

BUILDER'S

ONE-YEAR LIMITED WARRANTY

and

LIMITED WARRANTY STANDARDS, v.1.0

BUILDER, not *Cascade Builder Services*, is the Warrantor under the Builder's One-Year Limited Warranty and Limited Warranty Standards in accordance to the terms and conditions set forth herein. *Cascade Builder Services* is an administrator only.

BUILDER'S ONE-YEAR LIMITED WARRANTY

_____, hereinafter called the "Builder", extends the following Builder's One-Year Limited Warranty, hereinafter called the "Warranty" to:

Hereafter referred to as "Homeowner", who has contracted with the Builder for purchase of the home located at:

(Address) (Lot) (Subdivision/filing)
in _____, _____ County, State of _____, for the purchase price of:
\$ _____.

This **Warranty** shall extend for a period of One Year commencing on the earlier of date of title transfer or date of occupancy, whichever occurs first, hereinafter referred to as "Commencement Date."

This **Warranty IS NOT** transferable without the prior written consent of Builder.

WARRANTY AND LIMITED WARRANTY STANDARDS, V.1.0

Warranty and Limited Warranty Standards, V.1.0 explains common problems and defines the Builder's responsibility to correct them.

COVERAGE DURING THE FIRST YEAR

The Builder expressly warrants that for one year beginning on Commencement Date, the home will be free from defects as defined by the Warranty and Limited Warranty Standards, V.1.0 specifically described herein.

Homeowner acknowledges and agrees that materials used in the construction process may contain minor to moderate imperfections and inconsistencies. Such imperfections and inconsistencies include but are not limited to: color, texture, grain, knots, minor warpage, fit, finish, lumber straightness, dimensional lumber milling variances, plywood texture, floor joist trueness, roof truss trueness, and interior trim material graining. Natural material imperfections are normal and customary and can cause minor variances in finish uniformity, consistency and appearance in actual as-built dimensions from constructions drawings. Such material imperfections and/or construction variances in no way shall be considered defective, nor shall the as-built structure be considered as falling outside the conformance of the general construction plans and documents.

COVERAGE ON CONSUMER PRODUCTS

For purposes of this Limited Warranty, the term "consumer products" means all appliances, equipment and other items which are consumer products for the purposes of the Magnuson-Moss Warranty Act (15 USC, Sections 2301-2312) and which are located in the home on the commencement date of this Limited Warranty. The Builder hereby assigns to Homeowner all rights under manufacturers' warranties covering consumer products. Defects in items covered by manufacturers' warranties are excluded from coverage of this Limited Warranty, and Homeowner should follow the procedures in the manufacturers' warranties if defects appear in these items.

REMEDY

If a covered defect, as defined in the Warranty and Limited Warranty Standards, V.1.0, occurs during the applicable Limited Warranty period, the Builder will, at Builder's sole option and discretion, repair, replace, or pay Homeowner the reasonable cost of repairing or replacing the defective item. Builder shall have complete discretion as to the methods for repairing and/or replacing any defective item. The Builder's total liability under this Limited Warranty is limited to the purchase price of the home, but excluding the cost attributable to the parcel of land on which the home was constructed. Any steps taken by the Builder to correct defects shall not act to extend the term of this Limited Warranty.

HOMEOWNER'S OBLIGATIONS

FAILURE TO MEET THE OBLIGATIONS BELOW MAY VOID OR LIMIT THE WARRANTY.

BUILDER'S ONE-YEAR LIMITED WARRANTY

Maintenance. The Homeowner must provide normal maintenance and proper care of the home from Commencement Date, according to this Limited Warranty, the Builder's Homeowner Manual, and the warranties of manufacturers of consumer products.

Notice. Written notice of a defect must be received by the Builder or Cascade Builder Services, prior to the expiration of the Limited Warranty. No action at law or in equity may be brought by Homeowner against the Builder for failure to remedy or repair any defect for which the Builder or Cascade Builder Services has not received timely notice in writing. Homeowner must also provide prompt written notice to Builder or Cascade Builder Services of dissatisfaction with any warranty repair or such repair will be deemed accepted by Homeowner.

Access. Homeowner must provide access to Builder, Cascade Builder Services personnel, and necessary trade contractors during normal business hours, Monday through Friday, to inspect the reported defect and, if necessary, to take corrective action. Homeowner is solely responsible for moving furniture or other items to provide access for repairs.

Mitigation of Damages. Homeowner must take all reasonable and appropriate steps to mitigate damage until the appropriate repair is completed.

Insurance. In the event the Builder repairs or replaces or pays the cost of repairing or replacing any defect covered by this Limited Warranty for which the Homeowner is covered by insurance or a warranty provided by another party, the Homeowner must, upon request of the Builder, assign the rights under and the proceeds of such insurance or other warranty to the Builder to the extent of the cost to the Builder of such repair or replacement.

CONSEQUENTIAL, INCIDENTAL, OR PUNITIVE DAMAGES
CONSEQUENTIAL, INCIDENTAL, OR PUNITIVE DAMAGES ARE WAIVED BY HOMEOWNER AND SUCH DAMAGES ARE NOT COVERED BY THIS LIMITED WARRANTY OR RECOVERABLE.

EXCLUSIONS

THE FOLLOWING ITEMS ARE NOT COVERED BY THIS LIMITED WARRANTY:

Defects in outbuildings, including detached garages and detached carports.

Damage to real property that is not part of the home covered by this Limited Warranty and that is not included in the purchase price.

Any damage or defect to the extent that it is caused by or made worse by:

Negligence, improper maintenance, or improper operation by anyone other than the Builder, its employees, agents, or subcontractors; or,

Failure by Homeowner or anyone other than the Builder or its employees, agents, or subcontractors to comply with the warranty requirements of manufacturers of appliances, equipment or fixtures; or,

Changing of the grading of the ground by Homeowner or anyone other than the Builder, its employees, agents, or subcontractors; or

Changes, alterations, additions, or attempted repairs made to the home by Homeowner or anyone after initial occupancy, except those performed by Builder under its obligations under this Limited Warranty; or,

Dampness or condensation due to the failure of Homeowner to maintain adequate ventilation.

Any damage resulting from failure of Homeowner to take timely action to minimize said damage.

Any defect in, or caused by, materials or work supplied by Homeowner or anyone other than Builder or its employees, agents, or subcontractors.

Normal wear and tear or normal deterioration.

BUILDER'S ONE-YEAR LIMITED WARRANTY

Loss or damage not caused by a defect in the construction of the home by the Builder or its employees, agents, or subcontractors, but resulting from accidents, riots, civil commotion, acts of war, acts of terrorism, or acts of God, including but not limited to fire, explosion, smoke, water table changes, windstorm, hail, lightning, driving rain or snow or any other extreme weather condition, falling trees, aircraft, vehicles, flood, mudslides, earthquakes, or volcanic eruption.

Any damage caused by soil movement for which compensation is provided by legislation or which is covered by other insurance.

Insect or animal presence and/or damage.

Any loss or damage that arises while the home is being used primarily for nonresidential purposes.

Costs of shelter, transportation, food, moving, storage, or other incidental expenses related to relocation during repair or any other costs due to loss of use, inconvenience, or annoyance.

Bodily injury or damage to personal property.

ACKNOWLEDGMENT, UNDERSTANDING, ACCEPTANCE AND ARBITRATION OF DISPUTE

THIS LIMITED WARRANTY MAY NOT BE MODIFIED OR AMENDED IN ANY RESPECT EXCEPT UPON WRITTEN AMENDMENT SIGNED BY BOTH THE BUILDER AND THE THEN-CURRENT HOMEOWNER.

