



LIMITED WARRANTY

25.1

WARRANTY CONTACT INFORMATION

Belac Homes LLC

352-593-0030

www.belachomes.com/warranty

528 SE 17th St.

Ocala, FL 34471

SAMPLE



Dear Home Buyer,

Congratulations on the purchase of your new Home! This is probably one of the largest and most important investments you've ever made. The entire Belac Homes team wishes you many years of enjoyment. This book explains the Limited Warranty in its entirety, and we encourage you to take time to READ IT CAREFULLY.

This Limited Warranty provides you with protection in accordance with this warranty book for the first seven years of ownership. Take time now to familiarize yourself with the Warranty and its limitations. Please contact us with any questions that you may have.

We hope you enjoy living in your new home as much as we enjoyed building it for you!

Sincerely,

A handwritten signature in black ink, appearing to read 'EJ Sodrel', is written over a large, light gray, diagonal watermark that says 'SAMPLE'.

EJ Sodrel
Manager-Belac Homes, LLC

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PRE-CLOSING ORIENTATION WALK-THROUGH

Prior to closing or occupancy, the OWNER and a Belac Homes representative will conduct a **PRE-CLOSING ORIENTATION WALK-THROUGH** (hereinafter referred to as Pre-Closing Walk-Through) of the home and the property on which it is located. Approximately one week before the scheduled closing, a Belac Homes representative will tour your home with you, noting areas of concern on the Homeowner Orientation Form (hereinafter referred to as the "Punch List"). A sample of this form is on the next page. Our representative will also conduct an orientation of your home by demonstrating and educating you on specific components of your new home. For example, the representative will show you the locations of your electrical box, water shut-off valves, and many other functions within your home.

During the walk-through, your representative will list any defects pointed out by you, on Belac Homes forms (the Punch List), and any defects that do not meet the standards as listed in the current *Residential Construction Performance Guidelines* (as published by the National Association of Home Builders), including specific OWNER concerns regarding perceived differences with selection sheet items and construction related issues. Your Belac Homes representative will discuss this form with you in its entirety. You will also be provided with a copy of the Punch List. Pay particular attention to all cosmetic items, which are specifically not covered after Settlement/Closing per the Limited Warranty.

OWNER must sign off that all repairs listed on the Orientation Form are completed prior to Settlement/Closing. A second walkthrough is typically completed on the day of closing to verify completion of the previously completed Punch List. Per the sales contract, by signing the closing documents the Owner acknowledges that the Punch List items have been completed in a workmanship manner, that the home is 100% complete, and that it is in move-in condition.

Please note that during the Homeowner Orientation Walk-Through the Belac Homes representative will "Tag, note and in some cases photograph" areas of concern, or items that do not meet local or national standards. Inspection standards such as normal lighting, required viewing distances, and heights will be strictly enforced.

OWNER is responsible for attending the Homeowner Orientation and personally being an active participant in the process. The Homeowner Orientation is designed to give you the tools to get the most out of your home and to review best practices on maintaining your home. The orientation also provides details of the warranty process if you have an issue with a covered warranty item after closing.

Enjoy your new home! If you have any questions or concerns, please do not hesitate to contact our office.

PRE-CLOSING WALK-THROUGH FORMS



CUSTOMER NAME: _____ EMAIL: _____
 CUSTOMER ADDRESS: _____ JOB NUMBER: _____
 TELEPHONE: (HOME) _____ (CELL) _____ (WORK) _____

HOMEOWNER TO INITIAL EACH CATEGORY AFTER IT IS EXPLAINED

WARRANTY PROCEDURES	Operations & Mechanicals (continued)
1. Service Requests in writing: Service requests must be submitted in writing per the warranty documentation	11. Aerators
2. Emergency Service: Follow the step by step procedures outlined in the warranty documentation	12. Commode Clog
3. Manufacturer Warranty documentation is found in kitchen drawer	13. Water Saver Toilets
4. Utility Transfer: Turned off 2 days after closing	14. Keying Procedure
	15. GFI Circuits
OPERATIONS & MECHANICALS	17. Knock Down, T/U Kit
1. Appliances and cut-offs	18. Caulking, Tile, Window
2. Pest Control	19. No Storage in Attic
3. Electrical panel & Breakers	
4. Water Heater	OUTSIDE
5. HVAC, filter change, thermostat, balance, shut off breaker, drain maintenance	1. Lawn Care/Exterior Maintenance
6. Washer/Dryer connections	2. Condensation Drains
7. Smoke Detectors	3. Water Meter/Well water shut off
8. Windows	4. Sewer/Septic clean outs
9. Scuttle Access Holes	5. Irrigation system (IF APPLICABLE)
10. Garage Door	6. Property Pins (If survey was completed)

FOLLOWING ITEMS NOT COVERED BY WARRANTY AFTER ORIENTATION

_____ Appliances	_____ Sinks/Plumbing Fixtures
_____ Mirrors/Shower Doors	_____ Walls/Sheetrock/Drywall
_____ Cabinets/Countertops	_____ Tubs/Shower
_____ Windows/Screens	_____ Flooring
_____ Doors/Door Hardware/Millwork	_____ Paint/Caulking
_____ Landscaping (shrubs, trees, sod, erosion control, irrigation systems)	
_____ Any cosmetic damage (Cracks, Scratches, dents, surface imperfections, etc.)	

The items above have been explained to me by a Belac Homes Representative. Any items that need correction are listed on the Homeowner Orientation Sheet.

CUSTOMER NAME _____ JOB NUMBER _____

CUSTOMER ADDRESS _____

TELEPHONE (HOME) _____ (WORK) _____ (CELL) _____

Any cosmetic items such as defects in painted surfaces, chips, cracks, tears, (example: chipped porcelain, plumbing fixtures or kitchen appliances, countertops or flooring scratches, chipped tiles, torn screens, broken glass or similar defects visible at this walk-through) not noted for correction below are excluded from Belac Home's responsibility. There will be no additional paint touch ups after closing other than those noted below.

[illegible]

HOMEOWNER/AGENT SIGNATURE-DATE

BELAC HOMES REPRESENTATIVE-DATE

Sign upon completion: The above work has been satisfactorily completed. The signing of this form by the homeowner/agent indicates the completion of the items noted on the day of closing walkthrough.

PROCEDURE FOR WARRANTY PERFORMANCE

Procedures relating to the performance under this Belac Homes Limited Warranty 25.1 hereinafter referred to as "Limited Warranty" – shall be in accordance with the standards and requirements stated herein.

REQUEST FOR WARRANTY PERFORMANCE - GENERAL

All requests for warranty service must be submitted to Belac Homes - IN WRITING. Claims received after an unreasonable delay, or after the expiration of the applicable warranty term, will not be covered by this Limited Warranty.

When OWNER contacts Belac Homes, the OWNER must provide Belac Homes with the following information:

1. OWNER Name, Property Address, Email Address and Phone Number
2. Specific Nature of Service Performance Requested
3. Any relevant commentary about the specific issue

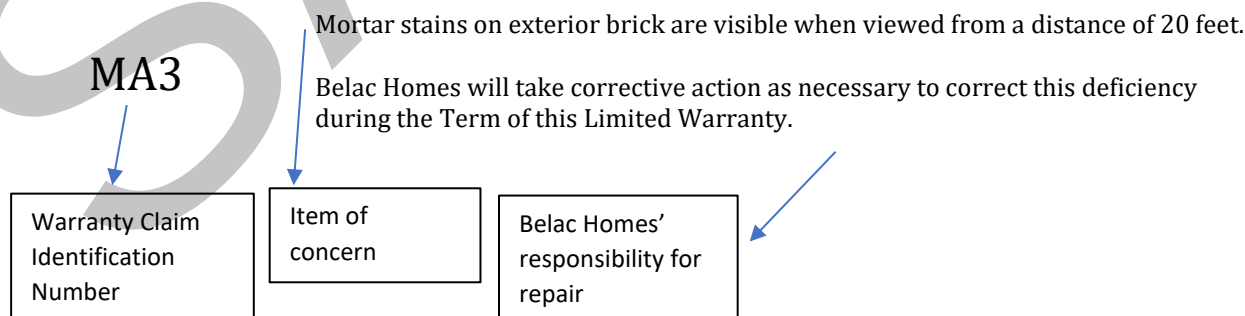
The Belac Homes website offers an easy way to submit your written warranty request. Go to www.belachomes.com/warranty to submit your warranty request. Please submit one item per warranty service request ticket. In addition, please include photos of the item you are requesting we address. If related to cracks or other items, which have specific thresholds for coverage, we ask that you include photos with a ruler, tape measure or other similar item showing the width of the cracks to assist us in determining if the item is covered under warranty.

A sample of the warranty submission form is provided on the next page. Fill in all the relevant portions of the form and click the submit button. The warranty request will automatically go to our dedicated warranty staff who will review your submission within three business days.

HOW TO USE YOUR WARRANTY

This section will help you understand which items in your home are covered under this Limited Warranty and which items are not covered. Items not covered under this Limited Warranty (Non-Warranted items) are considered homeowner maintenance, manufacturer's warranty, insurance or contractual and may be the OWNER'S responsibility. Items covered under this Limited Warranty are the responsibility of Belac Homes.

Below is a sample of the warranty coverage section. On the left side, the Warranty Claim Identification Number is listed. To the right of the Warranty Claim Identification Number, commentary is stating the item of concern followed by Belac Homes' responsibilities for repair. All claims processed during the Term of this Limited Warranty are listed in Section II or Section III of this Limited Warranty, depending on the age of the home, and annotated with this layout. It is important that you use this number whenever registering a Warranty Claim.



ONLINE WARRANTY SUBMISSION FORM

www.belachomes.com/warranty

For Warranty Service Requests on your
Belac Homes built home:
One Item Per Submission

Name

Email

Phone

Home Address

Select a Category

Warranty Standard Number
*Please review your warranty (link to warranty provided above) to locate and provide the standard under which your claim is covered.
(Example: EF1)

Please provide a complete description of the problem you are having and photos (if applicable to your claim)

In the event that you do not have use of a computer or would prefer not to use the Belac Homes website to submit your warranty submissions, warranty claims can be registered via a Warranty Claims Registration Form that will be mailed to you. This form allows you to register your warranty claims in your own handwriting. Simply complete the form and mail it to our office.

WARRANTY CLAIMS REGISTRATION FORM

The Warranty Claims Registration Form is only mailed to those individuals that do not have use of a computer or wish not to utilize the Belac Homes website to register their warranty claim. The Warranty Claims Registration Form will be mailed to you by our office following your call to request a Walk-Through. Please keep in mind that your call or email to schedule a Walk-Through must occur during either of the Warranty Service Request Periods. You must complete the Warranty Claims Registration Form to register all valid Warranty Claims. **Claims cannot be added to the list once Belac Homes has completed the scheduled 30-Day or 11-Month Warranty Term Walk-Through.**

IMPORTANT DIRECTIONS:

The Warranty Claims Registration Form must be completed prior to scheduling the Warranty Walk-Through appointment. Make sure you list all of the warranty claims you would like to register on the Warranty Claims Registration Form. Please also provide photographs of the warranty items. Please mail the completed form back to Belac Homes so that we can review the items identified on your Warranty Claims Registration Form, prior to scheduling an appointment with the Belac Homes representative.

The time allotted for this appointment is to review each warranty claim with you, to take digital photos of your claim(s) and to make warranty determinations based on the specific warranty standards in this Limited Warranty.

MAIL THE COMPLETED FORM BACK TO OUR OFFICE. ONCE THE FORM IS REVIEWED, WE WILL SCHEDULE THE WARRANTY WALK-THROUGH APPOINTMENT.

Complete the Belac Homes Warranty Claims Registration Form with the following information:

Warranty Claim Standard Number This is the alpha numeric ID located in Sections II or III
Room/Location of the Issue Example: Kitchen Sink Cabinet
Description of the Issue Example: Drain line is leaking

A Sample of the Belac Homes Warranty Claims Registration Form is on the next page.



Warranty Claims Registration Form

Owner _____

Claim Submission Date _____

Address _____

City/State/Zip _____

Email _____

Phone _____

Instructions:

1. Locate Warranty Service book (Received at closing) and make note of the Warranty Standard # represented in your claims. Please validate each Warrantable claim against your written warranty. The standard # found in your Warranty must be listed. Do not list any items from your pre-closing walkthrough on this form.
2. Type or Print clearly ONE claim per line
3. You may use more than one form if you have more than 6 claims. Please include all items you want us to review.
4. Mail to Belac Homes: 528 SE 17th St. Ocala, FL 34471

Line	Standard #	Room/Location	Description
1			
2			
3			
4			
5			
6			

WARRANTY REPAIRS

Belac Homes will contact you after a determination of warranty coverage has been completed. After approval, the appropriate subcontractor will contact you to schedule the warranty repairs. **All warranty repair work must be scheduled from Monday through Friday between the hours of 9:00 a.m. to 4:00 p.m., excluding holidays.** Understand that work delays may occur due to ordering materials, supply availability and weather conditions. Some work assignments may require multiple trips to your home. Additional scheduling will be determined at the mutual convenience of all the parties involved.

