

This is the Limited Home Warranty referred to in the Alturas Homes Standard Addendum. This Limited Home Warranty (“**Warranty**”) from Alturas Construction, LLC dba Alturas Homes (“**General Contractor**”) contains express warranties on your home (referred to as the “**Work**” in the Alturas Homes Standard Addendum) and its components with specific exclusions from coverage, and also contains a disclaimer of implied warranties on your home and those components that are not "consumer products" as defined by applicable federal law and regulations. It also contains an express assignment from the General Contractor to you, the Buyer, of all manufacturer or supplier warranties on consumer products. Aside from this assignment, this document does not cover consumer products and General Contractor disclaims any implied warranties on consumer products that are components of your home or are considered part of your home. This Warranty is the only warranty made by General Contractor to you. Warranty is applicable to original owner-occupied homes only. The warranty is neither transferable nor extended to another buyer if home is sold or used as a rental property during the first year of occupancy. There are no warranties that extend beyond the face of this Limited Home Warranty. **Except for this Limited Home Warranty, General Contractor disclaims all other warranties, including without limitation the warranties of habitability, merchantability, and fitness for a particular purpose.**

1. **Warranty.** The terms of the various coverages of this Warranty begin on the date on which General Contractor signs the deed transferring ownership of the home to you. That date is referred to in this Homeowner Warranty as the "closing."
2. **Exclusions.** This is a limited warranty, and General Contractor excludes coverage of certain items and types of damage. The exclusions are set out in paragraph 7 of this Warranty and should be read carefully to understand what is not covered by this Warranty.
3. **Consumer Product Warranties Assigned to Buyer.** General Contractor hereby assigns to you any and all manufacturer or supplier warranties on consumer products to the full extent permitted by law. You must make claims directly to the supplier or manufacturer under those warranties. You should be aware that some consumer product warranties start from the date the product is installed, and that date can be earlier than the date on which this Warranty begins. You should review the consumer product warranties that you receive and make yourself aware of when such warranties start and end. **General Contractor disclaims all warranties on consumer products, including the warranties of merchantability and fitness for a particular purpose.**
4. **Homeowner Orientation / Final Walkthrough.** Prior to closing, you will be required to accompany a representative of General Contractor on a walkthrough and home orientation of your new home. During this walkthrough, you must note any material defects and General Contractor will schedule the noted defects for repair or replacement, in General Contractor’s sole discretion. Because items in the home can be easily damaged during move in and are quickly affected by normal wear and tear after occupancy, damages, including without limitation scratches and gouges in the floors, walls, countertops, broken or scratched glass (including mirrors and windows) and bathroom fixtures that you do not note at the time of the walkthrough are excluded from coverage under this Warranty. All cosmetic imperfections need to be documented at the home orientation. These will be documented on the Home Orientation Checklist. Any imperfections or cosmetic damages noted after the home orientation are not warrantable. At the final walkthrough and upon occupancy you acknowledge any cosmetic items not specifically documented in the Home Orientation Checklist become the responsibility of the homeowner.

5. **Home and Component Warranty:** General Contractor warrants to you against those only defects in the home or its components that:
  - a. ...are not excluded from warranty coverage by paragraph 7;
  - b. ...are reported in writing to General Contractor within thirty days after they are discovered or would have been discovered by a reasonable person, and
  - c. ...are specifically included in one of the following warranty provisions:
    - i. General Contractor warrants the floor, ceilings, walls and other structural components of the home that are not specifically covered by other provisions of this Warranty to be free from significantly defective construction and materials for a period of one year. The structural materials in your new home are the products of nature and are not manufactured by the General Contractor. As a result of normal settlement, aging, and weather changes, all building materials are subject to surface defects, such as cracking or discoloration. Because these developments are normal in a new home and do not constitute significant defects or result in any lessening of value, they are not covered by this Warranty.
    - ii. General Contractor warrants the electrical wiring systems, including electric switches, receptacles, and fixtures, but excluding light bulbs and tubes, to be free of significantly defective construction and materials for a period of one year.
    - iii. General Contractor warrants the roof will be free of leaks caused by defects in materials and workmanship for a period of one year.
    - iv. General Contractor warrants the plumbing fixtures will be free from drips and significant defects for a period of one year.
    - v. General Contractor warrants tile countertops and floor tile to be free from loose tile and cracks for a period of one year.
    - vi. General Contractor warrants carpet to be free from wrinkles and seam defects for a period of one year.
    - vii. General Contractor warrants vinyl floor covering to be free of air pockets, wrinkles, seam defects, and adhesive decay for a period of one year.
    - viii. General Contractor warrants the exterior stucco surface to be free of cracks of 1/8 inch or greater and masonry to free of cracks of 1/8 inch or greater for a period of one year.
    - ix. General Contractor warrants the concrete garage floor, patio, driveway, walkways, decks and porches to be free of cracks of 1/4 inch or more in width for a period of one year, under normal use. Concrete cracks are common. Slabs are not replaced due to cracking.
  