HOMEOWNER ACKNOWLEDGES THAT THE BUILDER HAS MADE NO REPRESENTATIONS, PROMISES, WARRANTIES OR AGREEMENTS WHATSOEVER CONCERNING THE HOME OR THE PROPERTY ON WHICH IT IS LOCATED THAT ARE NOT STATED HEREIN.

HOMEOWNER ACKNOWLEDGES THAT IF THE BUILDER CHOOSES TO REPAIR, REPLACE, OR ADDRESS ANY NON-WARRANTABLE CONDITION, THE BUILDER IS NOT OBLIGATED, REPRESENTED, PROMISED OR COMMITTED TO REPAIR, REPLACE, OR ADDRESS ANY OTHER NON-WARRANTABLE CONDITION THEREAFTER.

THE UNDERSIGNED ACKNOWLEDGE THAT THEY HAVE RECEIVED, READ, AND UNDERSTAND THE FOREGOING WARRANTY AND LIMITED WARRANTY STANDARDS, V.1.0. THE UNDERSIGNED ADDITIONALLY ACKNOWLEDGE THAT THEY UNDERSTAND THE SPECIFIC LIMITATIONS OF THE COVERAGE OF THIS WARRANTY AND LIMITED WARRANTY STANDARDS, V.1.0. THE UNDERSIGNED FURTHER ACKNOWLEDGE AND AGREE THAT THE SOLE REMEDY FOR DISPUTE RESOLUTION SHALL BE FIRST THROUGH FACE-TO-FACE DIRECT NEGOTIATION, THEN NON-BINDING MEDIATION, AND FINALLY THROUGH BINDING ARBITRATION. THE UNDERSIGNED AGREE THAT THEY ARE REQUIRED FIRST TO MAKE A GOOD FAITH ATTEMPT TO RESOLVE ANY DISPUTE THROUGH FACE-TO-FACE NEGOTIATION. IF THE DISPUTE CANNOT BE RESOLVED THROUGH SUCH NEGOTIATION, THE UNDERSIGNED MUST THEN PROCEED TO NON-BINDING MEDIATION, WITH AN INDEPENDENT THIRD PARTY ACTING AS MEDIATOR. IF THE UNDERSIGNED ARE STILL UNABLE TO REACH A RESOLUTION, THE MATTER MUST THEN PROCEED TO BINDING ARBITRATION UTILIZING THE CONSTRUCTION INDUSTRY RULES OF THE AMERICAN ARBITRATION ASSOCIATION. THE AWARD OF THE ARBITRATORS SHALL BE FINAL, CONCLUSIVE, AND BINDING UPON THE PARTIES HERETO. THE EXPENSES CHARGED BY THE MEDIATORS AND ARBITRATORS SHALL BE SHARED EQUALLY, BUT EACH PARTY SHALL BEAR ITS OWN FILING FEES AND COSTS.

HOMEOWNER ACKNOWLEDGES AND AGREES THAT CASCADE BUILDER SERVICES HAS MADE NO WARRANTY AND THAT HOMEOWNER HAS NO CLAIM AGAINST CASCADE BUILDER SERVICES AND WAIVES ANY CLAIMS AGAINST CASCADE BUILDER SERVICES. HOMEOWNER AGREES TO INDEMNIFY AND HOLD CASCADE BUILDER SERVICES HARMLESS, INCLUDING ATTORNEY'S FEES, FROM ANY CLAIM IT MAY MAKE AGAINST CASCADE BUILDER SERVICES.

DATED this _____ day of _____, 200_____.

BUILDER'S ONE-YEAR LIMITED WARRANTY

By: _____
Builder

By: _____
Homeowner

By: _____
Homeowner

Limited Warranty Standards, V.1.0

Air Conditioning

After continuous operation of at least 24 hours, the air conditioning system should maintain a temperature of 78 degrees or a differential of 15 degrees from the outside temperature, measured in the center of each room at a height of 5 feet above the floor. Lower temperature settings are often possible, but neither the manufacturer nor Builder guarantees this

Compressor

The air conditioning compressor must be in a level position to operate correctly. After installation it is the Homeowner's responsibility to maintain this level position. Operation of the compressor itself is warranted directly by the manufacturer of the unit.

Condensation Lines

Builder will provide unobstructed condensation lines at closing. However, condensation lines will eventually clog from normal use and Homeowner is solely responsible for maintenance.

Coolant

The outside temperature must be 70 degrees F or higher for the contractor to add coolant to the system. If the home was completed during winter months, this charging of the system is unlikely to be complete and will need to be performed in the spring.. The Builder will repair leaking refrigerant lines unless damage was due to Homeowner's actions or negligence.

Non-emergency

Lack of air conditioning service is not an emergency. Air conditioning contractors in our region respond to air conditioning service requests during normal business hours and in the order received.

Alarm System

Builder will correct wiring that does not perform as intended for the alarm system. Builder makes no representation that the alarm system will provide the protection for which it is installed or intended.

Appliances

Cascade Builder Services and Homeowner confirm that all appliance surfaces are in acceptable condition during the New Home Orientation. Builder assigns all appliance warranties to Homeowner, effective on the date of closing. The appliance manufacturers warrant their products directly to Homeowner according to the terms and conditions of these written warranties.

Asphalt

Asphalt driveways will develop cracks. This is normal and no corrective action will be taken.

Attic Access

Builder and the local building department inspect the attic before closing to confirm insulation is correct.

Brass Fixtures

During the New Home Orientation, Cascade Builder Services and Homeowner will confirm that brass fixtures are functioning properly and are free from visible surface damage. Builder does not warrant against corrosion damage to the external surfaces of solid brass or brass-coated fixtures.

Brick

Brick is one of the most durable and lowest maintenance finishes for a home's exterior. Exterior masonry may have chips, irregular surfaces, and color variations, which occur during manufacturing, shipping, or handling. Unless such conditions affect the structural integrity of the home, no repair is provided.

Cracks

Normal shrinkage of mortar results in hairline cracks in masonry. This is normal and no corrective active will be taken. However, cracks visible from 20 feet or larger than 1/4 inch are not acceptable. The builder will repair cracks in excess of this warranty guideline by tuck pointing, patching or painting. The builder will not be responsible for color or texture variation between original and new mortar.

Cabinets

During the New Home Orientation, Cascade Builder Services and Homeowner will confirm that all cabinet parts are installed and that their surfaces are free from surface damage. Builder is not responsible for any damage caused by Homeowner's actions or negligence, including but not limited to slamming of or hanging on cabinet doors, excessive weight on hinges or drawers, excessive humidity or water damage. Lazy Susans are not designed for heavy weight and Homeowner should ensure that care is taken not to overburden Lazy Susan shelves.

Alignment

Doors, drawer fronts, handles, and cabinet faces more than 1/8 inch out of line, and cabinet corners more than 3/16 inch out of line, are unacceptable. The builder will make necessary adjustments to meet this warranty guideline.

Operation

Cabinets should operate with reasonable ease under normal use. Builder will adjust or replace doors and drawers as necessary to meet this warranty guideline.

Separations

Builder will correct gaps between cabinets and the ceiling or cabinets and the walls by caulking or other means if the gap exceeds 1/4 inch (locations behind appliances are excluded from this repair).

Warping

If doors or drawer fronts warp in excess of 1/4 inch as measured from the face frame to the point of furthest warpage, with the door or drawer front in closed position, Builder will correct this by adjustment or replacement.

Wood Grain

Readily noticeable variations in wood grain and color are normal in all wood or wood veneer selections. Replacements are not made due to such variations.

Carpet

During the New Home Orientation, Cascade Builder Services and Homeowner will confirm that the carpet is unstained and undamaged. Stains or spots noted on the Builder's New Home Completion List will be corrected one time only by cleaning, patching, or replacement. Builder will make reasonable efforts to match dye lots, but cannot guarantee that color variations will not occur.