All work undertaken to address an approved warranty claim must be performed by Belac Homes subcontractors. You must obtain written authorization from Belac Homes prior to incurring expenses. Costs for unauthorized repairs to warranted items are not reimbursable.

SCHEDULING PROCEDURE

Belac Homes utilizes the following procedures when scheduling your warranty repair items, in order to ensure a successful appointment:

1. We send a work ticket to the assigned Subcontractor.
2. Our subcontractor will contact you to schedule all approved warranty repairs.
3. We will follow up with you and the subcontractor to confirm that the appointment has been scheduled and for what date and time.
4. Belac Homes will contact you on the day and time of the scheduled warranty work to confirm that the assigned Subcontractor(s) has/have shown up and completed their work assignments.

WORK PERFORMANCE

If you cancel appointments for warranty work or are unable to make your home available to workers on the scheduled day(s), please contact both Belac Homes and the subcontractor to inform us at least twenty-four hours prior to the scheduled appointment. OWNER will be charged for the trip charge fee of \$99 for any missed appointments that were not canceled at least twenty-four hours prior to the scheduled appointment.

Please note that failure to make your home available to Belac Homes or the Belac Homes Subcontractor(s) for approved warranty work can result in that warranty work being considered complete (i.e. the warranty claim/claims are considered completed) due to your refusal to accept the reasonable efforts of Belac Homes or Belac Homes Subcontractors to schedule and complete the warranty work in a timely manner.

FAILURE TO ALLOW ACCESS TO YOUR HOME TO A BELAC HOMES REPRESENTATIVE OR TRADE CONTRACTOR MAY VOID THIS LIMITED WARRANTY. HOMEOWNER MUST PROVIDE ACCESS TO THE HOME DURING NORMAL WORKING HOURS – 9 AM TO 4 PM MONDAY THROUGH FRIDAY.

WORK ORDER SIGN-OFF

You will be asked to review and acknowledge the completion of the warranty work performed by Belac Homes or Belac Homes' Subcontractor(s). By signing the Work Order provided to you by the subcontractor or technician you acknowledge the completion of the scheduled work.

Ensuring that all completed Work Orders have been signed off on by you is a critical step in the quality control process. In the event that a Subcontractor did not obtain a sign-off on a Work Order form, our warranty department will contact you to confirm that the work was completed. Upon verbal verification, the work order will be closed and marked as completed.

EMERGENCY SERVICE PROCEDURE

Belac Homes understands that not all situations requiring immediate attention happen during normal business hours. Therefore, Belac Homes has provided you with the Emergency Assistance numbers for specific subcontractors. This sticker has been placed on your electrical service panel. **Only contact subcontractors directly if you have an emergency on holidays and weekends AND after a warranty request has been submitted.**

If you feel you are facing a life-threatening emergency, call 911 or your local authorities.

To help Belac Homes serve you better, please observe the procedures outlined in this section when reporting any emergency to us.

An EMERGENCY includes:

1. **Total Electrical Outage.** Ensure the electrical grid is operating properly by checking with your utility company before reporting this situation to Belac Homes.
2. **Electrical Sparks.**
3. **Total Loss of Heat.** Applicable when the outside temperature is below 45 degrees Fahrenheit.
4. **Water Leak Requiring Main Water Shut-Off Valve to be Turned Off.**

NOTE: Air conditioner outage is not considered an emergency. Air conditioning problems will be addressed during normal business hours in the order they were reported in.

Before contacting the Belac Homes subcontractors for emergency repairs, please check the following items:

HEATING AND COOLING

- A. **Breaker Box-** Check for a switch that may need resetting. A tripped breaker must be turned all the way off and then back to reset.
- B. **Thermostat Setting-** To cool the home, the system switch must be on **Cool** and the fan switch should be on **Auto**. To heat the home, the system switch must be on **Heat** and the fan switch should be on **Auto**.
- C. **Clogged Condensation line-** Lift the float switch on the front of the air handler unit. If the unit turns on the condensation line is clogged and will need to be unclogged for continued operation. Check the manufacturer user guide for instructions on unclogging the condensation line. This item is not covered under warranty.
- D. **Heat Pumps**
In the **Heat** mode, the heat pump may not be able to supply sufficient heat BTUs in very cold weather conditions. Switching to auxiliary heat may be required.

PLUMBING OR WATER LEAKS

- A. **Water Shut-Off Valves-** Individual water shut-off valves are located behind toilets and under sinks. Use these valves immediately when shutting down the water supply to a particular fixture or appliance. As long as you can isolate a leak with the individual shut-off valve(s), these types of issues will be only addressed during normal business hours.
- B. **Home Main Water Shut-Off-** The home's main water supply can be shut-off supplying all water throughout the home. This valve is normally located on the exterior of the house on the side closest to the water meter or well.
- C. **Additional Main Water Shut-Off-** The Public Water Service can be shut off to eliminate all water supplied to the home from the street. This is usually located outside in the front of the home near the street in a black water meter box. In addition, a valve at the well can shut off the water coming from a well, if the house is not on public water.

****In the case of a water leak, immediately collect the water entering the home by using buckets, pans, towels, or other means to prevent further damage from the water. Belac Homes should be contacted immediately if a water leak is found in your home.**

ELECTRICAL

- A. **Breaker Box-** Always check the main breaker and each of the individually labeled breakers in the breaker box before calling. Tripped breaker(s) will only be addressed during normal business hours.
- B. **Ground Fault Circuit Interrupter (GFCI) and Arc Fault Circuit Interrupter (AFCI) Switches-** Always check all GFCI and AFCI switches prior to calling. Tripped GFCI and/or AFCI switches will be only addressed during normal business hours.

REQUESTING A WALK-THROUGH AND REGISTERING WARRANTY CLAIMS

Belac Homes has provided you an opportunity to have a **30-Day** and **11-Month** (“Final Inspection”) warranty term inspection. These inspections are for non-emergency warranty claims and take place approximately 30 days and/or 11 months of the warranty period. The procedures for emergencies are covered separately in this Limited Warranty. **IT IS THE OWNER'S RESPONSIBILITY TO CONTACT BELAC HOMES TO SCHEDULE THE 30-DAY AND 11-MONTH WALK-THROUGHS AND TO REPORT ALL WARRANTY CLAIMS.** Our office phone number is located on the front cover of this Limited Warranty. Alternatively, you can also email the warranty department to request a walkthrough. The email address for scheduling purposes is warranty@belachomes.com. Please include 30-day or 11-month walkthrough in the subject heading of the email.

Subject to the foregoing, warranty requests may be submitted for any issue in the home listed in Section II (Warranty Coverage and Conditions) of this Limited Warranty during the warranty term.

**IT IS THE OWNER'S RESPONSIBILITY TO CONTACT BELAC HOMES TO SCHEDULE
THE 30-DAY AND 11-MONTH WALK-THROUGHS**

Although the claim registration process is not difficult, we suggest you follow these three (3) simple steps in order to streamline the process:

STEP 1 **Verify the BUILDER'S Responsibility**

- Walk through your home and document your warranty claims.
- Before registering a Warranty Claim with Belac Homes, it is important to verify that the requested item meets the threshold for repair as outlined in Section II or Section III of this Limited Warranty.
- Check this Limited Warranty's Table of Contents to locate the appropriate Warranty Coverage and Condition page. EXAMPLE: Drywall, Electric or Plumbing.

STEP 2 **Find the Warranty Claim Number**

- Locate the paragraph that addresses your Warranty Claim specifically.
- Read through this Limited Warranty section concerning your request.
- Determine if this issue justifies a warranty claim.
- If you cannot locate the Claim Number – your Request is probably NOT covered by this Limited Warranty.
- If you locate the specific warranty claim, note the Claim Number.
- If your request is Belac Homes' responsibility under this Limited Warranty, it will have the Claim Identification Number beside it. Note the Claim Number in the online form or Warranty Claims Registration Form.

STEP 3 **Contact Belac Homes**

- Contact our office during the 30-Day or 11-Month Walk-Through window to schedule a warranty inspection. The Phone number and email address for the warranty department is on the front cover of this document for easy reference.
- If you utilize the Belac Homes Warranty website to document the warranty items for review on the online system, please submit one form per item.
- Inform the Belac Homes representative if you do not have use of a computer or if you do not want to utilize the Belac Homes Website to submit items. Our representative will ask you for the exact number of claims you wish to register. This will tell us how many Warranty Claims Registration Forms to mail to you.

WARRANTY WALK-THROUGH & NEXT STEPS

Here is a quick synopsis of the steps that will be followed from the Warranty Term Walk-Through to the scheduling of approved warranty work:

- Belac Homes will review your warranty claims with you and make a warranty determination based on the warranty standards listed in this Limited Warranty.
- Actual warranty work **will not** be performed during the Warranty Term Walk-Through.
- Non-Warranty claims will be discussed with you at the Walk-Through. These non-warranty claims are typically considered to be contractual, prior to the warranty commencement or after expiration, manufacturer's warranty, insurance, or homeowner maintenance.
- After an item has been confirmed as a defect covered under this Limited Warranty, a Belac Homes subcontractor will contact you to schedule the repair work at a time convenient to you. **All warranty repair work must be scheduled from Monday through Friday between the hours of 9:00 a.m. to 4:00 p.m., excluding holidays.**

FIRST YEAR WARRANTY COVERAGE AND CONDITIONS

Limited Warranty Term

The “Term” of this section of your Limited Warranty is **ONE (1) YEAR**, beginning at the date of original conveyance of title to the original owner or after the date of initial occupancy of the dwelling, **whichever occurs first**, and ending one year later on the first anniversary date. OWNER agrees that in situations where Belac Homes builds a dwelling on an OWNER’S property, the date of initial occupancy shall be the date of closing or the date the final payment for construction is received. This section of The Belac Homes Limited Warranty only covers items, or components, of your home specifically described herein and that are duly reported to Belac Homes within the first year of warranty coverage. The procedures detailed in this Limited Warranty are applicable for processing any warranty claim.

Covered Parties

The Belac Homes Limited Warranty is extended to the original homeowner(s), individually, and collectively referred to as OWNER. The Belac Homes Limited Warranty is automatically transferred to subsequent OWNER(s) of the home.

Covered Warranty Items

Belac Homes warrants solely to the OWNER, subject to the guidelines stated herein (specifically including but not limited to the Non-Warranted Conditions contained in SECTION IV of this Limited Warranty), that for the term of this Limited Warranty, as described above, the home will be free of the defects noted in this Limited Warranty and that warrantable claims will be Belac Homes responsibility.

The warranty standards outlined in this section have been developed and accepted by the residential construction industry in general. While it is virtually impossible to develop warranty standards for each possible deficiency, the construction industry and Belac Homes have attempted to isolate the most common actual physical damage deficiencies that occur and in so doing, list them for your convenience. Where a specific warranty standard has not been specified, the guidelines found in the publication Residential Construction Performance Guidelines for Professional Builders & Remodelers, 5th Edition, published by the National Association of Home Builders (NAHB), 2015, will apply. Copies of this publication may be special ordered through most book retailers or purchased directly from the NAHB Bookstore by calling 1-800-223-2665.

APPLIANCES

It is important to read and follow all manufacturers’ requirements for each appliance in your home. It is your responsibility to report any problem with any appliances directly to the appliance service representative. The phone number is usually located in the lower corner of the back page of the appliance OWNER’S manual.

Manufacturer’s Limited Warranty

The appliances in your home are warranted directly by the appliance manufacturer NOT Belac Homes. Either during the Pre-Closing Walk-Through, Closing or prior to Occupancy; you will receive the manuals and/or warranties for your appliances from Belac Homes. You must complete all of the appropriate registrations and submit them to the appropriate manufacturer. Do NOT send the appliance registrations to Belac Homes.

Manufacturer’s Service

If you have a problem with one of your appliances, call the manufacturer’s customer service number listed in the manufacturer’s manual/warranty. Be ready to supply the following information to the manufacturer’s service representative.

1. Name, address, and phone number
2. Date of Warranty Commencement, model number and serial number of your appliance
3. Brief description of the type of problem you are experiencing

ATTICS

Down ventilation.