6. **Exclusive Remedy and Limitation of Liability.** Your exclusive remedy for breach of this Warranty is repair or replacement of the defective item. General Contractor has the exclusive right to select the remedy, in its sole and absolute discretion. **Other than its obligation to repair or replace the defective item, General Contractor shall not be liable to you for any direct or indirect, consequential, exemplary, or punitive damages.**
  
7. **Exclusions from Warranty Coverage.** The limited warranty does not apply to conditions or defects caused by or arising from normal wear and tear, climatic conditions, the normal characteristics of certain building materials, expansion, contraction, moisture, humidity, or any damage resulting from negligence, improper maintenance, or abnormal use. The following items are excluded from coverage under this Warranty:
  - a. Any item covered by a written manufacturer or supplier warranty.

- b. Damage due to ordinary wear and tear, abusive use, or lack of proper maintenance, including the failure to pull back and dry wet carpeting/surfaces.
- c. Work not done by General Contractor or General Contractor's subcontractors.
- d. Damage to items installed by the homeowner after closing, such as wall coverings, window treatments, or any personal possessions, even if damage is related to a deficiency in a warranted aspect of the home.
- e. Loss or injury caused by the elements, act of war, terror, crime, or other third party or independent force not under General Contractor's control.
- f. Conditions resulting from condensation on, expansion, contraction, or any other kind of movement of materials or soil, including any cracks in brick, stone, or veneer.
- g. Damage caused by changing the grade of your yard, landscaping, fencing, patios, or other work that alters drainage as it existed at closing.
- h. Damage to or loss of lawn, plants, shrubs, or trees due to improper maintenance (for example, over or under watering).
- i. The presence of water or moisture in a crawlspace.
- j. Scratches or gouges on floors, walls, countertops, glass, mirrors, and bathroom fixtures not noted in writing at the time of the final walkthrough prior to closing.
- k. Chips in tile countertops not noted in writing at the time of the final walkthrough prior to closing.
- l. Chips, scratches and gouges on cabinets, interior handrails, sinks and entry doors not noted in writing at the time of the final walkthrough prior to closing.
- m. Tearing or gouges on linoleum floor not noted in writing at the time of the final walkthrough prior to closing.
- n. Scratches, chips and gouges in tubs and shower pans not noted in writing at the time of the final walkthrough prior to closing.
- o. Discoloration of carpet due to sunlight.
- p. Any discoloration of tile or grout. Note that grout will fade with age.
- q. Shrinkage or expansion of hardwood floors.
- r. Cracks in sheet rock or nail pops in sheetrock.
- s. Stucco, Brick, and stone efflorescence. Efflorescence is the natural leaching of salt-based clays through porous brick.
- t. Defects that are the result of characteristics common to the materials used, including without limitation warping and deflection of wood, fading, caulking, and cracking or chipping of paint resulting from drying and curing of concrete stucco, plaster, bricks, and masonry and the drying, shrinking and cracking of caulking and weather stripping.
- u. Damage to exterior concrete caused by use of salts or chemical deicers.
- v. Cracks in an attached garage floor slab or attached patio slabs and sidewalks.
- w. Efflorescence on the surface of the basement floor.
- x. Separation and movement of concrete slabs within the home or attached garage.
- y. Any other individual's violation of negative covenants or deed restrictions. These should be to any applicable Home Owners Association.
- z. Fences. Fences purchased through General Contractor may be warranted by the installer.
- aa. Frozen water pipes and/or hose connections, unless caused by a deficiency in insulation against normal temperature ranges.
- bb. Interior trim split or separation.
- cc. Light fixture tarnishing.

- dd. Sound transmission between rooms, floor levels, or from street into home. Including floor squeaks and pops.
- ee. Condensation or frost on window frames and glass.
- ff. Color variation in carpet.
- gg. Staining of plumbing fixtures.
- hh. Noisy water pipes due to water flow and pipe expansion.
- ii. Clogging of condensate lines.
- jj. Noisy ductwork.
- kk. Drafts from electrical outlets.
- ll. Battery or light bulb replacement.
- mm. Pest Control.
- nn. The presence of mold or damages caused by mold.
- oo. Damages for aggravation, mental anguish, emotional distress, or pain and suffering.