Edges

Edges of carpet along moldings and edges of stairs should be held firmly in place. In some areas, metal or other edging material may be used where carpet meets another type of floor covering.

Seams

Carpet seams will be visible, particularly on lighter colored carpets. Seams are backed by a layer of seam tape, causing peaks in seams. This is normal and no corrective action will be taken. Builder will repair excessive gaps in seams.

Spots and Fading

Exposure to natural light may cause spots and fading. This is normal and no corrective action will be taken.

Caulking

During the New Home Orientation, Cascade Builder Services and Homeowner confirm that appropriate areas are adequately caulked. Shrinkage is to be expected. It is Homeowner's responsibility to ensure that caulk is properly maintained.

See also Countertops, Stairs, and Wood Trim.

Ceramic Tile

During the New Home Orientation, Cascade Builder Services and Homeowner confirm that grout areas are adequate and that tile is free from surface damage. Builder will only repair or replace cracked, badly chipped, or loose tiles noted on the Builder's New Home Completion List. Builder is not responsible for variations in color or discontinued patterns. New grout will vary in color and texture from the original.

One-Time Repair

Cracks appearing in grouting of ceramic tiles at joints or junctions with other materials are commonly due to shrinkage. Builder will repair grouting, if necessary, one time during the first year. Builder is not responsible for color variations in grout or discontinued colored grout. Any grouting needed after that one-time repair is Homeowner's responsibility.

Concrete Flatwork

Concrete slabs are floating—they are not attached to the home's foundation walls—and are designed to move. Minor cracks in concrete slabs are normal and will not be repaired. Builder's one-year limited warranty coverage is noted below.

Driveways, walkways, and patios are specifically excluded from Builder's one-year limited warranty coverage.

All other concrete is only covered by Builder's one-year limited warranty as noted below.

Color

Concrete varies in color. Builder provides no correction for this condition.

Cracks

Cracks in basement floors, garage floors, and/or slab-on-grade floors: Cracking is to be expected. Builder shall only repair cracks exceeding an average of 3/16 inch in width and/or 3/16 inch in vertical displacement (where one side of the crack rises higher than the other side), unless such cracking and/or vertical displacement occurs around plumbing in basement floors. Cracks and/or vertical displacement around plumbing in basement floors are normal and are specifically excluded from this limited warranty. Cracks in foundation walls: Cracks are not unusual in foundation walls, especially at the corners of basement windows. Builder will only repair cracks that allow exterior water to penetrate, provided Homeowner has complied with drainage, landscaping, and maintenance guidelines.

Filling, caulking, or patching is an acceptable repair of warrantable cracks.

Finished Floors

Builder will correct cracks, settling, or heaving that rupture finish floor materials that Builder installed as part of the home as Homeowner originally purchased it.

Uneven Floors

Concrete floors in the habitable areas of the home, excluding basement floors and areas specifically designed to slope toward a floor drain, shall not have areas of unevenness exceeding 3/8 inch within any 32-inch measurement.

Separating, Settling, or Heaving

Structurally Attached Porches: Builder will repair structurally attached porches that separate, settle, or heave in excess of 1 inch from the house structure. Mud jacking is an acceptable corrective action and will result in color and texture variations.

Non-Structurally Attached Porches and Steps: Builder will repair porches and steps that separate in excess of 1 inch from the structure. Filling is an acceptable repair. Settling and heaving are specifically excluded from warranty coverage.

Spalling (Surface Scaling)

Repeated freezing and thawing of concrete cause surface scaling or spalling. Exterior concrete is specifically not warranted against surface scaling or spalling. This exclusion includes garage floors, porches, patios, driveways, and walkways. Homeowner can help avoid surface scaling and spalling by applying two coats of water repellent sealer each year prior to winter conditions. Homeowner should avoid hosing of concrete for cleaning and should not allow the following substances to remain on concrete: animal urine, radiator overflow, fertilizer, uncleared snow and ice, ice-melting agents, and road salts from vehicles.

Interior concrete such as basement floors should not disintegrate, although aggregate pops and minor scaling are normal and will not be corrected. Defective interior concrete surfaces shall be repaired unless deterioration is caused by salt, chemicals, mechanical implements, or other factors beyond Builder's control.

Standing Water

Water may stand on exterior concrete slabs for several hours after precipitation or from roof run-off. Builder will correct conditions that cause water to remain longer than 24 hours in dry weather unless it is from roof run-off of melting snow, ice, or Homeowner's actions.

Condensation

Condensation typically results from weather conditions combined with the interior humidity of a home and Builder has no control over these factors. The limited warranty coverage excludes condensation. See also *Windows*.

Countertops

During the New Home Orientation, Cascade Builder Services and Homeowner confirm that all countertops are free from visible surface damage. Builder will repair noticeable surface damage such as chips, cracks, and scratches noted on the Builder's New Home Completion List. Repair of surface damage noted subsequent to this is a Homeowner maintenance responsibility.

Laminates

Laminated countertops will have one or more discernible seams. Builder will only repair delamination that is caused by product defect or faulty workmanship. The limited warranty specifically excludes delamination caused by homeowner's actions, including but not limited to water, steam, or heat damage.

Separation from Wall

Separation of countertops from walls, backsplash, and around sinks typically results from normal shrinkage of materials. Maintaining adequate caulking is Homeowner's responsibility.

Crawl Space

Soils in the crawl space may be damp but should not have persistent standing water. Provided that Homeowner has neither altered the drainage nor caused excessive moisture to accumulate and remain in this area with incorrect landscaping, Builder will correct the conditions that result in persistent standing water.

Damp-Proofing

Dampness prevention on basement walls or floors is the responsibility of the Homeowner. Builder shall repair only leaks resulting in actual trickling of water. Leaks caused by landscaping improperly installed by Homeowner or by failure of Homeowner to maintain proper grades are not the Builder's responsibility.

Decks

Exposed wood decks are constructed to meet structural and functional design. Builder and the local building department inspect the deck during the building process to confirm that it meets local code requirements. Shrinkage and expansion of individual boards is normal and no corrective action will be taken.

Color Variation

Color variations are a natural result of the way in which wood accepts stain and are excluded from limited warranty coverage.

Doors and Locks

During the New Home Orientation, Cascade Builder Services and Homeowner confirm that all doors are functioning properly. Builder will repair construction damage to doors noted on the Builder's New Home Completion List.

Adjustments

Because of normal settling of the home, doors, including but not limited to exterior doors, interior doors, bi-fold doors, and pocket doors, may require adjustment for proper fit. Builder will make such adjustments one time only during the warranty period.

Panel Shrinkage

Panels of wood doors shrink and expand in response to changes in temperature and humidity, which may expose unpainted surfaces. Touching up the paint or stain on unfinished exposed areas is a Homeowner maintenance responsibility. Builder will only repair split panels that allow light to be visible. Builder will fill splits with wood filler and match paint or stain as closely as practical but cannot guarantee a match in color or texture.

Warping

Builder will repair doors that warp in excess of 1/4 inch

Drywall

During the New Home Orientation, Cascade Builder Services and Homeowner will note blemishes and cracks that are readily visible under normal lighting conditions from a distance of 6 feet. Slight variations in texture are normal and will occur randomly. Corrective action is not required. Unevenness of gypsum wallboards where walls meet walls or walls meet ceilings is a normal condition that occurs with randomly applied materials and will not be repaired.

One-Time Repairs

One time during the materials and workmanship warranty, Builder will repair drywall shrinkage cracks and nail pops exceeding 1/16 inch that are visible from 6 feet under normal lighting, and will touch up the repaired area using the same paint color that was on the surface when the home was delivered. Touch-ups will be visible.

