

This is a sample of our warranty. Each individual Purchaser signs a warranty as part of the Building contract and only the warranty signed by the Purchaser and Guenther Building Company will be honored.

Guenther Building Co.

SUITE 300 ✧ 2864 CARPENTER ROAD ✧ ANN ARBOR, MI 48108-1124 ✧ (734) 971-3323 ✧ FAX (734) 971-0205

CUSTOMER NAME: _____ **LOT#:** _____

ADDRESS: _____

EFFECTIVE DATE: _____

EXHIBIT "D"

LIMITED WARRANTY

REPAIR POLICIES AND PROCEDURES

MANY TRADES ARE USUALLY INVOLVED IN EVEN THE VERY SIMPLEST OF ADJUSTMENTS. THE JOB OF SCHEDULING AND COORDINATING TRADES FOR THESE REPAIRS IS VASTLY TIME CONSUMING AND CREATES A PROBLEM WHICH REQUIRES PATIENCE AND UNDERSTANDING ON THE PART OF ALL PARTIES INVOLVED. IT SIMPLY TAKES TIME.

FINAL CLOSING LIST:

Every reasonable effort will be made to complete or correct all items on the final closing list within 60 days from the date of closing unless such completion is prevented by weather conditions, unavailability of materials or other conditions beyond our control.

NICKS OR CRACKS ON PLUMBING OR LIGHT FIXTURES, APPLIANCES, MIRRORS, COUNTERTOPS, CERAMIC TILE, TUB SCRATCHES OR CHIPS, MARBLE OR OTHER MATERIALS WILL NOT BE REPAIRED UNLESS NOTED ON YOUR FINAL CLOSING LIST.

EMERGENCY ITEMS:

Emergency items take precedence over other activities in our building operation. A phone call to our office will bring expeditious correction of any emergency problems covered by the Limited Warranty. Emergencies are usually confined to plumbing leaks and heat failure in freezing conditions.

ROUTINE MINOR ITEMS:

In this category are the multitudes of minor items that do not hinder the physical livability of the house even though they are subject to correction under the Limited Warranty.

COVERAGE:

For one year, beginning on the Closing Date and called the Warranty Period, Seller, as Warrantor, warrants that the Purchased Unit will be free from Latent Defects, subject to the terms, limitations, and exclusions set forth below. "Latent Defects" are limited to those defects due to faulty workmanship or material which are not apparent at the time of Purchaser's pre-occupation inspection of the Purchased Unit, but which become apparent and which are reported to Seller in writing prior to the expiration of the Warranty Period. This Limited Warranty specifically excludes incidental and consequential damages and damage to personal property or contents of any home, including but not limited to collateral damage from water leakage. Excluded from this Limited Warranty are any damages caused by mold, or by some other microbial or other agent that may be associated with defects in construction including but not be limited to

property damage, personal injury, loss of income, emotional distress, death, loss of use, loss of value, and adverse health effects, or any other effect.

REPAIRS OR REPLACEMENTS:

Seller shall repair or replace, at Seller's option, faulty workmanship or material pursuant to the Customer Service Procedure set forth below after receipt of written notice from Purchaser. No steps taken by Seller to correct defects shall act to extend the Warranty Period but any defects of which Seller has received notice and is obligated to repair pursuant to the terms of this Limited Warranty shall be repaired or replaced notwithstanding the expiration of the Warranty Period. No representative of Seller has the authority to expand or extend the scope or duration of this warranty or to make verbal agreements with respect thereto.

ACCESS TO HOME:

Repairs cannot always be scheduled at your convenience although we will try to accommodate your schedule where possible. THEREFORE, YOU MUST ALLOW ACCESS TO YOUR HOME DURING NORMAL WORKING HOURS. WE WILL NOT ENTER THE HOME WITHOUT YOUR PRESENCE.

ACKNOWLEDGMENT OF REPAIRS:

You must sign an acknowledgment of the attempted completion of each repair made pursuant to the Limited Warranty on the Repair Order. Although you may indicate on the acknowledgment that you are not satisfied with the attempted repair, your failure to sign an acknowledgment, upon request, will relieve us of any further obligation to make additional repairs.

WARRANTY AND INSTRUCTION MANUALS:

Given to you at closing are manufacturer's warranties on your furnace, appliances, etc. Please read them carefully. If necessary, mail any return postcards to record warranties.

