

Silver Creek Development Company L.P.

**LIMITED WARRANTY COVERAGE**

**Property:** \_\_\_\_\_

Silver Creek Development Company L.P., the Seller, shall warrant that, for a period of one (1) year, beginning on the settlement date, or the date of Buyer's occupancy, if occupancy occurs first, of the Property (the "Commencement Date"), Seller will remedy, replace, or repair defective work or materials as provided in this Limited Warranty. The liability of Seller under this Limited Warranty shall be limited to the replacement or correction of said defective materials or workmanship as provided in this Limited Warranty and Seller's total liability shall not exceed the sales price of the Property.

During the term of this Limited Warranty, and subject to the terms and conditions listed herein, Seller warrants the Property against defect in materials and workmanship in the following items:

1. The Central Heating, Cooling and Ventilation Systems and their Components.
2. The Plumbing System and its Components.
3. The Electrical System and its Components.
4. Structural and Finish Components.
5. Windows, Doors and Hardware.
6. The Roof and its Components.

This Limited Warranty does not cover the following items which are expressly excluded from the coverage provided by this Limited Warranty:

1. Chips, breaks, scratches, or marks in any materials used in the Property that are not itemized in writing to Seller prior to possession.
2. Frozen pipes.
3. Brick discoloration.
4. Ground settlement.
5. Warpage or other deficiencies resulting from Buyer's failure to control humidity.
6. Landscaping problems resulting from failure to properly maintain the landscaping.
7. Weeds in the yard or landscaped areas, or washouts/erosion caused by storm water.
8. Variations in the color of stained wood, such as cabinets, doors and trim.
9. Variations in the color, veining or other natural variations inherent in the natural materials including, but not limited to granite, marble or stone. Wood naturally varies in color and will change color with light exposure.

Seller initials: \_\_\_\_\_

Buyer initials: \_\_\_\_\_

10. Shrinkage, cracks or movement in concrete foundation walls, basement, sidewalks, slab, and garage floors, which are within the design performance criteria. Seller guarantees that concrete will crack as a normal function of its expansion and contraction.
11. Ground water leakage into basement (whether from the above cracks or other causes).
12. Damage to finished basement from water leakage.
13. Damage to property stored in basement from water leakage due to any reason.
14. Personal property damage resulting from a defect covered by this Limited Warranty.
15. Bodily injury resulting from a defect covered by this Limited Warranty.
16. Punitive damages.
17. Consequential damage or inconvenience resulting from a defect covered by this Limited Warranty.
18. Damages caused by weather conditions, acts of God or acts of nature, including but not limited to: wind storms, wind driven water, floods, hail, lightning, fallen trees, earthquakes, explosions, fire, smoke, water escape, changes in underground water table, water seepage, land settlement, sinkholes, site conditions or termites or other insects.
19. Items that are covered by a manufacturer's warranty.
20. Any condition that does not result in actual physical damage to the Property including but not limited to: the Property's unfitness for habitation or any health risk due to presence of unacceptable levels of radon gas, formaldehyde, carcinogenic substances or other pollutants and contaminants.
20. Carbon spots/black residue caused by the burning of decorative candles.
21. Any item furnished or installed by Buyer.
22. Work performed by Buyer or someone under Buyer's hire (other than Seller) that directly or indirectly causes or results in damage to other part(s) of the Property.
23. ***Note: The use of salt on concrete surfaces will cause permanent damage and may result in the need to replace such surfaces. Examples of such areas include but are not limited to grout, mortar, steps, sidewalks, garage floors, driveways, etc. Seller will not be responsible for damage caused by the use of salt or other antiskid substances on concrete surfaces.***
24. This one year warranty covers drywall cracks due to house settlement, however, repainting of the repaired drywall is the buyer's responsibility

SELLER MAKES NO WARRANTIES, EXPRESS OR IMPLIED, OTHER THAN THOSE SET FORTH IN THIS LIMITED WARRANTY. THE WARRANTIES CONTAINED HEREIN ARE PERSONAL TO BUYER AND ARE NOT TRANSFERABLE OR ASSIGNABLE. BUYER DOES HEREBY EXPRESSLY WAIVE ANY OTHER WARRANTY.

Seller initials: \_\_\_\_\_

Buyer initials: \_\_\_\_\_

In signing this warranty, the buyer notes that the community is designed with a comprehensive drainage plan and that water from adjacent or uphill units will flow downhill. Since water flows downhill, this water may flow across the yard area adjacent to the building structure. The drainage swales and water flow pattern has been accounted for in the comprehensive drainage plan, and buyer agrees to allow seller to modify grading if necessary to allow optimum water management even after home settlement. Seller agrees to replant grass and reinstall plantings if grading modifications are required.

Some communities have common amenities such as walking paths, play areas, and sidewalks. By signing this document, the Buyer indicates that the general location of these amenities (the location of which are of public record) in relation to the Buyer's new residence are acceptable to the Buyer.

Please note that common maintenance items such as gutter cleaning are the responsibility of the homeowner. This includes but is not limited to maintenance, testing and cleaning of sump pumps, appliances, vents, etc.

It is the responsibility of homeowners to install carbon monoxide detectors in their homes.

In the event there are any defects in workmanship or materials within the one (1) year period following the Commencement Date (the "Warranty period"), Buyer shall promptly give Seller written notice of the defect, and Seller shall have the opportunity to remedy, replace, or repair the defective work. Buyer's failure to give Seller written notice of a defect, and/or Buyer's failure to give Seller the opportunity to replace, repair, or remedy the said defective work, shall constitute a waiver by Buyer of any claim by Buyer for the defective material or workmanship. Any repair or replacement shall not extend the warranty term.

Buyer must provide Seller access to the Property during normal weekday business hours to perform its obligations under this Limited Warranty. Failure to provide such access will relieve Seller of its obligations.

Seller hereby assigns any and all manufacturer's warranties to Buyer.

The quality of the grass, yard, and landscaping is the responsibility of the homeowner. Care must be taken during the installation of the yards and plants to assure adequate watering and initiation of the plantings. Homeowners Associations or Condominium Associations are not responsible for watering the plants during the initial establishment of lawns and plantings.

This Limited Warranty is not effective until Seller receives the entire sales price of the Property, but no failure by Buyer to pay, or other delay in Seller receiving, the entire sales price shall extend the Commencement Date of the Warranty Period.

This Limited Warranty is not-transferable and will automatically terminate if Property is leased, vacated or sold by Buyer.

Seller initials: \_\_\_\_\_

Buyer initials: \_\_\_\_\_

In the event that for any reason one or more of the provisions of this Limited Warranty are held to be invalid, illegal or unenforceable, such invalidity, illegality or unenforceability shall not affect any other provision of this Limited Warranty. This Limited Warranty shall be interpreted as if the invalid, illegal or unenforceable provision had never been contained in this Limited Warranty.

General Partner:  
Silver Creek Development Company L.P.

By: \_\_\_\_\_ Dated \_\_\_\_\_  
Douglas E. Halbert  
President

\_\_\_\_\_  
Buyer Date

\_\_\_\_\_  
Buyer Date

Seller initials: \_\_\_\_\_

Buyer initials: \_\_\_\_\_