Repainting the entire wall or the entire room to correct this is Homeowner's responsibility. Homeowner is also responsible for custom paint colors or wallpaper that have been applied subsequent to closing. Due to the effects of time on paint and wallpaper, as well as possible dye lot variations, touch-ups are unlikely to match the surrounding area.

Lighting Conditions

Builder does not repair drywall flaws that are only visible under certain lighting conditions.

Related Warranty Repairs

If a drywall repair is needed as a result of poor workmanship (such as blisters in tape) or other warranty-related repair (such as a plumbing leak), Builder completes the repair by touching up the repaired area with the same paint that was on the surface when the home was delivered. If more than 50 percent of the wall is involved, Builder will repaint the wall corner to corner. Homeowner is responsible for custom paint colors or wallpaper that has been applied subsequent to closing. The effects of time on paint and wallpaper, as well as possible dye lot variations, mean touch-up may not match the surrounding area.

Electrical System

During the New Home Orientation, Cascade Builder Services and Homeowner confirm that light fixtures are functioning properly and are free from visible surface damage and that all bulbs are working. After closing, replacement of any bulb not noted on the Builder's New Home Completion List is the responsibility of the Homeowner. Builder's limited warranty excludes any fixture supplied by Homeowner.

Designed Load

Builder will repair any electrical wiring that fails to carry its designed load to meet specifications. If electrical outlets, switches, or fixtures do not function as intended, Builder will repair or replace them.

Electrical Outlets

Outlets may allow air to flow through or around an outlet into a room. It is not possible to eliminate this completely and no corrective action will be taken.

GFCI (Ground-Fault Circuit-Interrupters)

At the New Home Orientation, Cascade Builder Services and Homeowner will confirm that all GFCI outlets are functioning properly. Refrigerators or freezers should never be plugged into a GFCI outlet.

Power Surge

Power surges are the result of local conditions beyond the control of Builder and are excluded from limited warranty coverage. These can result in burned-out bulbs or damage to sensitive electronic equipment such as televisions, alarm systems, and computers. Damage resulting from lightning strikes is excluded from limited warranty coverage.

Evaporative ("Swamp") Cooler

Proper performance of the evaporative cooler will be confirmed at the New Home Orientation. Refer to the manufacturer's limited warranty for complete information regarding warranty coverage on the evaporative cooler.

Fencing

Fencing is specifically excluded from warranty coverage.

Fireplaces

Fireplaces are not intended to be the sole heat source in the home. The fireplace should function properly when Builder's and the manufacturer's directions are followed.

Chimney

It is normal for cracks to develop in masonry chimney caps or crowns due to expansion and contraction. However, if cracking causes leakage, Builder will repair. Builder will repair leaks in new chimney flashing except where caused by ice build-up or Homeowner's actions or negligence.

Chimney Separation

Separation of a brick chimney from a newly constructed home may occur. Builder will repair separation from the main structure in excess of 1/2 inch in 10 feet in any vertical measurement. Caulking is acceptable in most cases.

Cracks

Heat and flames from normal fires can cause cracking in firebrick, simulated firebrick panel, or mortar joints. No corrective action is required.

Discoloration

Discoloration of the firebox or brick is a normal result of use and requires no corrective action.

Downdraft

High winds can result in a downdraft, but this condition should be temporary and occasional. During these conditions, you may need to relight the pilot light in gas fireplaces. Builder will determine and correct continuous malfunction if caused by a construction or design defect.

Glass Doors

During the New Home Orientation, Cascade Builder Services and Homeowner confirm that glass fireplace doors, when included with the home, are functioning properly and are free from readily visible surface damage.

Water Infiltration

In unusually heavy or prolonged precipitation, especially when accompanied by high winds, some water can enter the home through the chimney. The limited warranty excludes this occurrence.

Floors

Most floor and stair squeaks are unavoidable and are affected by temperature and humidity. Builder's responsibility to remedy floor squeaks is limited to those caused by loose sub flooring. Without removing floor and/or ceiling finishes, Builder will refasten loose sub floor or take other corrective action to eliminate squeaking to the extent possible within reasonable repair capability. Nailing loose sub floor into the carpet surface is an acceptable remedy.

Floor Deflection

Floors will deflect (bend) when walked on. This will be more noticeable next to hutches, bookcases, pianos, chairs, and other heavy furniture. This is not a structural deficiency and Builder will take no action for this occurrence.

Floor Level

Floors will be level to within 1/2 inch within 20 feet, or proportional multiples of these dimensions. Allowances should be allowed for shrinkage, cantilevers, and concentrated loads.

Floor Ridges or Depressions

Floors shall not have more than a 1/4-inch ridge or depression within any 32-inch measurement.

Foundation

The home's foundation has been designed and installed according to the recommendations of an engineer. The walls of the foundation are poured concrete with steel reinforcing rods.

Cosmetic Imperfections

Slight cosmetic imperfections in foundation walls, such as a visible seam where two pours meet or slight honeycombing (i.e. where aggregate is visible), are possible and require no repair unless they permit water to enter.

Cracks and Leaks

Shrinkage or backfill cracks are not unusual in foundation walls, especially at the corners of basement windows. Builder will only repair cracks that allow exterior water to penetrate, provided Homeowner has complied with the drainage, landscaping, and maintenance guidelines.

Garage Overhead Doors

Garage overhead doors are not weather tight. Daylight may be visible around the door and some snow and water may enter. Garage doors should operate smoothly and with reasonable ease. Builder will correct or adjust garage overhead doors as required, unless Homeowner's actions or negligence have caused the problem. Warranty on garage overhead door operation is voided if Homeowner installs his or her own garage door opener.

Gas Shut-Offs

The gas company is responsible for leaks up to the meter. Builder will correct leaks from the meter into the home.

Grading and Drainage

Final grade certification is determined by local codes and regulations to ensure adequate drainage away from the home. Maintaining this drainage is Homeowner's responsibility. If Homeowner alters the drainage pattern after closing, or if changes in drainage occur due to lack of maintenance, the limited warranty is void.

Erosion

Builder is not responsible for soil erosion due to acts of God, or other conditions beyond Builder's control and no corrective action is required.

New Sod

New sod installation and the extra watering that accompanies it can cause temporary drainage problems, as can unusually severe weather conditions. It is the homeowner's responsibility to maintain proper irrigation and drainage. Once new sod has established itself, Homeowner is responsible for appropriately decreasing the frequency of watering (including but not limited to resetting sprinkler controls).

Settlement

If Builder has provided final grading, upon written request by the Homeowner, Builder will fill settled areas affecting proper drainage in excess of 6 inches, one time only during the warranty period. Homeowner is responsible for removal and replacement of shrubs and other landscaping affected by placement of such fill.

Swales

Builder does not alter drainage patterns to suit individual landscape plans. Typically, a lot receives water from and passes water on to other lots, so changes in grade often affect adjacent or nearby lots. Builder advises against making such changes. After heavy rain, water may stand in swales up to 48 hours.

Winter Grading

Due to weather conditions, especially during winter and early spring, the final grade may not have been established at the time of closing. Cascade Builder Services and Homeowner document the status of grading at the time of delivery. When conditions permit, grading work will continue. Homeowner should confirm that Builder has completed grading before beginning landscaping. Builder is not responsible for final grading if Homeowner landscapes prior to its completion.

Gutters and Downspouts

Gutters are installed with a slight slope so that roof water will flow to the downspouts. It is the homeowner's responsibility to keep downspout extensions in the downward position.

Leaks

Builder corrects leaks that occur during the warranty period.

Overflow

Gutters may overflow during periods of excessively heavy rain or icy or snowy conditions. This is expected and requires no repair.

