Structural Defect" is actual physical damage to the following designated load-bearing portions of the Residence caused by failure of such load-bearing portions which affect their load-bearing function to the extent that the Residence becomes unsafe, unsanitary or otherwise unlivable:

• Foundation systems and footings

- Beams
- Girders
- Lintels
- Columns
- Walls and partitions
- Floor Systems (Not Floating Slabs basement slabs, garage floors, etc)
- Roof framing systems

Examples of nonload-bearing elements which are deemed NOT to have Structural Defect potential are:

- Nonload-bearing partitions and walls
- Wall tile or paper, etc.
- Plaster, lathes, or dry wall
- Flooring and subflooring material
- Brick, stucco, stone or veneer
- Any type of exterior siding
- Roof shingles, sheathing and tar paper
- Heating, cooling, ventilating, plumbing, electrical and mechanical systems
- Appliances, fixtures or items of equipment
- Doors, trim, cabinets, hardware, insulation, paint, stain
- Basement and other interior floating, ground-supported concrete floor slabs

The Builder's Standards of Construction, which shall be applicable in determining the scope of this Limited Warranty, are set forth on Page 21.

CONSUMER PRODUCTS EXCLUDED

Any appliance or other item in the Residence which is a "consumer product" for the purposes of the Magnuson-Moss Warranty Act (15 U.S.C. §2301 through 2312) are excluded from the coverage of this Limited Warranty. The following are examples of "consumer products," although other items in the Residence may also be consumer products: refrigerator, trash compactor, range, dishwasher, garbage disposal, air conditioner, furnace, hot water heater, clothes washer and dryer, thermostat and automatic garage doors and openers. (Note: The Residence may not contain all of these items.)

ASSIGNMENT OF MANUFACTURERS' WARRANTIES

The Builder assigns to Purchaser the manufacturers' warranties on all appliances, equipment, and "consumer products" installed in the Residence. A copy of each of these warranties has been delivered to Purchaser, and Purchaser acknowledges receipt of same. It is the Purchaser's responsibility to register manufacturer's warranties with the appropriate product manufacture. Purchaser should follow the procedure set forth in the applicable warranty if a defect appears in any appliance, item of equipment, or other consumer product. The sole remedy of Purchaser as to any consumer products shall be to make such claims as are appropriate under the manufacturer's warranties.

OTHER EXCLUSIONS FROM COVERAGE

The liability of the builder under this limited warranty shall not apply or extend to, and the builder assumes no responsibility for, loss or damage caused by:

- Defects in design, installation, or materials which Purchaser supplied, installed, or had installed under his direction
- Additions, alterations, or modifications to the Residence or the real property on which it is located, done by or at the direction of Purchaser
- Introduction of water into the soils surrounding the Residence by parties other than the Builder or parties under the control of the Builder
- Normal wear and tear or normal deterioration
- Normal shrinkage caused by drying of the Residence and the materials used within tolerances generally acceptable under the building standards for the geographical area in which the Residence is situated
- Normal settling of the Residence within tolerances generally accepted under the building standards in effect for the geographical area in which the Residence is situated or within generally accepted standards of construction
- Dampness and condensation caused by the failure to provide sufficient ventilation after occupancy by parties other than the Builder or parties under the control of the Builder
- Failure to maintain the Residence by parties other than the Builder or parties under the control of the Builder
- · Changes in the grading of the ground around the Residence by parties other than the Builder or parties under the control of the Builder
- Failure to maintain the grades, swales, and drainage patterns established by the Builder, which assure that any water falling on the property surrounding the Residence whether from natural precipitation or lawn irrigation, will flow positively away from the Residence
- Landscaping
- Pest Control





- Failure of Purchaser to take timely action to minimize such loss or damage and/or failure of Purchaser to give the Builder proper or timely notice of the defect
- Accidents, natural disasters, or acts of God, including, but not limited to: fire, explosion, smoke, water escape, unforeseen changes in the water table, wind, hail, lightning, falling trees, aircraft and vehicles, flood, earthquake, ice, snow, mine subsidence, terrorism or vandalism except when the loss of damage is caused by the Builder's failure to comply with standards of construction or the building code, as applicable
- Soil movement where the resulting loss or damage is compensated for by legislation or covered by insurance
- Soil conditions of the real property upon which the Residence is constructed if such real property was owned by Purchaser and obtained by Purchaser from a source independent of the Builder, in which the Builder has followed the recommendations of the soils engineer in constructing the Residence
- · Any defect which does not result in actual loss or damage
- Any loss or damage which arises while the Residence is being used primarily for non-residential purposes
- Any items that comply with the Standards of Construction to this Limited Warranty
- Presence or consequences of unacceptable levels of radon, formaldehyde, carcinogenic substances
- Malfunction of equipment or lines for utilities, including gas, telephone, power, water or sewer

- Retaining walls, fences, landscaping (including sodding, seeding, shrubs, trees and plantings), off-site improvements, including, but not limited to, sidewalk and curb, gutter and / or any other improvements not a part of the Residence
- Water lines serving an ice maker or comparable equipment
- Sound transmission and sound proofing between rooms or floor levels
- Driveways, walkways, patios, porches and stoops not structurally attached

PROCEDURES

Written Notice of Claim. If Purchaser discovers a defect which is covered by this Limited Warranty,

Purchaser should follow these steps:

- Go online to Nationalbuildergroup.com/ builder/monticello-homes/service/
- Provide name, email and phone number
- Select community from menu
- Provide home address
- Specify nature of the claim
- Upload images
- Click Submit

Warranty claim notices may also be (i) delivered personally (ii) sent by registered or certified mail, postage prepaid, return receipt requested, or (iii) sent by email (warranty@dreamteamin.com) to the Builder as long as Purchaser has confirmation of transmission, and must be received by the Builder as soon as practical after Purchaser either discovers or, in the excess of reasonable diligence, should have discovered the defect in the Residence or the loss or damage caused by such defect, but in no event later than thirty (30) days after the warranty given hereby expires.