AT1

Building Codes, Standards and Regulations require that Belac Homes provide a ventilation system in your attic with an appropriate total roof vent area. Belac Homes is responsible for the workings of the appropriate ventilation systems and their compliance with all local building codes. Belac Homes will take appropriate action as required to repair the deficiency during the Term of this Limited Warranty.

Attic vents and louvers that leak.

AT2

Belac Homes will take appropriate action as required to repair the deficiency during the Term of this Limited Warranty. However, infiltration of wind-driven rain is not considered a leak and is beyond Belac Homes' control.

Exhaust fan discharges into the attic.

AT3

Fans shall vent to the outside in accordance with prevailing codes. Belac Homes will take appropriate action as required to repair the deficiency during the Term of this Limited Warranty.

CABINETS

Warping of any cabinet drawer facings or cabinet doors, which exceed 1/4 inch when measured from the face of the cabinet frame to the furthestmost point of warpage on the drawer or door front in a closed position.

CA1

Belac Homes will take corrective action **ONLY** if reported during the Pre-Closing Walk-Through and listed on the Punch List.

Individual cabinets are more than 3/16 inch out of level or cabinet faces more than 1/8 inch out of line, and cabinet corners more than 3/16 inch out of line.

CA2

Belac Homes will take corrective action **ONLY** if reported during the Pre-Closing Walk-Through and listed on the Punch List.

Cabinet doors and cabinet drawer faces crack.

CA3

Belac Homes will take corrective action **ONLY** if reported during the Pre-Closing Walk-Through and listed on the Punch List.

Cabinet door will not stay closed.

CA4

Belac Homes will take corrective action **ONLY** if reported during the Pre-Closing Walk-Through and listed on the Punch List.

CA5 Cabinet frames, when measured diagonally from corner to corner, are out of square by more than ¼ inch.

Belac Homes will take corrective action **ONLY** if reported during the Pre-Closing Walk-Through and listed on the Punch List.

CA6 Cabinet doors and drawers have gaps between doors that deviate more than 1/8 inch from top to bottom.

Belac Homes will take corrective action **ONLY** if reported during the Pre-Closing Walk-Through and listed on the Punch List.

CA7 Cabinet doors, drawers and other operating parts do not function as designed.

Belac Homes will take corrective action **ONLY** if reported during the Pre-Closing Walk-Through and listed on the Punch List.

CAULKING

CU1 Cracks in interior and exterior caulking.

Belac Homes will take corrective action **ONLY** if reported during the Pre-Closing Walk-Through and listed on the Punch List. Properly installed caulking will eventually shrink and crack, especially at corners or where different types of materials are attached to each other and are specifically not covered under this Limited Warranty. Maintaining the caulking in the home is the OWNER'S responsibility.

COLUMNS

CL1 An exposed concrete or masonry column that has a bow that exceeds 1 inch in 8 feet or be out of plumb in excess of 1 inch in 8 feet.

Belac Homes will correct this deficiency during the Term of this Limited Warranty. The repaired area may not match the surrounding area in color and texture.

CONCRETE

Exterior Concrete- Flatwork including driveways, patios, porches, concrete stoops/steps, and sidewalks, are all considered exterior concrete in this Limited Warranty. Small gaps and voids between the concrete floor and concrete walls may expand or contract and are considered to be normal. Hairline cracks, "spider" cracks, minimal stress and curing cracks, and separation or movement at control (expansion and contraction) joints in exterior concrete floors are normal and are **NOT** covered under this Limited Warranty.

C01

Concrete stoops and/or steps that settle, separate or heave in excess of 1 inch from the house structure.

Belac Homes will correct during the Term of this Limited Warranty. The repaired area may not match the surrounding area in color and texture.

C02

Cracks in exterior concrete (outside of control joints) that exceed 1/4 inch in width.

Belac Homes will correct during the Term of this Limited Warranty. Patching is considered acceptable as a repair method for cracks, and it may not match the surrounding concrete in color and texture.

C03

Cracks in exterior concrete (outside of control joints) that exceed 1/4 inch in vertical displacement.

Belac Homes will repair during the Term of this Limited Warranty. Belac Homes will grind down any vertical displacement that exceeds the warranty standard. Texture and color may not match the surrounding area after the concrete grinding.

C04

Sidewalks and other exterior concrete flatwork, which have deviated in height by more than 1/2 inch.

Belac Homes will correct during the Term of this Limited Warranty. Lift or settlement at these junctions is caused by seasonal fluctuations in moisture and temperature. Belac Homes will **ONLY** make repairs after the effects of the current seasonal fluctuations have subsided and a true determination of the repair can be made. Grinding down the raised section of concrete is an acceptable repair method. The repaired area may not match the existing floor in color and texture.

C05

Standing water that is 3/8 inch deep on sidewalks, stoops, and steps 24-hours after the end of a rain.

Belac Homes will take appropriate action as required to repair the deficiency during the Term of this Limited Warranty. The repaired area may not match the existing floor in color and texture.

C06

Efflorescence visible on a poured concrete or concrete block wall which is caused by a water leak (due to actual flow and accumulation of water) into the structure.

Belac Homes will repair the wall to stop the leak into the structure during the Term of this Limited Warranty. Efflorescence is a normal condition caused by moisture reacting with the soluble salts in concrete and forming harmless carbonate compounds on the surface of concrete. The mere presence of efflorescence without a water leak is not a deficiency.

C07

Cracks greater than 1/4 inch in width in concrete footings.

Belac Homes will repair using material designed to fill cracks in concrete during the Term of this Limited Warranty. The repaired area may not match the existing floor in color and texture.

C08

Exposed concrete walls have surface imperfections (pits, surface voids or similar imperfections) that are larger than 1 inch in diameter or 1 inch in depth.

Belac Homes will take corrective action **ONLY** if reported during the Pre-Closing Walk-Through and listed on the Punch List.

Interior Concrete- Flatwork, including living areas floors, are all considered interior concrete in this Limited Warranty. Small gaps and voids between the concrete floor and concrete walls may expand or contract and are considered to be normal. Hairline cracks, "spider" cracks, minimal stress and curing cracks, and separation or movement at control (expansion and contraction) joints in interior concrete floors are normal and are **NOT** covered under this Limited Warranty.

Concrete Slabs within the structure are designed to move at control joints. This is a normal occurrence and **NOT** covered under this Limited Warranty

C09

Cracks exceeding 3/16 inch in width.

Belac Homes will correct during the Term of this Limited Warranty if the slab is in conditioned space and the crack interferes with the installation of finish flooring. Belac Homes will repair using a material designed to fill cracks in concrete, and it may not match the surrounding concrete in color and texture.

C010

Cracks exceeding 3/16 inch in vertical displacement.

Belac Homes will correct during the Term of this Limited Warranty. Belac Homes will grind down any vertical displacement that exceeds the warranty standard. Texture and color may not match the surrounding area after the concrete grinding.

C011

Excessive powdering, dusting, or chalking of concrete surfaces.

This should not be confused with normal surface dust that may accumulate for a short period. Belac Homes will take whatever corrective action is necessary during the Term of this Limited Warranty to treat, repair or resurface defective areas. The repaired area may not match the surrounding area in color and texture.

C012

Concrete floors in rooms designed for habitability have pits, depressions or areas of unevenness exceeding 3/8 inch in 32 inches.

Unless that floor has been designed for specific drainage purposes, Belac Homes will take whatever corrective action is necessary during the Term of this Limited Warranty to correct this deficiency. Belac Homes may repair by leveling the surface with material designed to repair uneven concrete. The repaired area may not match the surrounding area in color and texture.

C013

Interior concrete surfaces pit or spall.

Pitting is evidenced by concrete that has chipped. Spalling is evidenced by concrete that has flaked or peeled from the outer surface. Unless the deterioration is caused by factors outside of Belac Homes control, Belac Homes will take whatever corrective action is necessary during the Term of this Limited Warranty to correct this deficiency. Belac Homes will repair using materials designed for this purpose. The repaired area may not match the surrounding area in color and texture.

C014

Cracks in poured concrete walls, footings, concrete block walls or crawl space walls that exceed 1/4 inch in width.

Belac Homes will take whatever corrective action is necessary during the Term of this Limited Warranty to correct this deficiency. Belac Homes will repair using materials designed for this purpose. The repaired area may not match the surrounding area in color and texture.

C015

Efflorescence visible on the surface of a concrete floor slab.

This is considered a deficiency ONLY if it is caused by a water leak (due to actual flow and accumulation of water). Belac Homes will repair the water leak as required during the Term of this Limited Warranty. Efflorescence is a normal condition caused by moisture reacting with the soluble salts in concrete and forming harmless carbonate compounds (white film) on the surface of concrete. The mere presence of efflorescence without a water leak is not a deficiency.

C016

Cold joints on poured concrete foundation walls have an actual separation or a crack that exceeds 1/4 inch in width.

Belac Homes will cosmetically repair any cold joint that does not meet this standard during the Term of this Limited Warranty. A cold joint is a visible joint that depicts where the concrete pour terminated and continued. Cold joints are normal and should be expected to be visible. The repaired area may not match the surrounding slab floor in color and texture.

C017

Exposed concrete walls have surface imperfections (pits, surface voids or similar imperfections) that are larger than 1 inch in diameter or 1 inch in depth.

Belac Homes will take corrective action **ONLY** if reported during the Pre-Closing Walk-Through and listed on the Punch List.

Concrete in Garages

C018

Cracks in a concrete garage floor greater than 3/16 inch in width.

Belac Homes will correct during the Term of this Limited Warranty. Belac Homes will repair using a material designed to fill cracks in concrete, and it may not match the surrounding concrete in color and texture.

C019

Cracks in a concrete garage floor greater than 3/16 inch in width or 3/16 inch in vertical displacement.

Belac Homes will correct during the Term of this Limited Warranty. Belac Homes will grind down any vertical displacement that exceeds the warranty standard. Texture and color may not match the surrounding area after the concrete grinding.

C020

Garage floors settle, heave or separate in excess of 1 inch from the structure.

Belac Homes will take whatever corrective action is necessary during the Term of this Limited Warranty to correct this deficiency. The repaired area may not match the surrounding slab floor in color and texture.

C021

Adjoining concrete flatwork sections differs in height by more than 1/2 inch, unless the deviation is intentional at specific locations such as at garage door openings.

Lift or settlement at the junction of the garage floor and driveway are caused by seasonal fluctuations in moisture and temperature. Belac Homes will only make repairs after the effects of the current seasonal fluctuations have subsided and a true determination of the repair can be made. Belac Homes will take whatever corrective action is necessary during the Term of this Limited Warranty to correct this deficiency. The repaired area may not match the existing floor in color and texture.

COUNTERTOPS

CN1

Countertops are more than 3/8 inch in 10 feet out of parallel to the floor.

Belac Homes will take corrective action **ONLY** if reported during the Pre-Closing Walk-Through and listed on the Punch List.

CN2

Countertops have cracks, chips, scratches or other cosmetic damage.

Belac Homes will take corrective action **ONLY** if reported during the Pre-Closing Walk-Through and listed on the Punch List.

Cultured Marble and Granite- Natural products like marble and granite will contain variations in color and texture, which is considered normal. Seams in marble and granite countertops may be visible and are considered normal.

CN3

Lippage greater than 1/16 inch between countertop sections.

Belac Homes will take corrective action **ONLY** if reported during the Pre-Closing Walk-Through and listed on the Punch List.

DOORS

Exterior Doors- Exterior doors are constructed of a variety of materials, which include solid wood, metal, composite materials, fiberglass, and glass, as applicable. Belac Homes will **ONLY** address cosmetic damage (chips, nicks, dents, indentations, or mars, etc.) on doors if noted on the Punch List during the Pre-Closing Walk-Through. **Cosmetic damage on doors following closing/settlement are NOT covered under this Limited Warranty.** Solid wood doors may have individual panels that may move due to shrinking or expanding, therefore showing a small strip of raw wood along the edges. Belac Homes is not responsible for this movement or showing of raw wood.

Doors are not completely water resistant. Belac Homes will install and flash in accordance with manufacturers specifications and/or as required by prevailing building codes. Doors (except fixed) have cracks or joints through which, with enough wind pressure, wind-driven rain can penetrate. The wind rating specifications for doors are higher than the water rain events, such as short-term intense thunderstorms and tropical storms, because water can be expected to penetrate doors.

Primary doors behind a storm door may result in melting plastic molding and crack or peel of caulking or glazing. This is to be expected and NOT covered under this Limited Warranty.