LIST OF SUBCONTRACTORS:

At closing you will be provided with a list of sub-contractors who will be directly responsible for mechanical repairs, such as heating, etc. This does not negate our responsibility to complete repairs within the limits of our warranty, but we do ask that you call them directly to schedule repairs if possible.

EXCLUSIONS FROM COVERAGE

The following limitations and exclusions apply to Seller's warranty obligation.

Sprinkler Systems Irrigation systems are excluded from coverage. It is the Purchaser's responsibility to winterize and maintain these systems. Over watering the lawn can cause erosion, saturated ground, leakage in basements, undermining of walkways and damage landscaping on your lot and adjacent property. It is the Homeowners responsibility to control the amount of water used for irrigation .

Plants, Trees Shrubs and Landscaping Sod, seeded lawns, trees, flowers, shrubs, bushes and all landscaping items are excluded form coverage under this warranty. It is the Purchaser's responsibility to water and maintain all landscaping including drainage ditches in front of the purchased unit or lot. The purchaser may not alter the drainage of any ditch or drainage easement on the purchased unit or lot.

Grouting. Floor, wall, tub and shower tile grouting and seam caulking are covered for a period of 90 days from the Closing Date and thereafter are the responsibility of Purchaser.

Shrinkage and Settlement. Nail pops, screw pops, non-structural hairline cracks (less than one-eighth (1/8) inch) in ceilings, walls, and floors, and (less than one-fourth (1/4) inch) in foundations, concrete slabs and walks, are not covered by this warranty since such conditions do not result from faulty workmanship or materials but are the result of natural shrinkage and drying out of drywall, masonry, wood and other materials, or normal settlement of the Purchased Unit, seasonal changes, normal habitation, wind loads or normal movement of the components. If abnormal conditions (as determined by Seller) exist with respect to these items, Seller will correct such conditions, but only once during the warranty period, within a reasonable time, not to exceed one (1) year from the Closing Date. In such event, Seller shall not be obligated to repaint, wallpaper or redecorate such wall or ceiling to its original condition.

Normal Wear and Misuse. This warranty does not cover ordinary wear and tear, or damage due to misuse, neglect or casualty, negligence or failure to give notice of any defect within a reasonable time. This warranty does not cover items which have been modified or repaired by Purchaser or any items which are installed or constructed pursuant to a separate contract supplied, or agreement between Purchaser and any other party other than Seller.

Leaks. Minor weeping at windows, flashing and doors from extreme wind driven rain can occur and is excluded from this warranty.

Appliances and Equipment. Appliances, equipment, personal property and fixtures (including such items as stove, refrigerator, range hood, furnace, hot water heater, dishwasher and disposal) which are consumer products (as that term may be defined under applicable federal, state and local laws, or their implementing regulations), are not covered by this limited warranty or any other warranty from Seller or the Warrantor. Such items are covered by the manufacturer's specific warranty, and such warranties, if any, are assigned and delivered to Purchaser at the closing. The Seller is not a warrantor under and does not adopt such manufacturer's specific warranty, and such warranties, if any, are assigned and delivered to Purchaser at the closing. In the event of defects in such products, Purchaser should contact the manufacturer directly. The seller is responsible for proper initial installation of such equipment and correction of any improper installation.

Paint. Paint will be touched-up throughout your new home prior to closing. Interior flat wall paint and interior trim paint will be left in the home for your use. Closing shall constitute acceptance of the final painting of all interior surfaces.

Pests and Microbes. The intrusion or infestation of unwanted pests or microbes, including but not limited to mold, insects, rodents, birds or other living creatures is excluded from coverage of this limited warranty. Pest extermination and removal of rodents, birds or other living creatures is the responsibility of Purchaser.

Well and Water Supply: Seller is not responsible for changes in water pressure, water flow or the quantity or quality of water supply after Closing. The water supply to your residence is from a private well which has been installed and the water tested prior to closing in accordance with the requirements of the County Health Department and the Township. Seller makes no representations or warranties as to the quality of the water except as to the specific results in the referenced water test as of the date of testing. Purchaser acknowledges that concentrations of the substances in the referenced water test vary over time and that if the water were retested, results are likely to vary. Other than the foregoing, Seller makes no warranties or representations related to the water quality, water pressure, water flow or the quantity or quality of water supply, or the well.