- **Emergency Repairs.** If the defect constitutes an emergency situation, the Builder should be notified AND the requisite Vendor should be contacted directly on their emergency service line, which was provided with your Orientation paperwork, and is also present at the Furnace, Hot Water Heater or Electric Panel. 614-295-0295. Emergency situations are only:
 - Total loss of heat
 - Total loss of electricityTotal sewer stoppage (Warranty is limited to within the first 30 days)
 - Plumbing leak that cannot be stopped without shutting off all the water in the Residence
 - Roof leak
 - Total loss of hot water

Builder Response. The Builder or its agent, representative, employee, or subcontractor will contact purchaser within three business days following the Builder's receipt of the notice of the claim to schedule an inspection of the Residence and, if necessary, to schedule the corrective action to be taken by the Builder. The Builder shall proceed to complete any corrective action required by the Builder. However, that any delay caused by strikes, labor disputes, boycotts, shortages of labor or materials, governmental action or inaction, weather, acts of God, or any other fact or circumstance beyond the reasonable control of the Builder shall not be a basis for a claim of lack of diligence on the part of the Builder. The Builder's obligation to proceed with due diligence shall be suspended for as long as any such condition, fact, or circumstance shall continue to exist.

REMEDIES

Repair or Replacement. If, following the inspection of the Residence, the Builder determines that a valid Warranty claim exists, the Builder shall repair, replace, or schedule with the appropriate trade partner at its option, (I) the defective item and (ii) the damage to those portions of the Residence installed by the Builder caused thereby and, upon completion of the repair or replacement, shall leave the Residence in a broom clean condition. All work shall be performed by the Builder or trade partners chosen by the Builder.

Limitation of Liability. The Builder's liability under this Limited Warranty:

- Shall not exceed the purchase price paid to the Builder for the Residence.
- Shall not extend to consequential damages such as (I) bodily injury, (ii) damage to personal property, (iii) damage to real property which is not part of the Residence, (iv) claims for emotional distress or pain and suffering, (v) claims for inconvenience, temporary housing, moving expenses, food or incidental expenses or (vi) claims for loss of use, loss of opportunity, loss of market value or loss of rental value. The foregoing list of consequential damages claims that are excluded from this Limited Warranty is illustrative, and it is the intent of the parties that all claims for consequential damages be excluded and Purchaser(s) hereby waives all claims against the Builder for consequential damages.
- Shall not extend to defects discovered after the Residence is no longer used primarily as a dwelling.

Warranty Not Extended. Actions taken by the Builder to correct a defect(s) shall not extend the term of this warranty.









ASSIGNABILITY

The warranties provided in this Limited Warranty Agreement are personal to Purchaser and may not be transferred or assigned by Purchaser to subsequent owners of the Residence unless otherwise agreed upon.

OWNER'S RESPONSIBILITIES

The Residence requires an active maintenance effort by Owner to reduce the likelihood of damage due to neglect, improper maintenance or abnormal use. A common problem encountered by new homeowners is water damage to exterior walls and basements, which may be caused by the location of Owner installed trees and shrubbery, failure of Owner to maintain proper grade and drainage away from the Residence, or soil movement resulting from excessive entrance of water around the foundation of the Residence. The Builder established a proper grade around the Residence that will ensure the continued drainage of water away from the Residence and Owner shall not alter the grade established by the Builder. Damages resulting from excessive water entrance caused by Owner changing or maintaining the grade, or cultivating and landscaping areas near the foundation will not be covered by this Warranty.

EXCLUSIVE WARRANTY

Except as provided in this Limited Warranty Agreement, the Builder makes no other representations or warranties, of any nature, express or implied, including, but not limited to, those of workmanlike construction, habitability, design, condition, quality, or otherwise as to the property and the Residence and other improvements constructed thereon and the Builder expressly disclaims any such representations or warranties. Purchaser acknowledges and accepts such disclaimer and agrees to waive any and all rights he may have by virtue of such representations and warranties.

Except for the warranties provided in this Limited Warranty Agreement, Purchaser assumes the risk of any and all damage occurring in or appearing on the property or the Residence and other improvements constructed regardless of the cause.

OTHER RIGHTS

This Limited Warranty gives you, as Purchaser, specific legal rights. You may also have other legal rights which vary from state to state.

APPLICABLE LAW

This Limited Warranty Agreement shall be construed in accordance with the laws of the State of Ohio.

FREQUENTLY ASKED QUESTIONS ABOUT YOUR NEW Monticello Homes Home PERFORMANCE AND WARRANTY

Congratulations and thank you for allowing us to build your home. We understand that your new home is a major investment so we would like to address the most frequently asked questions about the warranty on your home and establish realistic expectations for the performance of your home. Prior to closing, your home receives a 200+ point Quality Assurance Inspection from our in-house professionals to ensure that it meets or exceeds the Residential Construction Standards established by the NAHB as modified for our area.

- Q. What is Monticello Homes' policy concerning trees, sod and plants?
- A. Trees, shrubs and grass are not warranted after closing unless specifically noted on the Orientation Builder's Checklist. <u>However, the Builder will replace trees and shrubs if they do not survive the first winter</u>. As a courtesy, we will examine native trees and shrubs that were left after clearing your lot during the course of your first year to be sure that no damage was done and that proper maintenance is being followed. If we feel that we may have done something that could have caused the problem, we will, at our discretion have the tree removed, and if possible, grind the stump. No replacement of native trees will be done.
- Q. What are Monticello Homes' policies concerning drainage?
- **A.** Your lot has been graded per requirements for proper drainage as established by professional engineers. Issues arising from altering the grade of your lot after closing are not covered by your warranty. After periods of normal rain you can expect water to drain off within 24 hours in most areas and 48 hours in swales. After periods of heavy rain it may take considerably longer.