- | | |
|-----|--|
| D01 | <p>Exterior door will not close, latch or operate smoothly</p> <p>Belac Homes will take corrective action <u>ONLY</u> if reported during the Pre-Closing Walk-Through and listed on the Punch List.</p> <hr/> |
| D02 | <p>Exterior doors swing open or closed by the force of gravity.</p> <p>Belac Homes will take corrective action <u>ONLY</u> if reported during the Pre-Closing Walk-Through and listed on the Punch List.</p> <hr/> |
| D03 | <p>The reveal, or gap, around an exterior door edge, doorjamb, and/or threshold varies by more than 3/16 inch along each side of the door.</p> <p>Belac Homes will take corrective action <u>ONLY</u> if reported during the Pre-Closing Walk-Through and listed on the Punch List.</p> <hr/> |
| D04 | <p>Sliding patio doors or screens come off their track.</p> <p>Belac Homes will take corrective action <u>ONLY</u> if reported during the Pre-Closing Walk-Through and listed on the Punch List.</p> <hr/> |
| D05 | <p>Sliding patio doors do not roll smoothly.</p> <p>Cleaning and maintenance necessary for normal operation are the OWNER'S responsibility. Belac Homes will take corrective action <u>ONLY</u> if reported during the Pre-Closing Walk-Through and listed on the Punch List.</p> |

D06

A doorknob, deadbolt, or lockset sticks or binds during operation.

Belac Homes will take corrective action **ONLY** if reported during the Pre-Closing Walk-Through and listed on the Punch List.

D07

Weather stripping is not installed and sized properly to prevent excessive air infiltration.

Belac Homes will take corrective action **ONLY** if reported during the Pre-Closing Walk-Through and listed on the Punch List. Doors must have gaps at their perimeter to accommodate expansion and contraction due to variations in temperature and humidity and to operate over a wide range of environmental conditions. During times of high wind or temperature differentials inside and outside the home, there may be noticeable air movement around a closed door's perimeter. A small glimmer of light visible at the corners of the door unit is normal. Maintenance of the weather stripping is the responsibility of the OWNER after settlement/closing.

Interior Doors

D08

Doors warp to the extent that they become inoperable.

The maximum allowable warpage is 1/4 inch when measured diagonally from corner to corner of the door. Belac Homes will take corrective action **ONLY** if reported during the Pre-Closing Walk-Through and listed on the Punch List.

D09

Bi-fold and bypass doors come off their tracks during normal operation.

Belac Homes will take corrective action **ONLY** if reported during the Pre-Closing Walk-Through and listed on the Punch List.

D010

A pocket door rubs in its pocket.

Pocket doors commonly rub, stick, or derail because of the inherent nature of the product. It is also common for the door to rub against the guides provided by the manufacturer. Routine maintenance necessary for normal operation is the OWNER'S responsibility. Belac Homes will take corrective action **ONLY** if reported during the Pre-Closing Walk-Through and listed on the Punch List.

D011

An interior door that rubs on jambs or a Belac Homes-installed floor covering.

Belac Homes will take corrective action **ONLY** if reported during the Pre-Closing Walk-Through and listed on the Punch List.

D012

The door edge is not within 3/16 inch of parallel to the doorjamb.

Belac Homes will take corrective action **ONLY** if reported during the Pre-Closing Walk-Through and listed on the Punch List.

D013

Interior door swings open or closed by the force of gravity.

Belac Homes will take corrective action **ONLY** if reported during the Pre-Closing Walk-Through and listed on the Punch List.

D014

Interior door hinges squeak.

Belac Homes will take corrective action **ONLY** if reported during the Pre-Closing Walk-Through and listed on the Punch List.

D015

Interior door does not move smoothly with limited resistance.

Belac Homes will take corrective action **ONLY** if reported during the Pre-Closing Walk-Through and listed on the Punch List.

D016

A doorknob or latch sticks or binds during operation.

Belac Homes will take corrective action **ONLY** if reported during the Pre-Closing Walk-Through and listed on the Punch List.

D017

Interior and exterior doors have scratches, dents, cuts or any other cosmetic damage not previously identified in this section.

Belac Homes will take corrective action **ONLY** if reported during the Pre-Closing Walk-Through and listed on the Punch List.

Garage Doors- Misaligned safety sensors are specifically **NOT** covered under this Limited Warranty. If a service technician is called to your home for repairs and misaligned safety sensors is the issue, the OWNER will be charged for the cost of the service call.

D018

Garage doors fail to operate properly under normal use.

Belac Homes will correct or adjust garage doors as required during the Term of this Limited Warranty, unless the OWNER'S actions or negligence caused the problem.

D019

Garage doors allow the entry of excessive water under normal weather conditions.

Belac Homes will adjust or correct the garage doors to meet the manufacturer's installation instructions during the Term of this Limited Warranty. However, some water can be expected to enter under normal weather conditions. Severe storms with high winds or hurricanes are not considered normal weather conditions.

ELECTRICAL SYSTEM

Light bulbs are specifically **NOT** covered under this Limited Warranty. **If an electrician is called to your home for repairs and a burned-out or defective light bulb is the problem, the OWNER will be charged for the cost of the service call.**

Drafts from electrical outlets on exterior walls are a normal occurrence and are **NOT** covered under this Limited Warranty.

Some Refrigerator manufacturers install components within the refrigerator that are sensitive to the AFCI and GFCI outlets that the building code requires to be installed. If your refrigerator has this issue, a dedicated circuit may need to be installed. This dedicated circuit for refrigerators is not required by electrical code. Installation of the dedicated circuit is not a covered warranty item and will be installed at OWNER expense.

Finishes on light fixtures that get tarnished are **NOT** covered under this Limited Warranty; OWNER should contact the fixture manufacturer.

EL1

Electrical switches, outlets and fixtures do not operate as designed.

Belac Homes will take corrective action **ONLY** if reported during the Pre-Closing Walk-Through and listed on the Punch List.

EL2

Electrical wiring is not capable of carrying the designed load for normal residential use.

Belac Homes will verify that the wiring conforms to applicable electrical code requirements. Belac Homes will correct wiring, as required, that does not conform to this standard during the Term of this Limited Warranty. The electrical wiring is designed to allow use of hair dryers, irons and similar small appliances in the bathrooms, kitchen, dining room, laundry room and garage. Use of these, and similar items in other areas may overload the circuit. Repairing the overloaded circuit in this situation is not a deficiency and is NOT covered under Limited Warranty.

EL3

Receptacle or switch cover protrude from the wall by more than 1/16 inch or was installed crooked.

Belac Homes will take corrective action **ONLY** if reported during the Pre-Closing Walk-Through and listed on the Punch List.

EL4

Lighting flickers.

Belac Homes will correct flickering lights due to faulty workmanship or materials. Belac Homes is not responsible for flickering lighting if OWNER added fixtures or changed the wattage in fixtures after settlement/closing. Flickering lights are also caused by defective LED light bulbs. Light bulbs are specifically **NOT** covered under this Limited Warranty. **If an electrician is called to your home for repairs and a burned-out or defective light bulb is the problem, the OWNER will be charged for the cost of the service call.**

EL5

Ceiling fans vibrate excessively or are noisy.

Belac Homes will install ceiling fans in accordance with the ceiling fan manufacturer's instructions (including blade balances). There are varying performance levels for ceiling fans, and **some noise or vibration may be inherent to specific fan types**. Belac Homes will take corrective action **ONLY** if reported during the Pre-Closing Walk-Through and listed on the Punch List.

EL6

A Ground Fault Circuit Interrupter (GFCI) or Arc Fault Circuit Interrupter (AFCI) trips frequently.

Belac Homes will install GFCI and AFCI interrupters in accordance with prevailing electrical codes. Tripping of GFCI or AFCI interrupters is to be expected. However, Belac Homes will repair or replace components that frequently trip due to component failure or incorrect installation during the Term of this Limited Warranty. Both GFCI and AFCI interrupters are very sensitive devices and OWNERS occasionally will experience "nuisance tripping." The most common causes of nuisance tripping by AFCIs are damaged cords or plugs on lamps, small appliances or other devices. Such nuisance tripping is not a deficiency under this Limited Warranty. OWNER must be able to replicate the cause of the breaker tripping during the service call. A service charge will be assessed to the OWNER if no problem is found during the service appointment.

EL7

Chirping of smoke and carbon monoxide detector.

Belac Homes will take corrective action **ONLY** if reported during the Pre-Closing Walk-Through and listed on the Punch List. Changing batteries in smoke and carbon monoxide detectors is a homeowner maintenance item.

EXTERIOR COMPONENTS

Masonry Stone- Since no two stones are exactly the same, variations in size, color and placement are acceptable. Water-soluble salt, known as efflorescence, is caused by alkali salts bleeding out of the block and is **NOT** covered under this Limited Warranty. Spalling of newly manufactured stone is covered by the manufacturer's warranty.

MA1

A masonry or mortar joint crack that is visible from a distance greater than 20 feet or is larger than 1/4 inch in width.

Belac Homes will correct this deficiency, as required, during the Term of this Limited Warranty. Belac Homes will repair the crack by tuck pointing, patching, or painting, as deemed most appropriate by Belac Homes. Belac Homes is not responsible for an exact match of mortar or patching material colors.

MA2

The bottom of any stone course is more than 1/4 inch higher or lower than any other point within 10 feet along the bottom of the same course, or 1/2 inch in any length.

Belac Homes will take corrective action as necessary to correct this deficiency during the Term of this Limited Warranty. Belac Homes is not responsible for an exact match of brick or mortar colors.

MA3

Mortar stains on exterior brick are visible when viewed from a distance of 20 feet.

Belac Homes will take corrective action as necessary to correct this deficiency during the Term of this Limited Warranty.

MA4

Water penetration to the interior of the structure under normal weather conditions.

Exterior brick and stone walls should be constructed and flashed according to prevailing building code to prevent this. Belac Homes will take corrective action as necessary to correct this deficiency during the Term of this Limited Warranty; except for water penetration due to external factors such as extreme weather conditions or sprinkler systems.

Stucco- Exterior stucco walls may not match when applied on different days or under different environmental conditions. Stucco finishes are unique and an exact match of color, texture, or both, may not be practical; therefore, Belac Homes is not responsible for an exact match.

MA5

Cracks in exterior stucco wall surfaces exceed 1/8 inch in width.

ONE TIME ONLY during the Term of this Limited Warranty, Belac Homes will repair stucco cracks, as necessary, to meet this standard. Caulking and touch up painting are acceptable repair techniques. Belac Homes is not responsible for achieving an exact color or texture match.

MA6

Cracks, dents, chips and gouges in foam masonry bands.

Belac Homes will take corrective action **ONLY** if reported during the Pre-Closing Walk-Through and listed on the Punch List.

MA7

The coating separates from the base on an exterior stucco wall.

Belac Homes will correct this deficiency, as required, during the Term of this Limited Warranty. Belac Homes is not responsible for achieving an exact color or texture match.

MA8

Lath is visible or protrudes through any portion of the stucco surface.

Belac Homes will correct this deficiency, as required, during the Term of this Limited Warranty. Belac Homes is not responsible for achieving an exact color or texture match.

MA9

Rust marks on the stucco surface in excess of more than 5 marks measuring more than 1 inch long occur per 100 square feet.

Belac Homes will repair, replace, or seal the rusted areas of the wall, as required, during the Term of this Limited Warranty.

MA10

Water penetration to the interior of the structure under normal weather conditions.

Stucco walls should be constructed and sealed to prevent this. Belac Homes will make necessary repairs to prevent water penetration due to a stucco system failure during the Term of this Limited Warranty. Belac Homes is not responsible for water penetration resulting from extreme weather conditions (heavy rain, strong wind, or similar conditions) or sprinkler systems.

Exterior Paint and Stain- Fading of Exterior paints and stains is common. Belac Homes is not responsible for common fading.

MA11

Exterior paint peels, bubbles or flakes.

Belac Homes will take corrective action **ONLY** if reported during the Pre-Closing Walk-Through and listed on the Punch List. Belac Homes will attempt to match the color as closely as practical when viewed under normal lighting conditions from a distance of 20 feet.

MA12

Paint or stain overspray on surfaces not intended for paint or stain visible from 6 feet under normal lighting conditions.

Belac Homes will take corrective action **ONLY** if reported during the Pre-Closing Walk-Through and listed on the Punch List.

Soffit & Fascia**MA13**

Fascia has asphalt streaking or staining.

Asphalt streaks and stains on the fascia are common when asphalt shingles are installed as the roof covering. This is not a deficiency and is NOT covered under Limited Warranty. Removal of the asphalt stains or streaks is typical homeowner maintenance.

MA14

Gaps in the soffit covering is greater than 12 square inches.

Belac Homes will take corrective action **ONLY** if reported during the Pre-Closing Walk-Through and listed on the Punch List.