Cleaning gutters is the Homeowner's responsibility. Clogged gutters can result in damage that is not covered by this Warranty.

Standing Water

Small amounts of water (up to 1/2 inch and unobstructed by debris) will stand for short periods of time in gutters immediately after rain. No correction is required for these conditions.

Hardware

Cascade Builder Services and Homeowner confirm that all hardware is operating properly and is free from visible surface damage during New Home Orientation. The limited warranty excludes repairs for cosmetic damage subsequent to the New Home Orientation.

Builder will repair hardware items that do not operate as intended.

Hardwood Floors

During the New Home Orientation, Cascade Builder Services and Homeowner will inspect hardwood floors and will note for correction any cosmetic defects that are readily visible from a standing height of 6 feet under normal lighting conditions. Variations in color and grain are normal and do not require correction. Knots are common and although Builder will fill them and make reasonable attempts to match color, color matches cannot be guaranteed. Wormholes are a naturally occurring phenomenon and corrective action will not be taken. Homeowner is responsible for routine maintenance of hardwood floors. Expansion and contraction of wood materials is normal, and decisions regarding hardwood floor repairs may be delayed in order to allow wood to cure through various weather seasons.

Separations

Normal shrinkage will result in separations between strip hardwood floorboards. If gaps exceed 1/8 inch in width, Builder will remedy any such gaps noted at the New Home Orientation. Builder will make reasonable efforts to match color when filling gaps but color matches cannot be guaranteed. Builder is not responsible for removing excess filler that appears on the surface if the boards expand due to subsequent changes in humidity and expel the filler.

Crowning

Crowning in strip flooring shall not exceed 1/16 inch in depth in a 3-inch maximum span when measured perpendicular to the long axis of the board. Builder will make appropriate repairs to meet this guideline. Crowning caused by Homeowner's actions or exposure to conditions beyond the control of the Builder is not covered.

Cupping

Cups in strip hardwood floor boards shall not exceed 1/16 inch in height in a 3-inch maximum span measured perpendicular to the long axis of the board. Builder will correct or repair to meet this guideline. Cupping caused by Homeowner's actions or exposure to moisture beyond the control of the Builder is not covered.

Lippage

Lippage that is located at a junction of pre-finished wood flooring products shall not be greater than 1/16 inch. Builder will correct or repair to meet this guideline. Lippage caused by Homeowner's actions or exposure to moisture beyond the control of the Builder is not covered.

Top Coating

Field applied coating shall not peel during normal usage and Builder shall refinish any field applied finishes that have peeled. Pre-finished coatings are the manufacturer's responsibility. Peeling caused by Homeowner's actions is not covered.

Voids in Floor Finish

Voids or "holidays" that are readily visible from a distance of 6 feet under normal lighting conditions are unacceptable and Builder will repair.

Heating System: Gas Forced Air

Builder installs heating systems according to local building codes, as well as to engineering designs of the particular model home.

Adequacy of the system is determined by its ability to establish a temperature of 70 degrees F, as measured in the center of the room, 5 feet above the floor. In extremely cold temperatures (10 degrees below or colder), the system should be able to maintain a temperature differential of 80 degrees from the outside temperature.

Duct Placement

The exact placement of heat ducts may vary from those positions shown in similar floor plans.

Ductwork

Although the heat system is not a sealed system, the ductwork should remain attached and securely fastened. If it becomes unattached, Builder will repair as needed.

Furnace Sounds

Expansion or contraction of metal ductwork results in ticking or popping sounds. While eliminating all these sounds is impossible, Builder will correct oil canning. (Oil canning occurs when a large area of sheet metal like those found in air ducts makes a loud noise as it moves up and down in response to temperature changes.)

Thermostat

Thermostats are calibrated to plus or minus 5 degrees.

Heating System: Heat Pump

Refer to the manufacturer's limited warranty for information regarding warranty coverage.

Humidifier

Refer to the manufacturer's limited warranty for information regarding coverage of the humidifier.

Insulation

Builder will install insulation to meet or exceed the building codes applicable at the time of construction and outlined as part of Homeowner's purchase agreement.

Landscaping

Maintaining landscaping is the sole responsibility of the Homeowner.

Mulch

Landscaping provided by the Builder will include mulching materials such as gravel, rock, and wood, and may become displaced by foot traffic, weather, and other living conditions. Replacement of such materials is the sole responsibility of the Homeowner.

New Sod

Once new sod has established itself, Homeowner is responsible for appropriately decreasing the frequency of watering (including but not limited to resetting sprinkler controls).

Retaining Walls

Retaining walls are specifically excluded from this limited warranty.

Sprinkler System

Homeowners are responsible for familiarizing themselves with manufacturer's instructions for operating and servicing the sprinkler system. Homeowner is responsible for winterizing the sprinkler system and any problems that result from neglecting to winterize or improperly winterizing are not the responsibility of the Builder. Homeowner is also responsible for routine cleaning and adjustment of sprinkler heads. If Builder installed sprinkler system, Builder will take corrective action to repair sprinkler defects that are the result of faulty materials or workmanship during the first 90 days after Commencement Date or system initiation, whichever occurs last.

Mildew

Builder will remove any visible mildew noted during the New Home Orientation. Builder limited warranty excludes mildew.

Mirrors

Cascade Builder Services and Homeowner will confirm that all mirrors are free from surface damage during the New Home Orientation. Builder will correct scratches, chips, or other damage to mirrors noted during the New Home Orientation that are visible from 10 feet under normal lighting conditions.

Paint and Stain

During the New Home Orientation, Cascade Builder Services and Homeowner will view painted and stained surfaces from a distance of 6 feet under normal lighting conditions to confirm proper coverage and lack of surface damage. Builder will touch up paint one time as indicated on the Builder's New Home Completion List. Homeowner is responsible for all subsequent touch-up, except painting Builder performs as part of another warranty-related repair.

Cracking

As it ages, exterior wood trim will develop minor cracks and raised grain. Much of this will occur during the first year. Raised grain permits moisture to get under the paint and can result in peeling. This is not a defect in materials or workmanship. Paint maintenance of wood trim and gutters is Homeowner's responsibility.

Fading

Fading of exterior paint or stain is caused by the effects of sun and weather and should be expected. Builder limited warranty excludes this occurrence.

Power Washing

Power washing the home's exterior may strip paint from the surface. This is Homeowner's responsibility and is not a warrantable condition.

Touch-Up Visible

Paint touch-up will be visible and no corrective action will be taken.

Wood Grain

Because of wood characteristics, color variations will result when stain is applied to wood. This is natural and requires no repair. Today's water-base paints often make wood grain visible on painted trim. Builder does not provide corrections for this condition.

Phone Jacks

Builder will correct outlets positioned so that a wall phone cannot be installed, for instance, if a kitchen phone outlet is positioned too close to a cabinet or countertop backsplash and prevents a wall phone from being connected.

Builder will repair wiring that does not perform as intended from the phone service box into the home. From the service box outward, care of the wiring is the responsibility of the local telephone service company.

Plumbing

During the New Home Orientation, Cascade Builder Services and Homeowner will confirm that all plumbing fixtures are functioning properly and are undamaged, and that all faucets and drains operate freely. Builder will not be responsible for sewers, fixtures, and drains that are clogged because of Homeowner's actions. If defective installation is the cause, the Builder is responsible for correcting the problem. If the Homeowner's actions are the cause, Homeowner is responsible for correcting the problem.

Clogged Drains

Builder will correct clogged drains that occur during the first 30 days after closing. If a household item is removed from a clogged drain during this time, the Builder will bill Homeowner for this service. After the first 30 days, Homeowner is responsible for correcting clogged drains.