- **Q**. What is Monticello Homes' warranty policy concerning scratched window glass, damaged countertops, damaged cabinets, or other similar damages after closing?
- A. Damages such as scratched glass, cuts in vinyl flooring, damaged countertops, drywall repairs and paint touch-ups are not warranted after closing. These items must be noted on the Homeowner Orientation Punch List and taken care of prior to closing. We will not be responsible for paint touch-up matches after closing; however, we will match with the closest available standard color.
- **Q.** What is Monticello Homes' policy concerning concrete?
- **A.** It is normal for concrete surfaces to crack due to normal expansion and contraction, and seasonal temperature fluctuations; they may also develop cracks due to soil movement underneath due to rain, erosion, etc. Most cracks have no structural significance and are of no concern. Cracks in garage, driveway, walkway and patio that are in excess of 1/4 inch in width or vertical displacement will be repaired. Foundation cracks greater than 1/8 inch will be repaired. In accordance with our warranty policy, we will make any necessary repairs to correct these conditions. We will not be responsible for color variations when repairs are required.
- Q. What are Monticello Homes' policies covering roof issues?
- A. Roof issues will be covered for the first year as outlined in the warranty documents. A Materials Warranty will be provided and covered by the manufacturer; hail damage is not covered by the Builder's warranty. Contact the company that holds you homeowner policy.







- Q. What is Monticello Homes' warranty policies for ceramic tile?
- A. Ceramic tile issues will be covered for the first year as outlined in the warranty documents. If tiles are to be replaced, we do not assume responsibility for color variations or dye lot matches on tile that has been discontinued. Wall tiles will be also covered for one year from the date of closing.
- Q. What should I do if I have a Plumbing, HVAC, or Electrical emergency after hours?
- A. Monticello Homes provides 24 hour 7 days a week emergency service through
- our mechanical contractors. Contact information for the appropriate mechanical contractor has been provided with your New Home Orientation paperwork prior to or at closing. Additionally, this information can be found on your Water Heater, Furnace or Electric pan, as applicable. We would like for you to contact our warranty department the next business day as well so we may make any necessary inspections to evaluate the problem. Please submit a warranty ticket on the website for tracking.
- Q. How will I know where my property lines are if I want to do make any alterations to my property after I close?
- **A.** We will provide you with a final survey at closing. The survey will show the pin locations (property lines) and exact measurements. It is your responsibility to provide this information to your contractors as well as your contractor's responsibility to verify property lines prior to making any improvements to your property. In addition, it is critical the neither you, nor your contractor, make any change to the grade or swales as this could cause drainage issues for adjacent property. Be sure to check the Covenants and Restrictions for your neighborhood prior to making any alterations to your property, as a written architectural approval is usually required.

OTHER INFORMATION:

- Be sure to read and understand the Warranty Documents completely.
- Be sure to contact our warranty department as soon as possible to report any leaks that you may notice.
- Driveways, walks, patios and exterior walls can be pressure washed. Avoid high pressures to reduce the chance of damage to the surface being cleaned: It is not recommended that you pressure wash your windows as this could result in damage that might void the warranty.
- Check your roof shingles after heavy storms or high winds to ensure there are no damaged or missing shingles.
- Change furnace filters monthly. Have unit serviced at least once a year for proper operation.
- Know where all major gas, water, and electrical shut-off valves are located.
- Some items on your new home may have extended warranties that will be provided by the manufacturer. Please consult these documents for further information. Do not forget to register your appliances (see QR Codes on the inside panel of your respective appliances.
- The Builder does not assume responsibility for conditions that are beyond our control.
- Personal property, including furnishings are not covered by this warranty.

USE AND CARE OF YOUR HOME

Your home has been constructed with quality materials and the labor of experienced craftsmen. Prior to our using any material, it must meet our specifications for quality and durability. All work is done under our supervision to attain the best possible results.

A home is one of the last hand-built products left in the world. Homebuilding is part art, part science and part hard labor. No two homes, even of the same plan, will be constructed exactly alike. Once the natural and manmade materials have been assembled, the components interact with each other and the environment. Although quality materials and workmanship have been used in your home, this does not mean that it will be free from care and maintenance, which is essential to providing a quality home for a lifetime. Please refer to the schedule in this manual for maintenance guidelines.

We are proud of the product we build and the neighborhoods in which we build. We strive to create long lasting value. This cannot be achieved unless you, as the homeowner, <u>properly maintain your home and all of its</u> <u>components</u>. Periodic maintenance is necessary because of a number of factors such as normal wear and tear, the inherent characteristics of the materials used in your home, and normal service required by the mechanical systems. Natural fluctuations in temperature and humidity can also impact your home.

Many times a minor adjustment or repair done immediately saves a more serious time consuming and sometimes costly repairs. Negligence of routine maintenance can void applicable limited warranty coverage on all or part of your home.

We recognize that it is impossible to anticipate and describe every attention that may be needed for good home care; however, we have covered many important details. The subjects covered include components of homes we build, listed in alphabetical order. Each topic includes suggestions for use and care. Some components may be discussed here which are not present in your home.

Please take time to read the literature provided by the manufacturers of consumer products and other items installed in your home. Although much of the information may be familiar to you, some points may be significantly different from homes you have owned in the past.

We make every effort to keep our information current and accurate. However, if any detail in our discussion conflicts with the manufacturer's recommendations, the manufacturer's recommendations should be followed. Activate specific manufacturer warranties by completing online or mailing the registration cards included. In some cases, manufacturer warranties may extend beyond the first year; it is in your best interest to be familiar with such coverage. By caring for your home attentively, you ensure your enjoyment of it for years to come.





STANDARDS OF CONSTRUCTION

The Standards of Construction describe the quality of workmanship and materials which the Builder will adhere to in the construction of your new home. They are designed to help you, as the Purchaser, determine the validity of any potential claim regarding defects in workmanship and/or materials in your new home that you may have discovered during the Warranty Period.