MA15

Soffit porch ceiling is unlevel or sags away from the ceiling.

Belac Homes will take corrective action **ONLY** if reported during the Pre-Closing Walk-Through and listed on the Punch List.

FLOOR COVERINGS

Carpeting. Carpet has a tendency to loosen in damp weather and tighten again in dry weather. This stretching and contracting is normal and is specifically **NOT** covered by this Limited Warranty. It is not unusual for carpet seams to be visible; this is **NOT** a deficiency under this Limited Warranty. Fading of the carpet's color is a normal process and is specifically **NOT** covered under this Limited Warranty.

CF1

Visible gaps at seams.

Belac Homes will take corrective action **ONLY** if reported during the Pre-Closing Walk-Through and listed on the Punch List. Belac Homes is not responsible for dye lot variations, discontinued carpet, or unavailability of specific carpeting if replacements are necessary.

CF2

Wall-to-wall carpeting unfastens, loosens, or separates from the carpet's points of attachment.

Belac Homes will re-stretch or re-secure carpeting to meet this standard during the Term of this Limited Warranty.

CF3

Carpeted areas have dead spots or voids in the padding areas below the carpet surface.

Belac Homes will take corrective action **ONLY** if reported during the Pre-Closing Walk-Through and listed on the Punch List. Since carpet padding comprises a number of materials of various densities and feel, there may be an inconsistent "feel" even with adequate padding coverage.

CF4

Carpet spots or discoloration.

Belac Homes will take corrective action **ONLY** if reported during the Pre-Closing Walk-Through and listed on the Punch List.

Resilient/Vinyl Floors

RF1

Visible nail pops on vinyl flooring.

Belac Homes will take corrective action **ONLY** if reported during the Pre-Closing Walk-Through and listed on the Punch List.

RF2

Seams and shrinkage gaps in vinyl flooring in excess of 1/16 inch in width.

Where dissimilar materials abut, the gaps shall not exceed 3/16 inch. Belac Homes will repair or replace the affected flooring, as appropriate, during the Term of this Limited Warranty. Belac Homes cannot guarantee an exact match when replacing flooring and is not responsible for discontinued patterns or for color variations.

RF3

Bubbles in vinyl flooring that protrude higher than 1/8 inch from the floor.

Belac Homes will repair the flooring in accordance with the manufacturer's recommendations during the Term of this Limited Warranty.

RF4

Yellowing on the surface of vinyl flooring resulting from improper installation.

Belac Homes will repair or replace the affected flooring, as appropriate, during the Term of this Limited Warranty. Yellowing caused by the OWNER'S improper use or inadequate maintenance of the flooring is NOT covered under the Limited Warranty.

RF5

Cuts, gouges or separated vinyl planks.

Belac Homes will take corrective action **ONLY** if reported during the Pre-Closing Walk-Through and listed on the Punch List.

RF6

Readily apparent depressions or ridges exceeding 1/8 inch.

The ridge or depression measurement is taken at the end of a 6 inch straightedge centered over the depression or ridge with 3 inches of straightedge held tightly to the floor on one side of the affected area. The measurement will be taken under the straightedge to determine the depth of the depression or height of the ridge. Belac Homes shall take corrective action, as necessary, to meet this standard during the Term of this Limited Warranty. Belac Homes cannot guarantee an exact match when replacing flooring and is not responsible for discontinued patterns or for color variations.

Tile, Marble and Stone

TF1

Tile, marble, or flagstone flooring that cracks or becomes loose.

Belac Homes will take corrective action **ONE TIME ONLY** during the term of this limited warranty, Belac Homes is not responsible for color/pattern variations or discontinued patterns.

TF2

Cracks in grout in excess of 1/8 inch width, gouges, and dents.

Belac Homes will take corrective action **ONE TIME ONLY** during the term of this limited warranty, Belac Homes is not responsible for color/pattern variations or discontinued grout colors. NOTE: Caulking is applied to tile at wall corners and where floor meets the wall/door/shower threshold. Belac Homes will take corrective action for caulking **ONLY** if reported during the Pre-Closing Walk-Through and listed on the Punch List.

TF3

Lippage greater than 1/16 inch.

Except where the materials are designed with irregular height (such as handmade tiles or tiles larger than 13 x 13 inches). Belac Homes will take corrective action **ONLY** if reported during the Pre-Closing Walk-Through and listed on the Punch List.

TF4

Color variation in the grout or mortar.

After the grout or mortar has cured, any color variation that is readily visible from a standing position facing the surface at a distance of 6 feet under normal lighting conditions. Belac Homes will take corrective action **ONLY** if reported during the Pre-Closing Walk-Through and listed on the Punch List.

HEATING, AIR CONDITIONING, HUMIDITY CONTROL, AND VENTILATION

Condensate drain lines will clog under normal conditions. Belac Homes shall provide clean and unobstructed condensate drain lines at the time of settlement or closing. Continued maintenance of the condensate drain line is a homeowner responsibility.

A temperature difference of several degrees Fahrenheit can be expected between rooms due to a number of factors, including registers that have been partially or completely closed, the number of people in a room (even when sleeping), the number of appliances (even those that are ostensibly off) the amount of glass in the room, the number and extent of exterior walls, the sun exposure at the time, and the temperature difference between inside and outside. When the temperature difference is relatively low in hot humid climates, humidity can increase to give the perception of an increase in temperature. Belac Homes will correct the flow of air to rooms to bring the flow into accordance with the prevailing building code. The most common issue with uneven heating in cooling is a dirty air filter. **If an HVAC contractor is called to your home for repairs and a dirty air filter is the problem, OWNER will be charged for the cost of the service call.**

Heating

HT1

The heating system does not warm the house

The heating system should produce an inside temperature of 70 degrees Fahrenheit when measured in the center of each room at a height of 5 feet above the floor under local outdoor winter design conditions. National, state, or local energy codes supersede this standard where such codes have been adopted. Belac Homes will correct the heating system to provide the required temperature in accordance with this standard, or applicable code requirements, during the Term of this Limited Warranty. OWNER is responsible for balancing dampers and registers.

Air Conditioning System

The air conditioning system does not cool the house.

AC1

The air conditioning system shall be able to maintain an inside temperature of 78 degrees Fahrenheit, as measured in the center of each room at a height of 5 feet above the floor under local outdoor summer design conditions. When the outside temperature exceeds 95 degrees Fahrenheit, the system will keep the inside temperature 15 degrees Fahrenheit cooler than the outside temperature. National, state, or local codes will supersede this standard where such codes have been adopted. Belac Homes will correct the air conditioning system to provide the required temperature in accordance with applicable code requirements during the Term of this Limited Warranty.

Refrigerant lines and fittings leak.

AC2

Belac Homes will repair leaking refrigerant lines and recharge the air conditioning unit during the Term of this Limited Warranty unless the damage was caused by OWNER'S actions or negligence.

The air handler or furnace vibrates.

AC3

These units shall be installed in accordance with the manufacturer's instructions and prevailing building codes. Belac Homes will correct issues/items not complying with the manufacturer's instructions or code requirements during the Term of this Limited Warranty. Some vibration may occur with the normal flow of air when air handlers and furnaces are installed correctly. Debris in the furnace or air handler could cause the unit to become out of balance and vibrate. It is the OWNER'S responsibility to keep the units clean.

Moisture condenses or freezes on the air conditioning unit.

AC4

Moisture can be expected to condense and/or freeze on the exterior surfaces of air handlers, lines, ducts, and registers when the air temperature is different from the surface temperature. Belac Homes will correct the issue only when the condensation is directly attributed to faulty installation.

Ducts and Airflow

The ductwork makes noises.

DA1

Ductwork will be constructed and installed in accordance with applicable mechanical code requirements. Ticking or crackling sounds caused by the metal's movement are common and are not considered a deficiency. Ductwork that produces excessively loud noises commonly known as "oil canning" is considered a deficiency. Belac Homes will take action, as appropriate, to ensure ductwork is installed in accordance with applicable mechanical code requirements and eliminate oil canning during the Term of this Limited Warranty.

DA2

There is airflow noise at registers.

Belac Homes will ensure registers are installed according to the manufacturer's instructions during the Term of this Limited Warranty. However, under certain conditions, properly installed registers can have noise associated with the normal flow of air.

DA3

Ductwork separates or becomes detached.

Belac Homes will reattach and secure all separated or unattached ductwork during the Term of this Limited Warranty.

DA4

Insufficient airflow to registers.

Ductwork should be installed according to the manufacturer's instructions and the applicable mechanical code to ensure sufficient air flow to registers. Belac Homes will correct insufficient airflow to registers in an improperly installed ductwork system during the Term of this Limited Warranty. However, if the airflow is adequate to properly condition the room, no corrective action is required by Belac Homes. OWNER is responsible for balancing dampers and registers.

Ventilation

VT1

Kitchen or bathroom fans are allowing air infiltration.

Belac Homes will take corrective action, as required, if kitchen and bath fans are not installed in accordance with the manufacturer's instructions, applicable code requirements, and do not perform in accordance with the manufacturer's specifications during the Term of this Limited Warranty. It is possible for outside air to enter a home through a ventilation fan. The dampers in most fans do not seal tightly. Additionally, dampers may become lodged open due to animal activity, or the accumulation of grease, lint, and other debris. The maintenance of ventilating fans is an OWNER responsibility.

VT2

Registers and vents protrude from a smooth, rough, or texture wall or ceiling surface more than 1/16 inch.

Some texture wall finishes may not allow a register to be installed flush. Belac Homes will take corrective action **ONLY** if reported during the Pre-Closing Walk-Through and listed on the Punch List.

VT3

Registers and vents are crooked and not parallel with an adjacent wall.

Belac Homes will take corrective action **ONLY** if reported during the Pre-Closing Walk-Through and listed on the Punch List.

INSULATION SYSTEM

Sound transmission between rooms, floor levels, or from the street into the home is **NOT** covered under the Limited Warranty.

IN1

Insulation not installed in accordance with local building code requirements or according to R-values designated in the contract.

Belac Homes shall provide insulation, as required, to meet these requirements within the Term of this Limited Warranty. In the case of dispute, the cost for investigating and restoring areas to their prior condition is to be at OWNER expense.

INTERIOR CONSTRUCTION

Ceramic Tile

CT1

Cracks in grout lines that result in loose tiles or gaps in excess of 1/8 inch.

Belac Homes will take corrective action **ONE TIME ONLY** during the term of this limited warranty, Belac Homes is not responsible for color/pattern variations or discontinued grout colors. NOTE: Caulking is applied to tile at wall corners and where floor meets the wall/door/shower threshold. Belac Homes will take corrective action for caulking **ONLY** if reported during the Pre-Closing Walk-Through and listed on the Punch List.

Mirrors and Shower Doors

MR1

Mirrors come loose from wall or fittings.

Belac Homes will secure any mirrors, installed by Belac Homes, which come loose during the Term of this Limited Warranty.

MR2

Mirror has scratches or blemishes.

Belac Homes will take corrective action **ONLY** if reported during the Pre-Closing Walk-Through and listed on the Punch List.

SD1

Shower doors slide or roll open or closed as a result of gravity.

Belac Homes will take corrective action **ONLY** if reported during the Pre-Closing Walk-Through and listed on the Punch List.

Shower doors or shower door frames have scratches, dents or discoloration.

SD2

Belac Homes will take corrective action **ONLY** if reported during the Pre-Closing Walk-Through and listed on the Punch List.

Drywall- Minor paint touch ups must be noted on the Punch List during the Pre-Closing Walk-Through. OWNER assumes full responsibility should lumps, ridges and nail pops occur after OWNER has wall covering installed by others.

Belac Homes is not required to sand and paint any drywall repairs related to the normal drying out and curing process of the new home. Additionally, Belac Homes is not responsible for an exact match in color for any drywall repairs made.

Uneven Angular gypsum wallboard joints is a common condition and NOT covered under this Limited Warranty.

Since randomly applied materials are applied, it is a common condition for sprayed or textured ceilings to have uneven textures, so this is NOT covered under this Limited Warranty.

DW1

Drywall cracks that exceed 1/16 inch in width.

Belac Homes will take corrective action **ONLY** if reported during the Pre-Closing Walk-Through and listed on the Punch List.

DW2

Nail pop, blister or other blemish visible on a finished wall or ceiling from a distance of 6 feet under normal lighting conditions.

Belac Homes will take corrective action **ONLY** if reported during the Pre-Closing Walk-Through and listed on the Punch List.

DW3

Blisters in drywall tape joints, excess compound in joints, trowel marks and cracked or exposed corner beads.