Condensation

A combination of outside temperature and indoor humidity may cause condensation to appear on pipes, toilets, and plumbing supply lines. This is normal and is not a warrantable condition.

Cosmetic Damage

During the New Home Orientation, Cascade Builder Services and Homeowner will view porcelain and fiberglass fixtures such as bathtubs, sinks, and toilets from a distance of 3 feet in normal light. Builder will correct any such fixture damage noted on the Builder's New Home Completion List. Repairing chips, scratches, or other surface damage noted subsequent to the New Home Orientation is Homeowner's responsibility.

Exterior Faucets

Builder will repair leaks at exterior faucets noted on the Builder's New Home Completion List. Subsequent to New Home Orientation, repair of a broken line to an exterior faucet and repair of broken faucet handles are Homeowner's responsibility.

Freezing Pipes

Provided the home is heated at a normal level, pipes should not freeze. Homeowner is responsible for making sure thermostat is set at an adequate setting for the circumstances. During winter month absences, Homeowner is responsible for setting heat at a minimum of 60 degrees F, and for shutting off the main water valve. Keep garage doors closed to protect plumbing lines that run through this area.

The Builder will correct situations not meeting the applicable American Society of Heating, Refrigerating, and Air-Conditioning Engineers code. The owner is responsible for draining or otherwise protecting pipes and exterior faucets exposed to freezing temperatures.

Leaks

Builder will repair leaks in the plumbing system. If a plumbing leak caused by a warranted item results in drywall or floor covering damage, Builder will repair or replace items that were part of the home as originally purchased and installed by Builder. Specifically, if Builder-installed carpet becomes saturated, Builder may replace carpet padding after water is extracted from the carpet, but the carpet itself may only require cleaning and sanitizing. Replacement of carpet is not guaranteed. Builder makes no adjustments for secondary damages (for example, damage to wallpaper, drapes, and personal belongings). Homeowner's insurance should cover these items.

Noise and Temperature

Changes in temperature or the flow of the water itself will cause some noise in the pipes. This is normal and requires no repair. Builder will repair persistent water hammer. Expect temperatures to vary if water is used in more than one location in the home at the exact same time.

Supply

Builder will correct construction conditions that disrupt the supply of water to the home if they involve service from the main water supply to the home, provided Homeowner's actions have not caused the problem. Disruption of service due to failure of the water department system is the responsibility of the water department to correct.

Railings

During the New Home Orientation, Cascade Builder Services and Homeowner will confirm that all interior railings are free from visible surface damage. Builder installs railings in positions and locations to comply with applicable building codes. Railings should remain securely attached with normal use.

Resilient Flooring

Cascade Builder Services and Homeowner will confirm that resilient floor covering is in acceptable condition during the New Home Orientation. Builder limited warranty does not cover damage to resilient floors caused by moving furniture or appliances into the home. Builder is not responsible for discontinued selections or color variations.

Adhesion

Resilient floor covering should adhere. Builder will repair lifting or bubbling that protrudes higher than 1/16 inch and readily visible nail pops that appear on the surface.

Ridges

Builder has sanded and filled the joints of underlayment to minimize the possibility of ridges showing through resilient floor coverings. Ridging is measured by centering a 6-inch straight edge perpendicular to the ridge with 3" of the straightedge held tightly to the floor. If the opposite end of the straight edge is 1/8 inch or more from the floor, Builder will repair this condition.

Seams

Seams will occur and are sealed at the time of installation. Builder will correct gaps in excess of 1/16 inch where resilient flooring pieces meet or 1/8 inch where resilient flooring meets another material. Builder will correct curling at seams unless caused by excessive water or Homeowner's actions or negligence.

Roof

Builder will repair roof leaks other than those caused by severe weather, such as hail damage, high winds, ice build-up, or Homeowner's actions such as walking on the roof. Roof repairs are made only when the roof is dry and weather conditions permit such repairs to be made safely.

Ice Dam

An ice build-up (ice dam) may develop in the eaves during extended periods of cold and snow, particularly on northern exposures. This damage is excluded from warranty, but may be covered by Homeowner's insurance.

Inclement Weather

Storm damage is excluded from warranty coverage but may be covered by Homeowner's home insurance.

Septic Systems

During the New Home Orientation, Cascade Builder Services and Homeowner will review the septic system.

While the Builder installs the system in accordance with codes and plans based on soil conditions, Builder does not warrant that the septic system will function indefinitely. Weather, ground water, environmental conditions, topography, as well as living habits can all generate unpredictable effects. Builder will not be responsible for systems that are clogged because of Homeowner's actions.

Shower Doors or Tub Enclosures

During the New Home Orientation Cascade Builder Services and Homeowner will confirm the good condition of all shower doors and tub enclosures. Builder warrants that shower doors and tub enclosures will function according to manufacturer specifications.

Siding

Builder will confirm the good condition of the siding during the New Home Orientation. Subsequent damage to the siding will be the homeowner's responsibility to repair.

Wood and Hardboard Lap Siding

Bowing

Bows exceed 1/2 inch in a 32-inch span are unacceptable. Builder will replace and wood lap siding with bows exceeding this guideline and finish replacement siding to match existing siding as closely as practical.

End Gap is Visible

End gaps wider than 3/16 inch are unacceptable. Builder will repair end gaps that do not meet this guideline by providing joint covers or by caulking the gap.

Siding is not installed on a Straight Line

Any piece of lap siding more than 1/2 inch off parallel in 20 feet with contiguous courses is unacceptable. Builder will reinstall siding to meet this guideline and replace any siding damaged during removal with new siding. Replacement siding will be finished to match existing siding as closely as practical.

Face nails are excessively countersunk into hardboard surface

Siding nails should not be countersunk to expose visible fiber of hardboard siding. If visible fiber of hardboard siding is exposed, Builder will paint surface to coat fiber. If nail is countersunk 1/16 to 1/8 inch, Builder will caulk and touch-up paint. If nail is countersunk in excess of 1/8 inch, Builder will caulk and add an additional nail flush to the surface.

Aluminum or Vinyl Lap Siding

Siding is bowed or wavy

Some waviness in lap siding is to be expected because of bows in studs. Thermal expansion waves in aluminum or vinyl siding are unacceptable if they exceed 1/4 inch in 16 inches. Builder will correct any thermal expansion waves or distortions by reinstalling or replacing the siding as necessary.

Siding color is faded

Any color siding, when exposed to the ultra-violet rays of the sun will fade. This condition cannot be prevented and is excluded from warranty.

Smoke Detectors

Builder does not represent that the smoke detectors will provide the protection for which they are installed or intended. Cascade Builder Services will familiarize Homeowner with the smoke detectors during the New Home Orientation and wherever possible confirm they are working. Homeowner is responsible for obtaining fire insurance and for replacing batteries on a regular basis.

Stairs

Gaps between interior stair railing parts or gaps between adjoining parts that are designed to meet flush shall not exceed 1/8 inch in width, except where gap is due to Homeowner not maintaining caulking. Builder may fix gaps with filler or replace parts as necessary. Although Builder does not warrant against stair vibration and squeaks, in the case of excessive squeaking or vibration, Builder will refasten loose risers or treads or take other reasonable corrective action without removing treads or finish surfaces.

Stucco

One time during the warranty period, Builder will repair stucco cracks exceeding an average of 1/8 inch. The color and texture of the repair will not match the surrounding area.

Sump Pumps

During the New Home Orientation Cascade Builder Services and Homeowner will review the sump pit. Sump pumps are classified as appliances and are warranted directly by the manufacturer.

Ventilation

Builder warranty guidelines for active components (for example, exhaust fans) are discussed under the appropriate headings (such as electrical systems, heating system, etc.).