For convenience and ease of understanding, the Standards of Construction have been expressed in terms of performance standards which set forth the acceptable tolerances for each area of concern. Non-compliance with the performance standards, beyond the acceptable tolerances, should be brought to the Builder's attention for inspection and, if caused by defects in workmanship and/or materials, for corrective action as provided in the Limited Warranty Agreement.

SITE WORK

Area of Concern: Drainage

Standard: The Builder will establish grading of the site one time in a manner which assures that water falling on the site, whether from natural precipitation or from normal lawn irrigation, will flow positively away from the foundation and slabs of the Residence. Drainage swales may not follow property boundaries. The Builder will not alter drainage swales to suit individual landscape plans. It is normal for the site to receive water from and/or pass water on to other sites. The Builder is not responsible for weather-caused changes to yards that are not landscaped after grading has been established or after the date of occupancy, whichever occurs last. Purchaser must maintain the grades, swales, and drainage patterns established by the Builder as part of the final grade. Failure to maintain adequate drainage may result in structural damage and void the Structural Defect Limited Warranty.

If Purchaser makes changes in grading or drainage, has installed landscaping improperly or failed to perform required maintenance, and these are deemed to be the cause of the damages, the Builder may suggest corrective measures, but will not be responsible for their implementation or expense.

Area of Concern: Settling of ground around the Residence and the utility trenches

Standard: When the areas for the Residence and the utilities serving the Residence were excavated, the holes dug were larger than the actual size of the Residence and the utilities installed. In certain situations, due to engineering requirements, these areas cannot be compacted when they are backfilled and are, subject to slight settlement. If settlement of more than 6" occurs, the Builder will fill the settled areas one time during the Warranty Period provided that (i) Purchaser has not changed the grades, swales, and drainage patterns of the site, and (ii) Purchaser assumes full responsibility for any landscaping affected. Any additional settlement must be corrected by Purchaser..

CONCRETE FLATWORK

CONCRETE FLATWORK IS NOT WARRANTED AGAINST CRACKING. CONCRETE SLABS AND FLATWORK WILL NOT BE REPLACED DUE TO CRACKING.

Cracks in concrete (driveway, sidewalk, patio, foundation) will occur as a result of normal expansion and contraction in the material due to changes in the weather. Such cracks are not an indication of a construction deficiency and will not impair the intended use of the concrete surface. However, within the first year, if settling causes cracks that exceed 1/4" width or 1/4" in vertical displacement, we will correct the defect by means of an appropriate joint filler up to 1/2".

Sealing your expansion joints within the first 30 days of closing (weather permitting) is required for your concrete warranty. Information on products to use for this can be obtained from your local home improvement store or may be performed by a concrete professional of your choosing. All cracks should be sealed as well to prevent water from entering the cracks.

To protect the surfaces of your concrete, avoid using de-icing materials, as they do void your concrete warranty. The safest material to use for traction is plain sand. It is advisable to apply a high-quality concrete water repellent to the

concrete in the summer each year to help protect the driveway from road salts and other chemicals your car may drip into the concrete. Information on high-quality water repellents may be obtained from local concrete suppliers.

If blankets are used to help with the curing process in the colder months, this may result in "blanket marks". These marks tend to fade over time and are not considered a defect that would constitute replacement and therefore are not a covered item.

Do not allow large delivery trucks or moving vans on your driveway.

Area of Concern: Cracks in basement floor and/or slab-on-grade floor

Standard: Cracks that do not exceed an average of 1/4 inch in width and vertical displacement (where one portion of the concrete settles to a lower point than another) that does not exceed an average of 1/4 inch are to be expected and would not be considered for repair within the first year.

Area of Concern: Cracks in garage slab and/or patio

Standard: Cracks that do not exceed an average of 1/4 inch in width and vertical displacement that does not exceed an average of 1/4 inch are to be expected. Purchaser must immediately seal all cracks as they appear with a waterproof substance.

Area of Concern: Cracks in walkway, within property boundaries, and/or driveway

Standard: Cracks that do not exceed an average of 1/2 inch in width and vertical displacement that does not exceed an average of 1/2 inch are to be expected. Purchaser must immediately seal all cracks as they appear with a waterproof substance.

Area of Concern: Cracks in foundation walls

Standard: Cracks that do not exceed an average of 1/8 inch in width are to be expected. Cosmetic imperfections in foundation walls are normal and will not be repaired.

Area of Concern: Movement of concrete slab within the Residence

Standard: All concrete slabs are designed to "float" or move independently from the concrete foundation walls and are not a "structural" part of the home. Extreme or excessive movement in the slab should be brought to the Builder's attention.

Area of Concern: Separation of stoops and steps

Standard: So long as stoops and steps do not separate an average of more than 1/2 inch from the Residence, settling, heaving, and separation of such stoops and steps is to be expected. Purchaser must immediately seal all cracks as they appear with a waterproof substance.

Area of Concern: Pitting, sealing, and spalling of finished concrete surfaces

Standard: Under normal conditions, concrete surfaces should not disintegrate to the extent that the

aggregate is exposed. Pitting, scaling, or spalling of concrete surfaces should be brought to the Builder's attention unless the deterioration was caused by (i) salt, (ii) chemicals, (iii) mechanical implements, or (iv) other causes beyond the reasonable control of the Builder we will evaluate for repair.

Area of Concern: Standing water on patios, stoops, and steps installed by the Builder

Standard: After a rain, some ponding or standing water is to be expected, but such water should not remain for more than 24 hours or 48 hours after a large rainstorm.

MASONRY

Area of Concern: Cracks in mortar joints between brick and stone

Standard: Cracks that do not exceed an average of 1/8 inch in width are to be expected due to normal expansion and contraction of the materials, provided that such cracks should not result in bricks or stones coming loose.

Area of Concern: Chips, irregular surfaces and color variations in brick

Standard: Such conditions that affect the structural integrity of the home will be repaired.