Belac Homes will take corrective action **ONLY** if reported during the Pre-Closing Walk-Through and listed on the Punch List.

DW4

Drywall joints that are visible from a standing position facing the surface at a distance of 6 feet under normal lighting conditions.

Belac Homes will take corrective action **ONLY** if reported during the Pre-Closing Walk-Through and listed on the Punch List.

DW5

Texture variations of gypsum wallboard that are readily visible from a standing position facing the surface at a distance of 6 feet under normal lighting conditions.

Belac Homes will take corrective action **ONLY** if reported during the Pre-Closing Walk-Through and listed on the Punch List.

Paint- Belac Homes will retouch walls, ceilings or trim surfaces as noted on the Punch List at the Pre-Closing Walk-Through, only if they are visible from a distance of 6 feet under normal lighting conditions. Belac Homes is not responsible for exact match in color or texture. If you perform any paint touch-ups, be aware that the touch-up may not match the surrounding area exactly, even if the same paint mix is used.

PA1

Wall, ceiling, and trim surfaces that are painted show through new paint when viewed from a standing position facing the surface at a distance of 6 feet under normal lighting conditions.

Belac Homes will take corrective action **ONLY** if reported during the Pre-Closing Walk-Through and listed on the Punch List.

PA2

Brush and roller marks are readily visible on interior painted surfaces when viewed from a standing position facing the surface at a distance of 6 feet under normal lighting conditions.

Belac Homes will take corrective action **ONLY** if reported during the Pre-Closing Walk-Through and listed on the Punch List.

PA3

Paint splatters on walls, woodwork, floors, or other interior surfaces are visible when viewed from a standing position facing the surface at a distance of 6 feet under normal lighting conditions.

Belac Homes will take corrective action **ONLY** if reported during the Pre-Closing Walk-Through and listed on the Punch List.

PA4

Lap marks are readily visible on interior painted areas when viewed from a standing position facing the surface at a distance of 6 feet under normal lighting conditions.

Belac Homes will take corrective action **ONLY** if reported during the Pre-Closing Walk-Through and listed on the Punch List.

LANDSCAPING

OWNER is responsible for maintaining the sodded/seeded lawn and the newly installed landscaping through proper watering and maintenance. OWNER is responsible for moving, transplanting, maintaining, and returning any grass, plants, or trees that are located in an area where repair work (grading, etc.) must be undertaken by Belac Homes. Outdoor plants moved to accommodate work are the responsibility of the OWNER.

MANUFACTURERS' WARRANTIES

Registration Forms

The initial OWNER will be given the appropriate forms to register the items listed below for the manufacturers' warranties. It shall be solely the OWNER'S responsibility to make those registrations. The **ONLY** warranty on those items is the manufacturer's warranty and Belac Homes is in no way responsible for their performance or for any condition beyond the manufacturer's warranty.

The following items are examples of items covered by manufacturers' warranties.

Refrigerator / Freezer	Microwave	Water Heater
Thermostat	Well Equipment	Garage Door Opener
Dishwasher	Kitchen Vent Fan	Light Fixtures
Garbage Disposal	Central Air Conditioner	Mirrors
Oven/Stove/Cooktop	Furnace	Shower Doors

PLUMBING

The plumbing system shall be designed in accordance with the prevailing plumbing code. It should deliver water at the expected water pressure based on the pressure supplied to the home. Belac Homes has no control over the pressure supplied from a public source or a (well) supplied by the OWNER. Low water pressure may also be a condition created by the low flow requirements on some plumbing fixtures.

Condensation on pipes, fixtures and plumbing supply lines is not a deficiency and is NOT covered under this Limited Warranty.

Belac Homes is NOT responsible for sewers, fixtures and drains that are clogged through the OWNER'S negligence. Belac Homes is not responsible for clogged toilets.

Exterior Water Supply System

The exterior water supply system includes, but is not limited to, all supply and distribution pipes, fittings, valves, pumps and wells, outside the exterior wall of the home, which supply water to the home, whether private or public. The exterior water supply system, private or public, including volume and pressure of water flow and quality and potability of water is specifically not covered under this Limited Warranty.

Interior Water Supply System

PL1

Leaks of any kind that exist in any water pipe, valve, or fitting.

Belac Homes will repair any leaks during the Term of this Limited Warranty.

PL2

Water pipes make a pounding noise called “water hammer” (which is a hammering or stuttering sound in a pipeline).

Belac Homes will take actions as necessary to eliminate the water hammer sound during the Term of this Limited Warranty. Belac Homes is not required to eliminate all noise caused by the normal flow of water and expansion and contraction of the pipes.

Plumbing Fixtures

PF1

A faucet, spout or shower head drips.

Belac Homes will take corrective action **ONLY** if reported during the Pre-Closing Walk-Through and listed on the Punch List. OWNER is responsible for worn washers, worn seals and clogged filters which cause faucets, spouts and shower heads to drip.

PF2

The bathtub and/or showers leak.

Belac Homes will take corrective action **ONLY** if reported during the Pre-Closing Walk-Through and listed on the Punch List. OWNER is responsible for maintaining caulk seals after closing/settlement of the home.

PF3

The bathtub or shower enclosure flexes excessively.

Belac Homes will take corrective action **ONLY** if reported during the Pre-Closing Walk-Through and listed on the Punch List.

PF4

Plumbing lines and fixtures do not deliver hot water at a temperature that is similar to the temperature as it leaves the hot water source, given the normal heat loss experienced when water travels from the source to the fixture.

Belac Homes will correct the plumbing lines and/or adjust the fixtures, as necessary, to meet this standard during the Term of this Limited Warranty. Some fixtures include anti-scald safety devices that may restrict the fixture’s ability to deliver water as hot as an OWNER may desire, which is beyond the Belac Homes’ control. The time it takes for hot water to arrive at the fixture is also driven by the distance of a fixture from the hot water source.

PF5

Plumbing fixture, appliance or trim fitting has scratches, cracks, or chips

Belac Homes will take corrective action **ONLY** if reported during the Pre-Closing Walk-Through and listed on the Punch List.

PF6

Plumbing fixtures have stains from mineral content in the water.

Belac Homes will take corrective action **ONLY** if reported during the Pre-Closing Walk-Through and listed on the Punch List.

PF7

Water Closet (Toilet) rocks excessively.

Belac Homes will take corrective action **ONLY** if reported during the Pre-Closing Walk-Through and listed on the Punch List. OWNER is responsible for tightening floor bolts and maintaining caulk seals after occupancy.

PF8

It takes a long time for hot water to get to the bathroom.

Belac Homes will take corrective action **ONLY** if reported during the Pre-Closing Walk-Through and listed on the Punch List.

PF9

Water from my sink is hotter than water in my shower.

Belac Homes will take corrective action **ONLY** if reported during the Pre-Closing Walk-Through and listed on the Punch List.

Exterior Sewage Disposal System

The exterior sewage disposal system includes, but is not limited to, all waste, drainage, sewer pipes and lines, cleanouts, tanks, pumps, drain fields and seepage pits, outside and beyond the exterior wall of the home, whether the system is private or public.

The exterior sewage disposal system, private or public, is specifically not covered under this Limited Warranty.

Interior Sewage Disposal System

The interior sewage disposal system includes, but is not limited to, all waste, drainage, sewer pipes and lines, cleanouts, tanks, pumps, drain fields and seepage pits, inside the exterior wall of the home.

SS1

Wastewater fixtures and pipes should not clog due to improper installation.

Belac Homes will correct problems caused by improper installation during the Term of this Limited Warranty. However, Belac Homes is not responsible for repairing clogs caused by OWNER'S actions, misuse, or negligence. In addition, OWNER will be responsible for all fees Belac Homes incurs as a result of misuse.

SS2

A sewer odor is detectable from inside the home under normal conditions.

Belac Homes will correct problems caused by improper installation during the Term of this Limited Warranty. It is the OWNER's responsibility to keep the plumbing traps filled with water. Extended non-use of a water fixture can allow the water in its trap to evaporate, thus providing a path for sewer gases to enter the home. Depending on humidity conditions, the OWNER should fill traps by adding a quart of water to bathtubs, laundry tubs, and the like that are not used regularly, approximately every couple of months.

The disposal of materials not normally found in household sewage, such as, personal wipes/baby wipes (including flushable wipes), petroleum products, grease, disposable diapers, glass, metal, wood, tampons, plastic objects, fabrics, flammable materials, corrosive chemicals, paint products, abrasive materials, and similar foreign items will damage the Septic System. Damage caused by disposal of these materials is not covered under warranty.

ROOFING AND GUTTERS

Roof Structure

RS1

Roof ridge beam deflection greater than 1 inch in 8 feet.

Belac Homes will repair affected ridge beams that do not meet this standard during the Term of this Limited Warranty.

RS2

Rafter or ceiling joist bows greater than 1 inch in 8 feet.

Belac Homes will repair affected rafters or joists that bow in excess of this standard during the Term of this Limited Warranty.

RS3

Roof trusses and other manufactured structural roof components in the roof system are not sized according to the manufacturer's specifications and prevailing building codes.

Belac Homes will reinforce or modify, as necessary, any roof truss or other manufactured structural roof components in the roof system that do not comply with this standard during the Term of this Limited Warranty. Deflection is a normal condition that is considered part of the engineering design of the roof trusses and other manufactured structural roof components. Deflection may be an aesthetic consideration independent of the strength and safety requirements of the product.

Roof Sheathing

RH1

Roof sheathing shall not bow more than 1/2 inch in 2 feet.

Belac Homes will straighten bowed roof sheathing as necessary to meet this standard during the Term of this Limited Warranty. Belac Homes may install blocking between framing members to straighten the sheathing.

Roof Coverings- There are many types of roofing products. For the purposes of this Limited Warranty, the term "shingles" is being used as a generic term to refer to all types of roof covering materials.

Shading or shadowing pattern differences may occur on a new shingle roof. Staining on shingles is unavoidable. Black stains are indicative of mold that is unavoidable even when stain resistant shingles are installed. Whitish stain can be caused by chemicals in the metals of roof vents or the surrounding metal of pipes leaching onto the roof. This is normal and NO corrective action is required by Belac Homes.

Asphalt shingle edges and corners that curl or cup are conditions covered under the manufacturer's warranty. No corrective action is required by Belac Homes.

Roofs and flashing leak under normal conditions.

RC1

Belac Homes will repair any verified roof or flashing leaks not caused by leaves, debris, abnormal weather conditions, or OWNER'S actions or negligence during the Term of this Limited Warranty. It is the OWNER'S responsibility to keep the roof drains, gutters, and downspouts free of debris.

Shingles have blown off.

RC2

Shingles shall be installed per the manufacturer's installation instructions and shall perform in accordance with the manufacturer's warranty. Belac Homes will repair or replace shingles in the damaged area that were not installed per the manufacturer's installation instructions during the Term of this Limited Warranty. Belac Homes is not responsible for an exact match between the existing shingles and the replacement shingles. However, shingles that blow off during wind events in excess of the manufacturer's design and installation instructions (hurricanes, severe storms, etc.) are **NOT covered** under this Limited Warranty.

Shingles are not horizontally aligned.

RC3

Shingles should be installed according to the manufacturer's installation instructions. Belac Homes will remove shingles that do not meet the manufacturer's installation instructions and will repair or replace them with new shingles during the Term of this Limited Warranty. Belac Homes is not responsible for an exact match between the existing shingles and the replacement shingles. Belac Homes will take corrective action **ONLY** if reported during the Pre-Closing Walk-Through and listed on the Punch List.

Asphalt shingles overhang the roof edge by more than ¾ inch.

RC4

Belac Homes will reposition or replace shingles that do not meet this standard, as necessary, during the Term of this Limited Warranty. Belac Homes will take corrective action **ONLY** if reported during the Pre-Closing Walk-Through and listed on the Punch List.

Asphalt shingle surfaces buckle higher than 1/4 inch.

RC5

Belac Homes will replace the affected shingles to meet this standard during the Term of this Limited Warranty. Belac Homes is not responsible for an exact match between the existing shingles and the replacement shingles.

Sheathing nails loosen from the roof sheathing so as to raise shingles from the surface.

RC6

Belac Homes will repair all affected areas as necessary to meet this standard during the Term of this Limited Warranty. Belac Homes is not responsible for an exact match between the existing shingles and the replacement shingles.

RC7 Roofing nails and fasteners are exposed at the ridge or hip of the roof.

Belac Homes will seal and/or repair areas with exposed roofing nails or fasteners to meet this standard during the Term of this Limited Warranty.

RC8 Holes from construction activities are found on the roof surface.