Purchaser acknowledges that i) the water may contain naturally occurring or manmade substances, including but not limited to the calcium carbonate and iron mentioned below, which may create odors, affect taste or have adverse health effects or which may fluctuate in concentrations from time to time; ii) the testing performed to comply with the County Health Department does not test for many naturally occurring and manmade substances which might be found in groundwater and might have adverse effects on the quality of the water or cause adverse health effects; iii) the well water may contain calcium carbonate, which may cause scaling, plumbing problems, and increased usage of soap and detergent and that softening of the water may result in high sodium concentrations which should be considered by some persons on sodium restricted diets; iv) the presence of iron may be in excess of normal concentrations which may impart a brownish color to laundered goods or affect the taste of beverages or have adverse health effects and it may be necessary to install iron removal equipment; and v) Seller has made no warranty or representation with regard to the presence of such naturally occurring or manmade substances in the well water.

MODIFICATIONS AND ALTERATIONS:

Only materials supplied by us are warranted. Additions or modifications to structural or mechanical systems by anyone other than us will void the Limited Warranty as to the item modified. In no event will we be responsible for damage to other systems which are a consequence of such modification or alteration.

CERAMIC TILE WORK:

Ceramic tile is prone to chipping, cracking, grout discoloration and grout falling out. All of these are routine maintenance items that are the responsibility of the purchaser.

DOOR WARPAGE:

During the early months in a new house, exterior, interior and cabinet doors will often warp, but in most cases straighten out during the first year. Unless a door warps or swells so badly that it is unusable, it is unadvisable to trim or adjust it until the end of a year. Requests for adjustment of excessively warped items may be submitted in writing only once during the Limited Warranty period. A door that cannot be opened or closed will be treated as a priority item.

Wood entry doors, if used on your home, will warp, swell and shrink seasonally due to the nature of the material and temperature and humidity differences from inside to outside your home. Doors may not seal completely and will permit air infiltration under these circumstances.

HUMIDITY AND CONDENSATION:

The humidity level must be controlled by you in order to avoid damage to your home. During winter the humidity must be kept high enough to prevent excessive drying and shrinkage of materials. However, too high a humidity level will result in condensation on windows, skylights, recessed light fixtures, any vents ducted to the outside and even on exterior walls or ceilings under extreme cold and windy conditions.

In the summer, especially during the first year of occupancy, high humidity levels will result in condensation on pipes in the basement, ductwork or even basement walls or floor. This is normal and air-conditioning will dehumidify as will a dehumidifier or ventilating the basement.

AIR INFILTRATION:

Because your home is sealed tightly from the weather, certain areas are likely to have noticeable cold air leakage into the house in winter. This air infiltration is normal and will occur at spots such as electrical openings in insulated ceiling and outside walls, ducted fans and to some extent at windows, the base of walls and doors. Other areas are designed to allow air infiltration, including roof and end vents. Under severe weather conditions, rain or snow may enter these ventilation areas and result in damage to the home. This damage is not covered under this limited warranty.

FIREPLACES:

If your home has a wood burning fireplace the same tight insulation described above may result in it "smoking" or not "drawing" properly. It may be necessary to open a window or doorwall slightly for the fireplace to draw. The refractory brick panel within the fireplace is known to crack with extreme heat and is not a defect.

BASEMENT WALLS:

The basement walls are covered under this warranty for 10 years against leakage from the date of closing. All other terms of the warranty remain intact. DAMPNESS OF WALLS MAY OCCUR IN NEW CONSTRUCTION. IT IS TO BE EXPECTED AND IS NOT CONSIDERED A DEFECT. The poured concrete walls of your basement are waterproofed on the exterior. Often leaks will occur in areas where the forms used for pouring the walls were held together by steel rods. These "rod hole leaks" are normal and will be repaired during the first year of occupancy. They are not an emergency item since the quantity of water is usually very small. Circle them with a pencil because often when they dry you will not be able to locate them again. Cracks in basement walls, as in any concrete product, are normal. ONLY CRACKS THAT LEAK ARE ELIGIBLE FOR REPAIR. CRACKS LARGER THAN 1/4" WILL BE SURFACE PATCHED. The basement walls are covered under this warranty for a period of ten years from the date of closing against leakage.