CARPENTRY AND FRAMING

Area of Concern: Expansion and contraction of exterior trim

Standard: Open joints between exterior trim elements, including siding and masonry, are to be expected to allow for expansion and contraction, but these areas should be properly caulked to exclude the entry of water. If open joints in excess of 3/8 inch in width occur, the Builder will re-caulk the open joints once during the Warranty Period. All other re-caulking is the responsibility of Purchaser.

Area of Concern: Floor Squares

Standard: The plywood subfloors shall be glued and nailed to the floor joists to eliminate squeaky floors. Floor squeaks and loose floors may appear due to normal expansion and contraction of materials and normal settling of the Residence and are not totally avoidable. The Builder does not warrant against floor squeaks and loose floors unless they are the result of a defect in workmanship or materials.

Area of Concern: Deflection in Floors

Standard: Floors may deflect when walked on with deflection more noticeable near heavy furniture. This is not a structural deficiency and no corrective action is required.

Area of Concern: Level Floors

Standard: Floors should be level to within 1/4" within any 32" distance.

Area of Concern: Out-of-Plumb Walls

Standard: Walls that are out of plumb by more than 1/2" over an 8' distance will be corrected to within 1/2".

Area of Concern: Bowed Walls

Standard: Walls that are more than 1/4" out of plumb within any 32" horizontal or vertical measurement due to a bowed stud or framing member will be corrected to within the 1/4" standard, interior and exterior walls may have slight variances on their finished surfaces.

Area of Concern: Joints in interior moldings

Standard: Open joints in moldings or between moldings and adjacent surfaces that do not exceed an average of 1/8 inch in width are to be expected. If open joints in excess of 1/8 inch occur, the Builder will re-caulk the open joints once during the Warranty Period.

Area of Concern: Delamination or deterioration of exterior siding

Standard: Delamination or deterioration should not exceed the manufacturer's specifications

MOISTURE PROOFING

Area of Concern: Water penetration in basement

Standard: At the time the Residence was constructed, the outside surfaces of the foundation have been moisture proofed with a Delta-MS membrane to prevent any leaking.

Area of Concern: Dampness of basement walls and floors

Standard: Dampness appearing in the concrete walls and floors of a new Residence is not unusual.

Area of Concern: Entry of rain and snow in attic

Standard: To properly ventilate the Residence, attic vents and/or louvers must be installed and the entry of rain and snow through the vents and/or louvers is to be expected under severe weather conditions.



ROOFING

Area of Concern: Leaks in roof or flashing

Standard: The roof or flashing should not leak unless caused by severe weather conditions.

Area of Concern: Gutters and/or downspouts leak

Standard: Gutters and downspouts should not leak although gutters may overflow during heavy rains.

Area of Concern: Standing water in gutters

Standard: Since gutters are installed approximately level, small amounts of standing water, but not exceeding one (1) inch in depth, are to be expected. Purchaser must keep the gutters free from obstructions.

Area of Concern: Ice Build-up in Gutters and/or Downspouts

Standard: Ice build-up may develop in gutters and downspouts during extended periods of cold and snow. Damage caused by ice buildup is not covered by the Limited Warranty.

DOORS AND WINDOWS

Area of Concern: Warped interior doors

Standard: Interior doors should not warp to exceed the National Woodwork Manufacturer's Association Standards (1/4 inch).

Area of Concern: Warped exterior doors

Standard: Exterior doors are subject to a great deal of stress due to extreme differences in temperature from inside to outside and some warpage is to be expected. However, the doors should remain operable and weather resistant and should not warp to exceed the National Woodwork Manufacturer's Association Standards (1/4 inch).

Area of Concern: Shrinkage of interior door panels

Standard: Panels will shrink and expand and may expose unpainted wood surfaces. Damage caused by shrinkage is not covered by the Limited Warranty.

Area of Concern: Split in interior door panel

Standard: Split panels should not allow light to be visible through the door. If light is visible, the Builder will fill the split and match the paint or stain as closely as possible once during the Warranty Period.

Area of Concern: Garage doors fail to open properly

Standard: The Builder shall install garage doors within the manufacturer's installation tolerances and the doors should operate properly. Some entrance of snow and rain is to be expected under normal circumstances.

Area of Concern: Doors and/or windows do not fit properly, do not lock, or malfunction

Standard: Doors and windows should operate with reasonable ease and should lock and unlock freely. Purchaser must keep the window tracks and the sliding door tracks free from dirt and obstructions.

Area of Concern: Infiltration of air, dirt, and dust around windows and doors

Standard: The Builder shall properly install weather stripping around the exterior doors of the living area and the windows. But even with the weather stripping, some infiltration of air, dirt, and dust is normally noticeable. To prevent this, storm doors are recommended at all exterior doors.

Area of Concern: Broken glass and torn screens

Standard: There should be no broken glass or torn screens at the time title to the Residence is delivered to Purchaser. Any broken glass or torn screens must be noted by Purchaser at the time of the home presentation.

Area of Concern: Scratches and Imperfections on Glass

Standard: Some scratches and imperfections in window and door glass are normal. Scratches or glass imperfections that are visible from a distance of eight feet will be repaired or the glass replaced unless the scratches occurred after delivery of title to the Property to Purchaser.

Area of Concern: Hardware

Standard: Doorknobs and locks should operate correctly. The Builder will make adjustments or replacements as required during the Warranty Period.

FINISHES

Area of Concern: Imperfections in drywall and gypsum wallboard

Standard: Slight imperfections such as hairline cracks not exceeding an average width of 1/16 inch, nail pops, and seam lines are to be expected due to expansion and contraction of the materials and normal settling of the Residence. Imperfections caused by defects in workmanship such as excess compound in joints, trowel marks, cracked corner beads, and blisters in tape are not acceptable. Repairs will not be made for minor imperfections that are only visible under certain lighting conditions. Areas repaired will be touched-up with original paint. Purchaser is responsible for custom paint colors or wallpaper that is applied after transfer of title.