The attic and crawl space shall be ventilated as required by applicable building code. The Builder will provide for adequate ventilation. The Builder is not responsible for actions by the owner that interfere with the ventilation system.

Certain weather conditions, such as driving rain or snow or high winds, may allow water or air to infiltrate vents. This is normal and is not covered by this Warranty.

Homeowner is responsible for making certain that crawl space vents are open during warm weather and closed during cold weather.

Wallpaper

Wall covering shall not peel off the walls and the Builder will reattach or replace the loose wall covering if the Builder installed the covering. However, wallpaper applied in high moisture areas is exempted from this standard because the problem results from conditions beyond the Builder's control.

Walls

Builder will correct walls that are out of plumb more than 3/8 inch in a 32-inch vertical distance. Builder will correct walls that are bowed more than 1/2 inch within a 32-inch horizontal measurement, or bowed more than 1/2 inch within any 8-foot vertical measurement. If repair is made, Builder does not guarantee color or texture match with adjoining areas.

Water Heater: Electric

Refer to the manufacturer's limited warranty for complete information regarding warranty coverage on the water heater.

Water Heater: Gas

Refer to the manufacturer's limited warranty for information regarding coverage of the water heater.

Window Wells

During the New Home Orientation, Cascade Builder Services and Homeowner will confirm that window wells are installed where required at basement windows. Window wells are typically constructed from corrugated steel or concrete. It is common for corrugated steel window wells to dent, twist, or bend in toward the inside of the well. It is also normal for concrete window wells to chip or crack. Over the normal course of time, window wells may separate from the structure due to normal settling. Window wells are specifically excluded from this limited warranty and no corrective action will be taken for any of these situations.

Windows, Screens, and Sliding Glass Doors

Cascade Builder Services and Homeowner will confirm that all windows, screens, and sliding glass doors are operating properly during the New Home Orientation. Builder will repair or replace broken windows or damaged screens noted on the Builder's New Home Completion List. Windows should operate with reasonable ease and locks should perform as designed. If they do not, Builder will provide adjustments.

Condensation

Condensation on interior surfaces of the window and frame is the result of high humidity within the home and low outside temperatures. Homeowners influence the humidity level within their homes; Builder provides no corrective measure for this condition.

Condensation that accumulates between the panes of glass in dual-glazed windows indicates a broken seal. Builder will reglaze the window if this occurs during the warranty period, unless Homeowner has modified the product in any way or has caused the damage through power washing. See *Tinting* below. See *Power Washing* below.

Infiltration

Some air and dust will infiltrate around windows, especially before the installation of landscaping in the general area. Builder warranty excludes this occurrence.

Power Washing

Windows seals are not designed to hold up under power washing. Power washing windows may void warranty coverage on windows completely.

Scratches

Builder confirms that all window glass is in acceptable condition at the New Home Orientation. Minor scratches on windows can result from delivery, handling, and other construction activities. Builder will replace windows that have scratches readily visible from a distance of 10 feet in normal lighting. Builder does not replace windows that have scratches visible only under certain lighting conditions.

Tinting

If Homeowner adds tinting or heat protection of any kind to dual-glazed windows, all warranties are voided. Damage can result from condensation or excessive heat build-up between the panes of glass. Refer to the manufacturer's literature for additional information.

Wood Trim

Interior

Builder will repair any joints in moldings or joints between moldings and adjacent surfaces where there is a gap exceeding 1/8 inch in width. Minor imperfections in wood materials may be visible and will require no action. Builder will correct readily noticeable construction damage such as chips and gouges visible from 6 feet away under normal lighting conditions and listed during the New Home Orientation.

Exterior

Cracks and Splits

Builder will fill splits and cracks in exterior trim board that exceed 1/8 inch one time only near the end of the first year. Paint or stain touch-up will not match. Builder will correct any separation at joints that allows water to enter the home.

Gaps and Separations

Joints between exterior trim elements shall not have gaps greater than 1/4 inch. Builder will repair open joints that exceed 1/4 inch one time only; caulking is acceptable. Maintaining adequate caulking is Homeowner's responsibility.

Raised Grain

Because of the effects of weather on natural wood, raised grain may develop. This is normal and not a defect in the wood or paint. Warranty coverage excludes this condition.

BUILDER'S ONE-YEAR LIMITED WARRANTY

BUILDER, not *Cascade Builder Services*, is the Warrantor under the Builder's One-Year Limited Warranty and Limited Warranty Standards in accordance to the terms and conditions set forth herein. *Cascade Builder Services* is an administrator only.

BUILDER'S ONE-YEAR LIMITED WARRANTY

_____, hereinafter called the "Builder", extends the following Builder's One-Year Limited Warranty, hereinafter called the "Warranty" to:

Hereafter referred to as "Homeowner", who has contracted with the Builder for purchase of the home located at:

(Address) (Lot) (Subdivision/filing)
in _____, _____ County, State of _____, for the purchase price of:
\$ _____.

This **Warranty** shall extend for a period of One Year commencing on the earlier of date of title transfer or date of occupancy, whichever occurs first, hereinafter referred to as "Commencement Date."

This **Warranty IS NOT** transferable without the prior written consent of Builder.

WARRANTY AND LIMITED WARRANTY STANDARDS, V.1.0

Warranty and Limited Warranty Standards, V.1.0 explains common problems and defines the Builder's responsibility to correct them.

COVERAGE DURING THE FIRST YEAR

The Builder expressly warrants that for one year beginning on Commencement Date, the home will be free from defects as defined by the Warranty and Limited Warranty Standards, V.1.0 specifically described herein.

Homeowner acknowledges and agrees that materials used in the construction process may contain minor to moderate imperfections and inconsistencies. Such imperfections and inconsistencies include but are not limited to: color, texture, grain, knots, minor warpage, fit, finish, lumber straightness, dimensional lumber milling variances, plywood texture, floor joist trueness, roof truss trueness, and interior trim material graining. Natural material imperfections are normal and customary and can cause minor variances in finish uniformity, consistency and appearance in actual as-built dimensions from constructions drawings. Such material imperfections and/or construction variances in no way shall be considered defective, nor shall the as-built structure be considered as falling outside the conformance of the general construction plans and documents.

COVERAGE ON CONSUMER PRODUCTS

For purposes of this Limited Warranty, the term "consumer products" means all appliances, equipment and other items which are consumer products for the purposes of the Magnuson-Moss Warranty Act (15 USC, Sections 2301-2312) and which are located in the home on the commencement date of this Limited Warranty. The Builder hereby assigns to Homeowner all rights under manufacturers' warranties covering consumer products. Defects in items covered by manufacturers' warranties are excluded from coverage of this Limited Warranty, and Homeowner should follow the procedures in the manufacturers' warranties if defects appear in these items.

REMEDY

If a covered defect, as defined in the Warranty and Limited Warranty Standards, V.1.0, occurs during the applicable Limited Warranty period, the Builder will, at Builder's sole option and discretion, repair, replace, or pay Homeowner the reasonable cost of repairing or replacing the defective item. Builder shall have complete discretion as to the methods for repairing and/or replacing any defective item. The Builder's total liability under this Limited Warranty is limited to the purchase price of the home, but excluding the cost attributable to the parcel of land on which the home was constructed. Any steps taken by the Builder to correct defects shall not act to extend the term of this Limited Warranty.

HOMEOWNER'S OBLIGATIONS

FAILURE TO MEET THE OBLIGATIONS BELOW MAY VOID OR LIMIT THE WARRANTY.

BUILDER'S ONE-YEAR LIMITED WARRANTY

Maintenance. The Homeowner must provide normal maintenance and proper care of the home from Commencement Date, according to this Limited Warranty, the Builder's Homeowner Manual, and the warranties of manufacturers of consumer products.