CEMENT FLAT WORK AND ASPHALT:

Cracking of cement and asphalt, due to the material's brittle nature, is a normal occurrence. Cracks will not be subject to repair or replacement unless they are of sufficient vertical displacement to be a hazard. The decision to repair or replace is at our option. Exterior concrete and asphalt, even with special care, will chip and show surface damage due to freeze/thaw cycles which are common to this area. This damage, while it may be unsightly, does not affect the structural integrity of the concrete and asphalt. The application of any salt or other de-icing chemicals will accelerate the

freeze/thaw cycles and cause further surface damage. Vehicles exposed to road salts will often deposit these chemicals on exterior concrete and asphalt when parked, which will result in surface damage.

SURFACE DRAINAGE

Necessary grades and swales shall be established to provide proper drainage away from the Home. Site drainage under the Limited Warranty, is limited to grades within 10-feet and swales within 20-feet of the foundation of the Home. Standing or ponding water shall not remain in these areas for a period longer than 24-hours after a rain, except in swales that drain from adjoining properties or where a sump pump discharges. In these areas an extended period of 48-hours is to be allowed for water to dissipate. The possibility of standing water after an unusually heavy rainfall should be anticipated and is not to be considered a deficiency. No grading determination is to be made while there is frost or snow, or when the ground is saturated.

Standing or ponding water outside of defined swales and beyond 10-feet from the foundation of the Home, or that is within 10-feet but is caused by unusual grade conditions, or retention of treed areas, is not considered a deficiency. Standing or ponding water caused by changes in the grade or placement of sod, fencing, or any other obstructions by You are excluded from Limited Warranty Coverage.

SUB-FLOORS SQUEAKS AND NOISES:

Due to normal expansion and contraction of materials, squeaks in subfloors, stairs, finished wood floors and other areas will occur. These are normal and will not be repaired. Other noises such as “ticking,” “crackling,” “water rushing,” etc. relating to plumbing lines or heat ducts are normal, will occur and are not eligible for repair.

HVAC SQUEAKS AND NOISES:

Noises such as “ticking”, “cracking”, “water rushing”, etc., relating to plumbing lines or heat ducts, are normal, will occur, and are not eligible for repair.

PLUMBING : Due to the code mandated water saving toilets it may be necessary to hold the flush handle down while flushing to insure a complete draining of the bowl. The sound of water drainage through pipes in the walls is normal and not considered a defect.

WOOD FLOORS:

Hardwood floors, while durable, are not impervious to wear and require careful maintenance and eventual refinishing. Depending on your lifestyle and traffic patterns signs of wear may appear shortly after occupancy. Because wood is a natural product, color variations from board to board will occur and grain patterns will vary. Wood floors will show perceptible cracks BETWEEN boards, especially in winter and may swell and show unevenness in humid conditions. Care should be taken to avoid spills and excessive moisture on wood floors as it can blacken the wood and/or cause the finish to lift off. These floors also will develop squeaks which are a normal condition.

SUMP PUMPS AND BASEMENT DRAINS:

Your home (or a home within your building) is equipped with an electric sump pump which removes water collected from the perimeter drains installed outside the basement by collecting it in the sump well and pumping it out to ground level. You should periodically check to assure that the sump pump is plugged in, the circuit breaker controlling it is on and that it is operational. These pumps may require repair or replacement from time to time and this is a normal maintenance item covered by the Purchaser. Failure of the pump or a power outage will result in back up of storm water (not raw sewage) through the sump well or storm drain in the basement floor. Storm water may also enter in the area between the basement wall and floor or through cracks in the basement wall or floor. Because of this, **you should never store valuable objects directly on the basement floor. Also, any finish materials on the walls or floor of the basement may be damaged by water leakage. We will not be responsible for damages resulting from such water leakage.**

ICE DAMS:

Freeze and thaw cycles and the heat from the house can cause ice build up on the roof, usually near the outside walls. This build up, if severe enough, can result in water entering the house and damaging walls and ceiling. To prevent this, you should not permit large accumulations of ice or snow on the roof. If a certain area is a chronic problem you may

have to install electric heat tapes to keep it clear of snow and ice build up. The repair of damaged areas and preventive measures are the responsibility of the Homeowner.

EXTERIOR CAULKING:

Exterior caulking will shrink and crack or joints may open up due to normal movement of building materials. This can result in drafts, water or insects entering the house or frozen pipes. Maintenance of exterior caulking and damages resulting from failure to maintain is the responsibility of the Homeowner.

CABINET ADJUSTMENTS:

Most cabinets have provisions for adjustment at the hinges. These adjustments are usually simple and are a normal maintenance responsibility of the homeowner.

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