Belac Homes will repair or replace the affected shingles to meet this standard during the Term of this Limited Warranty. Belac Homes is not responsible for an exact match between the existing shingles and the replacement shingles. **Belac Homes is not responsible for holes in the roof surface due to OWNER'S actions or negligence.**

RC9 Water shall not become trapped under membrane roofing.

Belac Homes will repair or replace roofing as necessary to meet this standard during the Term of this Limited Warranty.

Gutters and Downspouts

GD1 Gutters and downspouts leak.

Belac Homes will repair leaks in gutters and downspouts during the Term of this Limited Warranty. Sealants are an acceptable method of repair.

GD2 Gutters overflow during normal rain.

Belac Homes will repair the gutter if it overflows during normal rains during the Term of this Limited Warranty. However, gutters may overflow during periods of heavy rain; this is a normal condition. OWNER is responsible for keeping gutters and downspouts free from debris that could cause an overflow.

GD3 The water level in a gutter shall not exceed 1/2 inch in depth after a rain if the gutter is unobstructed by debris.

Belac Homes will repair the gutter, as required, to meet this standard during the Term of this Limited Warranty.

SITE WORK

Belac Homes will provide reasonable means of draining water from rain on the property and in the immediate area of the home, but Belac Homes is not responsible for water flowing from a nearby or adjacent property. Belac Homes is not responsible for soil erosion.

Belac Homes will use their best judgment in making a reasonable and cost-effective effort to preserve existing trees, shrubs, or other vegetation as predetermined by Belac Homes and OWNER, but the survival of existing landscaping cannot be guaranteed.

SW1

Ground that settles around foundation walls, over utility trenches, or in other filled areas will not interfere with water drainage away from the home.

ONE TIME ONLY during the Term of this Limited Warranty, Belac Homes will fill areas that settle more than 6 inches and that affect proper drainage. It is the OWNER'S responsibility to remove, and then replace, shrubs, grass, or other landscaping, pavement, sidewalks, or other improvements affected by the placement of such fill.

Standing water within 10 feet of home.

SW2

Grades and swales within the property shall ensure proper drainage within 10 feet around the home, in accordance with local jurisdiction and approved county site plans. Standing water shall not remain for more than 24 hours within 10 feet of the home following a rain, except in swales that drain other areas or in areas receiving sump pump discharge. In these areas, a longer period can be anticipated (generally no more than 48 hours). Water may stand longer following periods of heavy rains, especially when heavy rains occur on successive days. Grading determinations will not be made while the ground is saturated. Belac Homes will correct improperly established grades and swales during the Term of this Limited Warranty. Belac Homes is not responsible for changes to the grading around the home as a result of OWNER'S actions (installation of landscaping, decking, patios, pools, driveways, walls, etc.). It is the OWNER'S responsibility to remove, and then replace, shrubs, grass, or other landscaping, pavement, sidewalks, or other improvements in the affected area.

WALLS (FRAMING)

FR1

Interior framed walls bowed in excess of ½ inch out of line within any 32-inch horizontal measurement or 1/2 inch out of line within any 8-foot vertical measurement.

Belac Homes will take corrective action **ONLY** if reported during the Pre-Closing Walk-Through and listed on the Punch List.

FR2

Walls that are more than 3/4-inch out of plumb for any 32 inches in any vertical measurement.

Belac Homes will take corrective action **ONLY** if reported during the Pre-Closing Walk-Through and listed on the Punch List.

FR3

Deflection is observed in a beam, header, girder, or other dimensional or manufactured structural member in a wall.

All beams, headers, girders, and other dimensional or manufactured structural members in the wall system will be sized according to the manufacturer's specifications and applicable building codes. Belac Homes will reinforce or modify, as necessary, any beam, header, girder, or other dimensional or manufactured structural member in the wall system that does not meet this standard within the Term of this Limited Warranty.

WINDOWS

WN1

A window is difficult to open or close.

Windows should require no greater operating force than that described in the manufacturer's specifications. Belac Homes will take corrective action **ONLY** if reported during the Pre-Closing Walk-Through and listed on the Punch List.

WN2

Window allows water to enter.

Windows shall be installed in accordance with the manufacturer's specifications so that water does not intrude beyond the drainage plane of the window during normal rain conditions. Windows will resist water intrusion as specified by the window manufacturer. Belac Homes will correct window leaks, as required, to meet this standard during the Term of this Limited Warranty. The OWNER is responsible for keeping weep holes clean of debris, which allows wind-driven rain to be diverted from the windowsill.

WN3

Window grids, grilles, or muntins disconnect, fall, or become out of level.

ONE TIME ONLY during the Term of this Limited Warranty, Belac Homes will repair or replace window grids, grilles, or muntins that have become disconnected, fallen, or become out of level.

WN4

Condensation between the panes of double-paned glass.

Belac Homes shall replace the defective glass in accordance with the manufacturer's requirements during the Term of this Limited Warranty.

WN5

Scratches in glass.

Belac Homes will take corrective action **ONLY** if reported during the Pre-Closing Walk-Through and listed on the Punch List.

WN6

Missing or damaged window screens.

Belac Homes will take corrective action **ONLY** if reported during the Pre-Closing Walk-Through and listed on the Punch List.

WOOD

WB1

An exposed wood column, post, or beam is split.

Sawn wood columns, posts, or beams shall meet the grading standard for the species used. Belac Homes will repair or replace any wood column, post, or beam that does not meet the grading standard during the Term of this Limited Warranty.

WB2

Exposed wood posts and beams that develop bows and twists exceeding $\frac{3}{4}$ inch in an 8-foot section.

Belac Homes will repair or replace any beam or post with a bow or twist that exceeds this standard during the Term of this Limited Warranty.

Interior Trim Workmanship

TR1

Interior trim has hammer marks that are readily visible from a standing position facing the surface at a distance of 6 feet under normal lighting conditions.

Belac Homes will take corrective action **ONLY** if reported during the Pre-Closing Walk-Through and listed on the Punch List.

TR2

Splits, Cracks, or Checking in wood or gaps between butted, coped, mitered, and non-mitered edges in trim and molding joints that exceed $\frac{1}{8}$ inch in width.

Belac Homes will take corrective action **ONLY** if reported during the Pre-Closing Walk-Through and listed on the Punch List.

TR3

Nails and nail holes in base and trim molding that are readily visible from a standing position facing the surface at a distance of 6 feet under normal lighting conditions.

Belac Homes will take corrective action **ONLY** if reported during the Pre-Closing Walk-Through and listed on the Punch List.

YEARS TWO THROUGH SEVEN STRUCTURAL WARRANTY COVERAGE AND CONDITIONS

Limited Warranty Term

The "Term" of this section of your Limited Warranty is for years two through seven, beginning on the one year anniversary of the warranty commencement, and ending six years later on the seventh anniversary date. Coverage for years two through seven are longer than required by Florida Statute 553.837(s) This section of The Belac Homes Limited Warranty only covers items, or components, of your home specifically described herein and that are duly reported to Belac Homes within years two through seven from the date of warranty commencement. The procedures detailed in this Limited Warranty are applicable for processing any warranty claim.

Covered Parties

The Belac Homes Limited Warranty is extended to the original homeowner(s), individually, and collectively referred to as OWNER. The Belac Homes Structural Limited Warranty is automatically transferred to subsequent OWNER(s) of the home.

Covered Warranty Items

Belac Homes warrants solely to the OWNER, subject to the guidelines stated herein (specifically including but not limited to the Non-Warranted Conditions contained in SECTION IV of this Limited Warranty), that for the term of this Limited Warranty, as described above, the home will be free of the defects noted in this Limited Warranty and that warrantable claims will be Belac Homes responsibility.

The warranty standards outlined in this section have been developed and accepted by the residential construction industry in general. While it is virtually impossible to develop warranty standards for each possible deficiency, the construction industry and Belac Homes have attempted to isolate the most common actual physical damage deficiencies that occur and in so doing, list them for your convenience. Where a specific warranty standard has not been specified, the guidelines found in the publication Residential Construction Performance Guidelines for Professional Builders & Remodelers, 5th Edition, published by the National Association of Home Builders (NAHB), 2015, will apply. Copies of this publication may be special ordered through most book retailers or purchased directly from the NAHB Bookstore by calling 1-800-223-2665.

CONCRETE

Z01

Cracks in concrete beams in excess of 1/8 inch in width.

Belac Homes will correct during the Term of this Limited Warranty. Patching is considered acceptable as a repair method for cracks, and it may not match the surrounding concrete in color and texture.

Z02

Cracks in poured concrete walls or concrete block walls (Concrete masonry units) exceed 3/8 inch in width.

Belac Homes will correct during the Term of this Limited Warranty. Patching is considered acceptable as a repair method for cracks, and it may not match the surrounding concrete in color and texture.

Z03

Cracks in poured concrete slab that exceed 1/4 inch in width and 1/4 inch in vertical displacement.

Belac Homes will correct during the Term of this Limited Warranty. Belac Homes will grind down any vertical displacement that exceeds the warranty standard. Patching is considered acceptable as a repair method for cracks, and it may not match the surrounding concrete in color and texture. If the repair is made in an area with a finished floor covering, Belac Homes is only responsible for replacing finished floor covering in the direct location of the structural repair and will match finish as closely as possible.

Z04

Poured concrete floor movement exceeds 1 1/2 inch per 10 feet from original construction.

Belac Homes will correct during the Term of this Limited Warranty.

Z05

Cracks in concrete footings exceed 1/2 inch in width.

Belac Homes will correct during the Term of this Limited Warranty. Patching is considered acceptable as a repair method for cracks, and it may not match the surrounding concrete in color and texture.

COLUMNS

Z06

An exposed concrete or masonry column that has movement which exceeds 1 inch in 8 feet.

Belac Homes will correct this deficiency during the Term of this Limited Warranty. The repaired area may not match the surrounding area in color and texture.

FRAMING

Z07

Deflection of structural wood beam, steel beam, floor joist, floor truss, ceiling joist, roof truss, ceiling rafter, ridge beam which exceeds 1 inch in 10 feet.

Belac Homes will correct during the Term of this Limited Warranty.

Z08

Broken wood framing members or movement of framing wall members that exceeds 1 inch per 8 feet.

Belac Homes will correct during the Term of this Limited Warranty.

NON-WARRANTED CONDITIONS

This Limited Warranty covers only those items specifically described in Sections II and III (Warranty Coverage Conditions).

THERE ARE NO EXPRESS WARRANTIES COVERING THE HOME OR THE PROPERTY ON WHICH IT IS LOCATED, EXCEPT AS SPECIFICALLY PROVIDED HEREIN. TO THE FULLEST EXTENT PERMITTED BY LAW, BELAC HOMES SHALL ONLY BE RESPONSIBLE FOR THE ACTUAL COST TO REPAIR OR REPLACE THE DEFECT. LIABILITY SHALL NOT EXTEND TO ANY CONSEQUENTIAL DAMAGES FOR BODILY INJURY, PROPERTY DAMAGE, PAIN AND SUFFERING, MENTAL ANGUISH, EMOTIONAL STRESS OR OTHER PUNITIVE, EXEMPLARY OR ANY OTHER SPECIAL DAMAGES RELATING TO OR RESULTING FROM ANY DAMAGE TO OR DEFECT IN SAID HOME OR THE PROPERTY ON WHICH IT IS LOCATED. HOWEVER, NOTHING CONTAINED HEREIN SHALL LIMIT ANY OF THE OWNER'S RIGHTS BY VIRTUE OF APPLICABLE FEDERAL OR STATE LAWS. (SOME STATES DO NOT ALLOW THE EXCLUSION OR LIMITATION OF INCIDENTAL OR CONSEQUENTIAL DAMAGES, SO THE ABOVE LIMITATION OR EXCLUSION MAY NOT APPLY TO YOU.) THIS WARRANTY GIVES YOU SPECIFIC LEGAL RIGHTS, AND YOU MAY ALSO HAVE OTHER RIGHTS, WHICH VARY FROM STATE TO STATE. NOTHING CONTAINED HEREIN SHALL LIMIT ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE THAT MAY APPLY TO THIS TRANSACTION.

Specific Description of Certain Non-Warranted Items

Section IV is designed to help the OWNER better understand some of the changes and maintenance items that may occur in the home, and also to more specifically describe and explain certain items which are not warranted under this Limited Warranty.

Failure to include any item in this section, or to specifically exclude any item from this section that is not actually warranted under this Limited Warranty, shall not create any presumption or implication whatsoever that the item is covered by the Limited Warranty.

General Comments

The home will require more maintenance and care than most products since it is made of many different components, each with their/its own special characteristics. Furthermore, like other products made by humans, a home is not perfect. The home will show some minor flaws and unforeseeable defects, and it may require some adjustments and touching up.