Notice. Written notice of a defect must be received by the Builder or Cascade Builder Services, prior to the expiration of the Limited Warranty. No action at law or in equity may be brought by Homeowner against the Builder for failure to remedy or repair any defect for which the Builder or Cascade Builder Services has not received timely notice in writing. Homeowner must also provide prompt written notice to Builder or Cascade Builder Services of dissatisfaction with any warranty repair or such repair will be deemed accepted by Homeowner.

Access. Homeowner must provide access to Builder, Cascade Builder Services personnel, and necessary trade contractors during normal business hours, Monday through Friday, to inspect the reported defect and, if necessary, to take corrective action. Homeowner is solely responsible for moving furniture or other items to provide access for repairs.

Mitigation of Damages. Homeowner must take all reasonable and appropriate steps to mitigate damage until the appropriate repair is completed.

Insurance. In the event the Builder repairs or replaces or pays the cost of repairing or replacing any defect covered by this Limited Warranty for which the Homeowner is covered by insurance or a warranty provided by another party, the Homeowner must, upon request of the Builder, assign the rights under and the proceeds of such insurance or other warranty to the Builder to the extent of the cost to the Builder of such repair or replacement.

CONSEQUENTIAL, INCIDENTAL, OR PUNITIVE DAMAGES
CONSEQUENTIAL, INCIDENTAL, OR PUNITIVE DAMAGES ARE WAIVED BY HOMEOWNER AND SUCH DAMAGES ARE NOT COVERED BY THIS LIMITED WARRANTY OR RECOVERABLE.

EXCLUSIONS

THE FOLLOWING ITEMS ARE NOT COVERED BY THIS LIMITED WARRANTY:

Defects in outbuildings, including detached garages and detached carports.

Damage to real property that is not part of the home covered by this Limited Warranty and that is not included in the purchase price.

Any damage or defect to the extent that it is caused by or made worse by:

Negligence, improper maintenance, or improper operation by anyone other than the Builder, its employees, agents, or subcontractors; or,

Failure by Homeowner or anyone other than the Builder or its employees, agents, or subcontractors to comply with the warranty requirements of manufacturers of appliances, equipment or fixtures; or,

Changing of the grading of the ground by Homeowner or anyone other than the Builder, its employees, agents, or subcontractors; or

Changes, alterations, additions, or attempted repairs made to the home by Homeowner or anyone after initial occupancy, except those performed by Builder under its obligations under this Limited Warranty; or,

Dampness or condensation due to the failure of Homeowner to maintain adequate ventilation.

Any damage resulting from failure of Homeowner to take timely action to minimize said damage.

Any defect in, or caused by, materials or work supplied by Homeowner or anyone other than Builder or its employees, agents, or subcontractors.

Normal wear and tear or normal deterioration.

BUILDER'S ONE-YEAR LIMITED WARRANTY

Loss or damage not caused by a defect in the construction of the home by the Builder or its employees, agents, or subcontractors, but resulting from accidents, riots, civil commotion, acts of war, acts of terrorism, or acts of God, including but not limited to fire, explosion, smoke, water table changes, windstorm, hail, lightning, driving rain or snow or any other extreme weather condition, falling trees, aircraft, vehicles, flood, mudslides, earthquakes, or volcanic eruption.

Any damage caused by soil movement for which compensation is provided by legislation or which is covered by other insurance.

Insect or animal presence and/or damage.

Any loss or damage that arises while the home is being used primarily for nonresidential purposes.

Costs of shelter, transportation, food, moving, storage, or other incidental expenses related to relocation during repair or any other costs due to loss of use, inconvenience, or annoyance.

Bodily injury or damage to personal property.

ACKNOWLEDGMENT, UNDERSTANDING, ACCEPTANCE AND ARBITRATION OF DISPUTE

THIS LIMITED WARRANTY MAY NOT BE MODIFIED OR AMENDED IN ANY RESPECT EXCEPT UPON WRITTEN AMENDMENT SIGNED BY BOTH THE BUILDER AND THE THEN-CURRENT HOMEOWNER.

HOMEOWNER ACKNOWLEDGES THAT THE BUILDER HAS MADE NO REPRESENTATIONS, PROMISES, WARRANTIES OR AGREEMENTS WHATSOEVER CONCERNING THE HOME OR THE PROPERTY ON WHICH IT IS LOCATED THAT ARE NOT STATED HEREIN.

HOMEOWNER ACKNOWLEDGES THAT IF THE BUILDER CHOOSES TO REPAIR, REPLACE, OR ADDRESS ANY NON-WARRANTABLE CONDITION, THE BUILDER IS NOT OBLIGATED, REPRESENTED, PROMISED OR COMMITTED TO REPAIR, REPLACE, OR ADDRESS ANY OTHER NON-WARRANTABLE CONDITION THEREAFTER.

THE UNDERSIGNED ACKNOWLEDGE THAT THEY HAVE RECEIVED, READ, AND UNDERSTAND THE FOREGOING WARRANTY AND LIMITED WARRANTY STANDARDS, V.1.0. THE UNDERSIGNED ADDITIONALLY ACKNOWLEDGE THAT THEY UNDERSTAND THE SPECIFIC LIMITATIONS OF THE COVERAGE OF THIS WARRANTY AND LIMITED WARRANTY STANDARDS, V.1.0. THE UNDERSIGNED FURTHER ACKNOWLEDGE AND AGREE THAT THE SOLE REMEDY FOR DISPUTE RESOLUTION SHALL BE FIRST THROUGH FACE-TO-FACE DIRECT NEGOTIATION, THEN NON-BINDING MEDIATION, AND FINALLY THROUGH BINDING ARBITRATION. THE UNDERSIGNED AGREE THAT THEY ARE REQUIRED FIRST TO MAKE A GOOD FAITH ATTEMPT TO RESOLVE ANY DISPUTE THROUGH FACE-TO-FACE NEGOTIATION. IF THE DISPUTE CANNOT BE RESOLVED THROUGH SUCH NEGOTIATION, THE UNDERSIGNED MUST THEN PROCEED TO NON-BINDING MEDIATION, WITH AN INDEPENDENT THIRD PARTY ACTING AS MEDIATOR. IF THE UNDERSIGNED ARE STILL UNABLE TO REACH A RESOLUTION, THE MATTER MUST THEN PROCEED TO BINDING ARBITRATION UTILIZING THE CONSTRUCTION INDUSTRY RULES OF THE AMERICAN ARBITRATION ASSOCIATION. THE AWARD OF THE ARBITRATORS SHALL BE FINAL, CONCLUSIVE, AND BINDING UPON THE PARTIES HERETO. THE EXPENSES CHARGED BY THE MEDIATORS AND ARBITRATORS SHALL BE SHARED EQUALLY, BUT EACH PARTY SHALL BEAR ITS OWN FILING FEES AND COSTS.

HOMEOWNER ACKNOWLEDGES AND AGREES THAT CASCADE BUILDER SERVICES HAS MADE NO WARRANTY AND THAT HOMEOWNER HAS NO CLAIM AGAINST CASCADE BUILDER SERVICES AND WAIVES ANY CLAIMS AGAINST CASCADE BUILDER SERVICES. HOMEOWNER AGREES TO INDEMNIFY AND HOLD CASCADE BUILDER SERVICES HARMLESS, INCLUDING ATTORNEY'S FEES, FROM ANY CLAIM IT MAY MAKE AGAINST CASCADE BUILDER SERVICES.

BUILDER'S ONE-YEAR LIMITED WARRANTY

DATED this _____ day of _____, 200____.

By: _____
Builder

By: _____
Homeowner

By: _____
Homeowner