Area of Concern: Ceramic tile cracks or comes loose

Standard: Ceramic tile should stay firmly in place and should not crack provided that the tile is not intentionally or accidentally struck with a hard object. The Builder is not responsible for color variations or discontinued patterns.











Area of Concern: Cracked grout joints

Standard: Due to normal expansion and contraction of the materials, cracks appearing periodically in ceramic tile grout lines, particularly at the junction of the bathtub and tile or shower pan and tile are expected. The Builder will repair grout one time during the Warranty Period.

Area of Concern: Cracks between floor boards of finished wood flooring

Standard: Cracks not exceeding an average width of 1/4 inch are to be expected due to normal expansion and contraction of the materials.

Area of Concern: Tears in resilient flooring

Standard: There should be no tears in resilient flooring (e.g., sheet vinyl or vinyl planks) at the time of closing. Any tears must be noted by Purchaser at the time of the home presentation.

Area of Concern: Loose or bubbled resilient flooring (e.g. sheet vinyl)

Standard: Purchaser must maintain the seals at the junction of the bathtub, shower, or water closet and the flooring to assure that the flooring will stay firmly in place.

Area of Concern: Nail pops appear in the surface of resilient flooring

Standard: Readily apparent nail pops should not occur.

Area of Concern: Ridges appear in resilient flooring due to subfloor irregularities.

Standard: Although some ridges are to be expected, readily apparent ridges should not occur.

Area of Concern: Visible gaps at the seams of resilient flooring

Standard: Gaps in resilient floor covering joints should not exceed 1/16 inch in width. Where dissimilar materials abut, a gap not in excess of 1/8 inch is acceptable.

Area of Concern: Exterior paint, stain, or varnish peels, deteriorates, or fades







Standard: Exterior paint and stain shall be installed according to manufacturer's specifications and should not peel or deteriorate during the Warranty Period. Fading is to be expected, and the degree is dependent upon climatic conditions. Fading of color due to sunlight, UV rays, wind blown debris, water, including snow, is not covered by the limited warranty.

Area of Concern: Interior varnish or lacquer finish deteriorates

Standard: Interior varnish or lacquer shall be installed according to manufacturer's specifications and should not deteriorate during the Warranty Period. Due to the characteristics of wood, there will be variations in stain color with no corrective action required. Fading is to be expected and the degree is dependent upon the amount of sunlight upon the finished surface.

Area of Concern: Interior paint improperly applied

Standard: Interior paint shall be applied in a manner that visually covers all wall, ceiling, and trim surfaces viewed from at least six feet away under natural light.

Area of Concern: Paint touch ups are visible

Standard: Paint touch-ups may be visible under certain lighting conditions.

Area of Concern: Carpet seams are visible

Standard: Carpet seams may be visible; however, gaps in the backing or carpet sections with naps running in different directions are not acceptable.

Area of Concern: Carpet comes loose, seams separate, or excessive stretching occurs

Standard: Wall-to-wall carpeting should not come loose, separate or stretch excessively during the Warranty Period. Edges along baseboards and on edges of stairs should be held firmly in place.



Area of Concern: Minor fading of carpet

Standard: Exposure to light can cause minor fading on carpet and other flooring.

Area of Concern: Cracks in exterior stucco wall surfaces

Standard: Cracks that do not exceed an average of ¼ inch in width are to be expected. Any areas requiring repair by the Builder during the Warranty Period shall be repaired. Discoloration between the patched areas and the original stucco is expected and within industry standards.

VENTILATION

Area of Concern: Inadequate ventilation of attics and crawl spaces

Standard: The attic and crawl spaces shall be ventilated in accordance with the requirements of local building codes in effect in the jurisdiction in which the Residence is constructed at the time of permitting.

COUNTERTOPS AND CABINETS

Area of Concern: High-pressure laminate surfaces crack, chip, delaminate, or are burned or scratched

Standard: There should be no imperfections in the high-pressure laminate surfaces at the time of closing. Any defects must be noted by Purchaser at the time of the home presentation. A gap in the joints in the laminate surfaces is acceptable so long as the gap does not exceed 1/16 inch in width.

Area of Concern: Cabinets and/or countertops separate from walls and/or ceiling

Standard: Gaps that do not exceed an average of ¼ inch in width are to be expected due to normal shrinkage of materials.

Area of Concern: Cabinet malfunctions

Standard: Cabinet doors, drawers and other operating parts should operate with reasonable ease under normal conditions.

Area of Concern: Warped cabinet door and/or drawer front

Standard: Cabinet doors and drawer fronts should not warp to exceed 1/4 inch as measured from face from to point of furthermost warpage with door or drawer front in closed position. Because of variations in wood, replacement doors or drawer fronts are not guaranteed to match the originals. Variations in wood grain and color should be expected.

PLUMBING

Area of Concern: Leakage of any kind from piping

Standard: No leaks of any kind should exist in any drain, waste, vent, or water pipe, except where leakage is caused by flooded or inoperative septic system. Condensation on piping does not constitute leakage.

Area of Concern: Faucet or valve leak

Standard: Faucets and valves should not leak because of defects in either material or workmanship. Leakage caused by worn washers and/or seals is the responsibility of Purchaser.

Area of Concern: Fixtures do not hold water

Standard: Stoppers on fixtures should retain water for sufficient length of time to accomplish the intended use of the fixtures.

Area of Concern: Defective plumbing fixtures, appliances, or trim fittings

Standard: Fixtures, appliances, and fittings should comply with the manufacturer's standards.

Area of Concern: Noise in water pipes and drain systems

Standard: Due to expansion, contraction, and the flow of water through the pipes there will be noise emitted from the water pipes and drain systems. Only "water hammer" or pipe vibrations should be brought to the Builder's attention.

Area of Concern: Stopped up sewers, fixtures, or drains

Standard: Sewer lines, fixtures, and drains should operate properly to accomplish their intended function. The main causes of stopped-up sewer lines and toilets are papers diapers, feminine products, excessive amounts of toilet paper, Q-tips, dental floss and children's toys. Stoppages due to these causes will be considered Purchaser negligence and the Purchaser shall be responsible for the costs of corrective measures.