IDAHO LAW PROVIDES THAT EVERY CONTRACT FOR THE PURCHASE OF A NEW RESIDENCE FROM A GENERAL CONTRACTOR, AS HERE, CARRIES WITH IT A WARRANTY THAT WHEN COMPLETED, THE STRUCTURE OF THE RESIDENCE WILL BE FREE OF LATENT DEFECTS AND WILL BE FIT FOR ITS INTENDED USE AS A RESIDENCE. HOWEVER, THE LAW ALSO PROVIDES THAT A GENERAL CONTRACTOR AND BUYER MAY AGREE IN WRITING, AS HERE, THAT THIS IMPLIED WARRANTY IS NOT INCLUDED AS A PART OF THEIR PARTICULAR CONTRACT. ACCORDINGLY, THE ONLY WARRANTIES PROVIDED BY GENERAL CONTRACTOR ARE THOSE CONTAINED IN THIS HOMEOWNER WARRANTY. NO WARRANTY, GUARANTEE OR UNDERTAKING, WHETHER EXPRESS OR IMPLIED, ORAL OR WRITTEN, WITH RESPECT TO THE PROPERTY AND CONSTRUCTION THEREOF, EXCEPT AS EXPRESSLY SET FORTH IN THIS HOMEOWNER WARRANTY SHALL BIND OR OBLIGATE THE GENERAL CONTRACTOR. ALL OTHER WARRANTIES, GUARANTEES AND UNDERTAKINGS ARE HEREBY EXPRESSLY DISCLAIMED. SPECIFICALLY, BUT WITHOUT LIMITING THE FOREGOING, GENERAL CONTRACTOR HEREBY EXPRESSLY DISCLAIMS THE IMPLIED WARRANTY OF HABITABILITY, ANY WARRANTY OF MERCHANTABILITY OR ANY WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE. THE CONSEQUENCE OF SUCH DISCLAIMER BY GENERAL CONTRACTOR IS THAT GENERAL CONTRACTOR'S SOLE AND EXCLUSIVE WARRANTIES GIVEN TO BUYER IN CONNECTION WITH THIS AGREEMENT ARE THOSE CONTAINED IN THIS WARRANTY.

8. **Claims Procedures.** To submit a claim under this Warranty, you must notify General Contractor in writing within thirty days from when you discover the defect giving rise to the claim. Your notice to General Contractor should describe the problem in detail and should include the time of day you can be contacted by a subcontractor for scheduling.
9. **Repairs.** Upon receipt of your written report of a problem, and if the item is covered by this Warranty, General Contractor will repair or replace the item at no charge to you within thirty days (longer if delays are caused by weather conditions, labor problems, materials shortages, or other situations beyond General Contractor's control). The work will be done by General Contractor or by subcontractors who will be chosen by General Contractor. Materials and workmanship will be completed meeting current building industry standards and practices that are generally employed in warranty service. The General Contractor has no duty to install upgrades under the limited warranty. The General Contractor will not be responsible for any consequential damages or expenses, such as lost wages resulting from a warranty replacement or install.

10. **Access to your Home.** For General Contractor to carry out its responsibilities under this Warranty, it will require access to your home from time to time. By signing this Warranty, you grant access to the General Contractor and its agents and contractors during normal business hours to inspect, repair, and conduct tests in your home as in General Contractor's judgment may be required.
11. **Respectable Person Clause.** At Alturas Homes, we expect that all employees, trade partners and suppliers will treat homeowners with the upmost respect. Likewise, we expect the same amount of respect from our homeowners. If our trade partners, suppliers, or employees feel like they are being addressed in an inappropriate manner, including verbal and physical abuse, offensive language, racially insensitive terms, or unsubstantiated argumentative language, the contractor, at their discretion may terminate any further interaction with the offending parties. Additionally, Alturas Homes retains the right to deem the limited warranty and any pending warranty work invalid.
12. **Arbitration.** Any and all disputes arising from or related to this Warranty must be submitted to an arbitration conducted pursuant to the rules of Construction Arbitration Services, Inc. ("CAS") in effect at the time of the request for arbitration. If CAS for any reason is unable or unwilling to conduct, or is disabled from conducting such arbitration, the arbitration shall be conducted by and pursuant to the rules of the American Arbitration Association applicable to home warranty arbitration proceedings in effect at the time of the request for arbitration. The decision of the arbitrator will be final and binding and may be entered as a judgment in any State or Federal court of competent jurisdiction. The party requesting arbitration shall pay the fee required for the arbitration. In the event the party who paid the arbitration fee prevails in the arbitration, the arbitrator, as part of the arbitration award, shall require the other party to repay the arbitration fee to the prevailing party.
13. **Non-Transferability.** The warranties contained herein are extended only to you and do not extend to subsequent owners of the home. If you rent, sell, transfer, or move out of the home, this Warranty will terminate.
14. **Signatures.** By signing below, you acknowledge that you have read and understand the Warranty and its limitations and exclusions from coverage. You also acknowledge that this Warranty is the exclusive warranty being given to you by General Contractor, and that you are not relying on any implied or oral representation as to any other warranty or right not contained in this Warranty.

## Warranty Enrollment Signatures & Contact Information

**\*\* This form must be completed and signed by all buyers at the time of submitting a contract.**

### BUYER(S):

BUYER 1 Signature: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Date: \_\_\_\_\_

Email Address: \_\_\_\_\_

Phone Number: \_\_\_\_\_

BUYER 2 Signature: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Date: \_\_\_\_\_

Email Address: \_\_\_\_\_

Phone Number: \_\_\_\_\_

Current Mailing Address: \_\_\_\_\_

Current City: \_\_\_\_\_

Current State: \_\_\_\_\_

Current Zip Code: \_\_\_\_\_