Area of Concern: Frozen hose bibs

Standard: Outside hose bibs should not freeze provided that all hoses are removed and the water is shut off during the winter months. It is the Purchasers's responsibility to properly winterize all hose bibs. Freeze breaks at hose bibs and bracket sprinkler valves (if installed by the Builder) are not covered under warranty. Area of Concern: Porcelain or fiberglass surfaces crack or chip

Standard: There should be no cracks or chips in the porcelain or fiberglass surfaces at the time of closing. Any cracks or chips must be noted by Purchaser at the time of the home presentation.

Area of Concern: Plumbing pipes freeze or burst

Standard: To reduce freezing, drain, waste, vent, and water pipes should be adequately protected during normally anticipated cold weather as required by applicable building code and as defined in American Society of Heating, Refrigeration, and Air-Conditioning Engineers (ASHRAE) design temperatures. Please visit *www.ashrae.org* for more information.

Area of Concern: Water supply system does not deliver water

Standard: The Builder shall properly install the service connections to the municipal water main or the private water supply, as appropriate. Private systems shall be designed and installed in accordance with the applicable building, plumbing, and health codes.

HEATING AND AIR-CONDITIONING

Note: Thermostats and registers are installed in the general locations indicated on floor plans and may vary from locations shown in models or similar floor plans.

Area of Concern: Insufficient heat

Standard: The Builder shall install a heating system in accordance with the design conditions specified in the ASHRAE handbook which is capable of maintaining an inside temperature of 70 degrees Fahrenheit, as measured in the center of each room at a height of five feet above the floor. In extremely cold temperatures of minus 10 degrees Fahrenheit or lower, the system should maintain a temperature differential of 10 degrees Fahrenheit. Balancing registers, dampers, and other minor adjustments are the responsibility of Purchaser. Thermostats are calibrated to within plus or minus 5 degrees Fahrenheit.



Area of Concern: Ductwork noise

Standard: When metal is heated it expands and when cooled it contracts. The result is "ticking" or "cracking" which is to be expected and is considered acceptable.

Area of Concern: Ductwork separates or becomes unattached

Standard: Ductwork should remain intact and securely fastened.

Area of Concern: Insufficient cooling

Standard: When air-conditioning is provided, the Builder shall install a system in accordance with the design conditions specified in the ASHRAE handbook which is capable of maintaining an inside temperature of 78 degrees Fahrenheit, as measured in the center of each room at a height of five feet above the floor, at design temperature. If the outside exceeds 93 degrees Fahrenheit, a differential of 15 degrees from the outside temperature should be maintained. AC coils may be frozen due to a clogged or dirty air filter, backed up drains, low fan speed or dirty coils. Call an AC technician.

Area of Concern: Refrigerant lines leak

Standard: Under normal conditions, refrigerant lines should not develop leaks.

Area of Concern: Condensation lines clog

Standard: At the time title to the Residence is delivered to Purchaser, the condensation lines shall be unobstructed. Under normal use, condensation lines will clog and must be maintained by Purchaser. They can freeze if the Purchaser does not maintain.

ELECTRICAL

Note: Light fixtures, switches and outlets are installed in the general locations per code indicated on floor plans and may vary from locations shown in models and similar plans.

Area of Concern: Wiring does not carry its designed amps or voltage load to the electrical box

Standard: Wiring shall conform to the applicable electrical code requirements and shall be capable of carrying the designed load for normal residential use to the electrical box.

Area of Concern: Lighting fixtures, switches, or electrical outlets do not work

Standard: All lighting fixtures, switches, and electrical outlets shall be operative.

Area of Concern: Lights flicker in parts of the Residence

Standard: Flickering may occur during starting of some motor-driven equipment and is considered acceptable. If the Purchaser has installed a mix of bulbs (LED or incandescent) in a circuit or dimmer, light also may flicker.



Area of Concern: Circuit breakers trip

Standard: Circuit breakers should not activate under normal usage, except in the case of arc fault or ground fault interrupters which are susceptible to moisture and/or weather conditions and load. Ground fault interrupters are sensitive safety devices installed into the electrical system to protect against electrical shock and shall be installed in locations in accordance with the applicable electrical code.

Area of Concern: Drafts from electrical outlets

Standard: The electrical junction box on exterior walls may produce an air flow whereby cold air can be drawn through the outlet into a room. Blower door test should identify leaks.

Area of Concern: Power Surges

Standard: The Builder is not responsible for damages caused by power surges.

Area of Concern: Telephone jacks and CATV outlets

Standard: Telephone jacks and CATV outlets installed by the Builder should work for their intended purposes when connected for service by the appropriate utility companies.

Area of Concern: Smoke detectors

Standard: During the Warranty Period, the Builder will repair or replace smoke detectors that do not operate properly when tested. Purchaser is responsible for periodic testing and maintenance. The Builder does not represent that smoke detectors will provide the protection for which they are intended during an emergency.

FIREPLACES

Area of Concern: Fireplace does not draw properly

Standard: The fireplace and chimney shall be designed and constructed to be operable under normal conditions. Failure of the fireplace or chimney to draw properly should be brought to the Builder's attention unless the failure was or is caused by (i) temporary downdrafts created by abnormal weather conditions, e.g., high winds, or (ii) obstructions, such as large branches of trees growing too close to the chimney. Draw (the movement of air up the chimney). Opening a nearby window may improve the draw.

STRUCTURAL WARRANTY

The Builder warrants that the foundation will be free from Structural Damage for ten (10) years from the Commencement Date of Warranty. "Structural Damage" means actual damage to the load-bearing portion of the Residence which affects its load-bearing function. With the purpose of clarifying the definition of Structural Damage, phrases shall have the following meanings:

- "Actual Damage" means the structural failure of some part of the load-bearing portion of the Residence.
- "Load-bearing portion of the Residence" means the framing members and other structural components that transmit the dead and live loads to the supporting ground and includes roof rafters and trusses, ceiling and floor joists, structural systems, load-bearing partitions and walls, supporting beams and headers, columns, and foundation systems and footings. The following components, among others, are not considered load-bearing; roof shingles and sheathing; dry wall and plaster; exterior siding; brick or stone veneer; subfloor and flooring materials; wall tile or other wall covering; non-load bearing partitions; non-structural concrete floors in attached garages, basements, utility and laundry areas, and other areas not finished by the Builder as living space; electrical, heating, cooling, and plumbing systems; appliances, equipment, and fixtures; paint; doors; windows; trim; cabinets; hardware; and insulation.



- A defect "affects the load-bearing function" of the Residence when the defect endangers the capacity of the load-bearing portion of the Residence to transmit the imposed live and dead loads to the ground or when the defect causes the load bearing portion of the Residence to become unstable.
- A defect "vitally affects ... the use of the Residence for dwelling purposes" when the defect is of such a serious nature that the continued use of the Residence for dwelling purposes is threatened. Although the Residence does not have to be rendered dangerous or otherwise uninhabitable, evidence that the defect has affected the value of the Residence does not necessarily demonstrate that the use of the Residence for dwelling purposes has been affected.



MOST COMMON SERVICE REQUESTS (NOT COVERED UNDER WARRANTY)

TIPS, STANDARDS, SOLUTIONS, AND PREVENTATIVE MAINTENANCE FOR FREQUENTLY ASKED QUESTIONS

Every new homeowner has a responsibility to maintain their home in order to preserve the beauty and functionality

of that new home. Please take a few moments to read the Monticello Homes Homeowner Warranty & Maintenance Manual in order to understand which items are warranted and which items are homeowner maintenance. Listed below are the most common maintenance items.

Paint

Extra paint will be left in your home. Use this to touch-up move-in nicks, scratches and other cosmetic damage not noted at final homeowner orientation.

Scratches

Scratches, chips or mars in tile, woodwork, walls, floors, porcelain, brick, mirrors, vanity tops, counters and plumbing (tubs, showers, sinks, toilets) which are not noted at the final homeowner orientation are not covered by warranty.

Flooring

Floor Squeaks: Some floor squeaks may be heard when walking on wood floor systems. This is to be expected and is not an indication of a construction deficiency. Sub Floor Joints: It is not uncommon to see sub-floor joint seems under vinyl floors. It is accentuated when a full glue flooring is selected. Sub floor seams can be expected and are not considered a defect.

Caulking & Grout

Caulking is a homeowner maintenance responsibility. Shrinkage of interior or exterior caulk is common. Caulking will crack due to normal expansion and contraction of materials. Cracks that may form in exterior wood must also be caulked and painted. For best results, recaulk interior and exterior areas twice a year, spring and fall, especially those subject to moisture. By not caulking regularly, water infiltration areas can result, which may lead to mold and is not covered by warranty. Exterior caulking is best done in warm weather.



Tile grout and/or tile sealing is also a homeowner maintenance responsibility. Use the appropriate tile sealer and follow the instructions carefully. If grout touch up is required, you can utilize your color selection sheet for matching the grout color used in your home. We recommend these grouted areas be inspected semi-annually at a minimum to avoid possible issues from neglect.

Exterior Doors

Doors are manufactured to meet industry design criteria for protection against air and water infiltration. They are designed to prevent water leaks during a steady 15 minute rain with sustained winds at 25 mph. If the rain duration is longer or the wind is higher, you could experience some seepage around the door. We recommend adding a storm door to exterior doors not under a covered porch to reduce the likelihood of water intrusion.

Stone & Stucco

Hairline cracks in stucco are common and not a sign of a defect. Cracks in stucco exceeding 1/8" in width will be patched at the end of the first year warranty. Cracks in mortar will be addressed the same way.

Interior Trim

The interior trim of your home is a manufactured product called MDF. As with any other wood product, MDF can be damaged if exposed to moisture. If liquid is spilled on it or near it, it is important to wipe it up quickly to prevent raised areas. Use coasters to prevent rings and swelling on MDF surfaces.

Frozen Pipes

Frozen exterior water spigots, including garage spigots, are not the responsibility of the builder. Water hoses, splitters, sprinklers, etc. should be removed from water spigots during cold weather. If any plumbing fixtures are located in the garage, do not leave the overhead garage door open during cold weather, or your pipes may freeze. Frozen or burst pipes will only be warranted if the temperature at the time of the damage was zero degrees

Fahrenheit or above and if the failure was due to building defect as stated in the Monticello Homes Warranty. During extreme cold temperatures, set heat at a minimum of 65 as well as open your kitchen and bathroom cabinets to expose the pipes to heat.

Landscaping, Sod & Drainage

Maintenance of lawn, landscaping and drainage pathways is a homebuyer's responsibility. Please review the established drainage carefully with your Personal Builder at the Homeowner Orientation. The homeowner is responsible for establishing ground cover of the rear yard in non-sodded areas in order to prevent washout. Landscapers will set sprinkler times to get sod established. It is the homeowners responsibility to adjust timer after three weeks to maintain yard.

Concrete

Cracks in concrete (driveway, sidewalk, patio, foundation) will occur as a result of normal expansion and contraction in the material due to changes in the weather. Such cracks are not an indication of a construction deficiency and will not impair the intended use of the concrete surface. However, within the first year, if settling causes cracks that exceed 1/4" width or 1/4" in vertical displacement, we will correct the defect by means of an appropriate joint filler up to 1/2". To protect the surfaces of your concrete, avoid using de-icing materials. The safest material to use for traction is plain sand. It is advisable to apply a high-quality water repellent to the concrete in the summer each year to help protect the driveway from road salts and other chemicals your car may drip into the concrete. Information on high-quality water repellents may be obtained from local concrete suppliers.

NOTES



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