SPECIFIC NON-WARRANTED CONDITIONS

In addition to all the limitations on the coverage of this Limited Warranty, the following items are specifically **NOT** warranted:

1. Concrete can develop hairline cracks not affecting the structural integrity of the home. There is no known method of eliminating this condition, which is caused by characteristics of expansion and contraction. It does not affect the strength of the home and is not a condition warranted under this Limited Warranty. Only cracks specifically described in Sections II or III shall be warranted.
2. Any damage or defects resulting from Acts of God are not warranted and should be handled through the OWNER'S hazard insurance carrier.
3. All caulking (exterior and interior) will crack or bleed somewhat in the months after installation. This is normal and is NOT warranted except as specifically described in Section II.
4. Wood will sometimes crack or "spread apart" due to the drying process. This is most often caused by the heat inside the home or the exposure to the sun on the outside. This is normal and is considered a maintenance item to be cared for by the OWNER and is specifically NOT warranted, except as specifically described in Section II.
5. Windows will collect condensation on interior surfaces when extreme temperature differences and high humidity levels are present. Condensation is usually the result of climactic/humidity conditions created by the OWNER within the home. Unless directly attributed to faulty installation, window condensation is a result of a condition beyond Belac Homes' control and is specifically NOT warranted. Window "chatter" associated with wind conditions is normal and is also specifically NOT warranted under the conditions of this Limited Warranty.
6. Broken glass or mirrors which are not noted on the Punch List created during the Pre-Closing Walk-Through will NOT be addressed by Belac Homes. These are specifically not warranted under this Limited Warranty.
7. Drywall (sheetrock™) will sometimes develop nail pops or settlement cracks. This is a normal part of the drying-out process and an item that can easily be handled by the OWNER with spackling during normal redecorating. Except as specifically provided in Section II, drywall (sheetrock™) cracks, nail pops, seams, joints, corners, etc., are NOT warranted.
8. Even the best quality paint, particularly exterior paint, can crack, chip or peel. This does not indicate a defect in the paint or application but is most often caused by other sources, such as allowing lawn sprinklers to hit painted areas, washing down painted areas, etc. Inside, do not scrub latex painted walls, and be aware of the newly painted walls as you are moving furniture. Even the best paint will be stained or chipped if it is not cared for properly. Painting is only warranted by this Limited Warranty as specifically provided in Section II.
9. Fungus, mold and mildew can form on a painted surface if the structure is subject to abnormal exposures, such as excessive rainfall or moisture. Often an area where no direct sunlight occurs will be subject to these conditions. Fungus, mold and/or mildew formation is a condition that cannot be controlled by Belac Homes and is an OWNER maintenance item and is specifically NOT warranted by this Limited Warranty. Whether or not OWNER experiences fungus, mold and mildew growth depends largely on how OWNER manages and maintains home. Belac Homes is not responsible for any damage caused by fungus, mold and mildew, or by some other agent, which may be associated with OWNER maintenance or neglect, to include 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 effects.

10. All material that is stained will have variations in color, due to the various textures in wood. Doors that have panels will sometimes dry out and leave a crack of bare wood. This is due to weather changes and other conditions, and neither color variations nor shrinkage cracks are warranted except as specifically provided in Section II.
11. Dripping faucets, toilet adjustments and toilet seats are only warranted by this Limited Warranty to the extent described in Section II. Otherwise, they are OWNER'S responsibility. **If the plumbing is "stopped up" during the term of this Limited Warranty and the person servicing the plumbing on behalf of Belac Homes finds foreign material in the line, the OWNER will be responsible for payment in full for the service call.**
12. The OWNER must take precautions to prevent damage during severe cold weather. Damaged or broken components of the water supply system are not covered under warranty if damage occurred within 24 hours of below freezing temperatures.
13. The heating and air conditioning system is covered by the manufacturer's warranty. It is the OWNER'S responsibility to make sure that filters are kept clean and changed at least every 2 months. Failure to do so may void the warranty. It is also good policy to have the equipment serviced or checked at least once a year.
14. Air conditioner condensation lines will clog eventually under normal use. This is an OWNER maintenance item. Belac Homes shall provide unobstructed condensation lines at the time of first occupancy only.
15. When metal is heated it expands, and when cooled it contracts. The result is "ticking" or "crackling" within ductwork, which is generally to be expected. Except as stated in Section II, noise in ductwork is not warranted.
16. GFCI and AFCI are sensitive safety devices installed into the electrical system to provide protection against electrical shock. Belac Homes has installed GFCIs and AFCIs in specific accordance with approved electrical codes. Occasional tripping is to be expected and is not a warrantable item. **Service calls to reset GFCIs, AFCIs or tripped breakers will be billed to the OWNER. Burned out light bulbs are specifically NOT warranted and service calls in response to burnt-out light bulbs will be billed to the OWNER.**
17. Electrical junction boxes on exterior walls may produce airflow whereby the cold air can be drawn through the outlet into the room. This is normal in new home construction and is NOT warranted.
18. The floors are NOT warranted for damage caused by neglect or the incidents of use. Wood, tile, marble, linoleum, and carpet all require maintenance. Floor casters are recommended to prevent scratching or chipping of wood, tile, or marble. The OWNER should clean stains from carpet, wood, tile, or marble immediately to prevent discoloration. Carpet has a tendency to loosen in damp weather and stretch tight again in dryer weather. Any cosmetic floor covering deficiencies that are not noted on the Punch List prior to Closing will NOT be addressed by Belac Homes.
19. Exposure to light may cause spots and/or fading on carpets and wood floors. These conditions are specifically NOT warranted. Siding, trim, finishings, coverings, paints and stains which melt, fade, bubble, blister, peel, become wavy, bend, loose, detach, become exposed, delaminate, or become damaged in any manner whatsoever which is attributed to the magnification or reflection of light or heat from glass, metal, or other reflective materials of Home or surrounding homes or area(s) is specifically NOT covered by this Limited Warranty.
20. Door panels will shrink and expand and may expose unpainted surfaces. This is normal and not warranted, except as noted in Section II.

21. The upkeep of cosmetic aspects of the home is the OWNER'S responsibility. Belac Homes has not agreed to cover ordinary wear and tear, or other occurrences subsequent to construction that affects the condition of features in the home. Chips, scratches, mars or other cosmetic damage in tile, woodwork, walls, porcelain, brick, mirrors, shower doors and enclosures, plumbing fixtures, marble, Formica, lighting fixtures, kitchen and other appliances, doors, paneling, siding, screens, windows, carpets, vinyl floors, cabinets, etc. which are not recognized and noted on the Punch List during the Pre-Closing Walk-Through will not be addressed by Belac Homes. Such damage is specifically NOT covered under this Limited Warranty.
22. Chips and cracks on surfaces of bathtubs, sinks, etc., can occur when the surface is hit with sharp or heavy objects. Belac Homes shall not be responsible for repair of such damages unless the damage was reported on the Punch List during the Pre-Closing Walk-Through.
23. Belac Homes accepts no responsibility for the growth of grass, shrubs, or trees. Upon completion of construction, it is the responsibility of the OWNER to water and maintain the lawn and plants. Belac Homes will NOT replace any shrubs, trees, or sod. **Under no circumstances is sod a warranted item.**
24. With respect to concrete, except as specifically described in Sections II or III, Belac Homes specifically does not warrant and shall NOT be responsible for repairing, replacing, or correcting any minor cracking, flaking, scaling, splashes, spalling, pitting, discoloration, expanding, shrinkage, settling, texture variations, or other cosmetic problems. The OWNER acknowledges that weather conditions, salt and other chemicals can have an adverse effect on concrete and that OWNER shall be solely responsible for the proper maintenance of all concrete (specifically including but not limited to any concrete, driveway, patio, and walks).
25. Belac Homes is not responsible for any service or work performed or material supplied in accordance with any plans and/or specifications supplied, prepared, or requested by OWNER, or by anyone on behalf of OWNER, or for any defects caused or made worse by the negligence, improper maintenance or other action by OWNER or anyone else other than Belac Homes or Belac Homes' employees, agents, or subcontractors.
26. Defects in outbuildings including detached garages and detached carports, (except outbuildings which contain the plumbing, electrical, heating/cooling or ventilation systems serving the home) swimming pools and other recreational facilities; fences; landscaping (including sodding, seeding, shrubs, trees, and plantings); sprinkler systems; or any other improvements not a part of the home.
27. Damage to real property, which is not a part of the home.
28. Bodily or personal injury, damage to personal property, damage to any property of others.
29. Any loss or damage, which the OWNER has not taken appropriate action to minimize as soon as possible.
30. Any defect in or caused by material or work supplied by anyone other than Belac Homes or Belac Homes' employees, agents, or subcontractors.
31. Loss of use, loss of opportunity, loss of market value, loss of rental value or any other similar consequential loss.
32. Defects in any property, which were not included in the original home delivered for the original sales price.
33. Consequential, incidental, or secondary damages.

34. The presence of radon, formaldehyde, carcinogenic substances or other pollutants and contaminants, or the presence of hazardous or toxic materials within the home.
35. Any improvement outside the exterior walls of the home.
36. A deficiency which does not result in actual damage or loss to the home.
37. A defect that the owner repairs without prior written authorization.
38. Wiring, wires and cables that connect the home to communication services like telephone, television, internet and security systems.
39. Sound transmission and sound proofing.
40. Subsurface soil conditions.
41. Any damage to the extent it is caused or made worse by:
 - A. Negligence, improper maintenance, or improper operation by anyone other than Belac Homes or its employees, agents, or subcontractors.
 - B. Failure by OWNER to give prompt and proper notice to Belac Homes of any defect within the time frame established under the Limited Warranty.
 - C. Failure to take timely action in emergent cases to minimize any loss or damage.
 - D. Loss or damage not caused by a defect in the construction of the home by Belac Homes, or Belac Homes' employees, agents, or subcontractors.
 - E. Loss or damage externally caused including but not limited to: acts of God, riot or civil commotion, fire, explosion, smoke, water, hail, lightning, fallen trees or other objects, aircraft, vehicles, flood, rising water, mud slides, earthquakes, volcanic eruption, abuse or use of the home, or any part thereof, or by any other external cause.
 - F. Presence of or damage from insects (including termites) birds, or rodents.
 - G. Any loss or damage, which arises while the home is being used primarily for nonresidential purposes.
 - H. Any condition, which does not result in actual physical damage to the home.
 - I. Cost of shelter, transportation, food, moving, storage, or other incidental expenses related to relocation during repair or any other costs due to loss of use.
 - J. Normal wear and tear or normal deterioration in accordance with normal industry standards.
 - K. Failure of Belac Homes to complete construction.
 - L. Dampness or condensation due to failure of the OWNER to maintain adequate ventilation.
 - M. Failure by the OWNER or by anyone other than Belac Homes or Belac Homes' employees, agents, or subcontractors, to comply with the warranty requirements of manufacturers of appliances, equipment, or fixtures.

MISCELLANEOUS

- A. Repairs required under this Limited Warranty shall be performed in the manner and using such materials and methods as shall be considered advisable by Belac Homes.
- B. Belac Homes, in its sole discretion, shall determine which contractor(s) to assign service work to.
- C. Repairs shall be finished or touched up to match surrounding areas as closely as practicable. However, exact match cannot be guaranteed.
- D. Notwithstanding anything else contained herein, for any problem warranted by this Limited Warranty, Belac Homes in its sole discretion may repair, replace, or pay the OWNER the reasonable cost of repairing or replacing the defective item.
- E. **Notwithstanding anything else contained herein, Belac Homes total liability for deficiencies under this Limited Warranty is limited to \$50,000. OWNER has the option to purchase additional monetary coverage and/or extend warranty coverage period, at the time of closing, for an additional fee.**
- F. Steps taken to correct defects shall not act to extend the term of this Limited Warranty.
- G. In case of a dispute of a warranty item that is not readily observable, the cost for investigating and restoring areas to their prior condition is to be borne by the OWNER if it is found that no warranty deficiency exists.
- H. If OWNER has a past due balance related to an unpaid trip charge or for any other reason, future non-emergency warranty items will be scheduled to be repaired upon payment of the past due balance.
- I. If Belac Homes repairs any defect also covered by any other insurance or warranty policy. OWNER must assign the proceeds of such insurance or the rights under such warranties to Belac Homes to the extent of the cost to Belac Homes of such repair, replacement or payment.
- J. Should any provision of this Limited Warranty be deemed unenforceable by a court of competent jurisdiction, that determination will not affect the enforceability of the remaining provisions.
- K. This Limited Warranty is to be governed by and construed in accordance with the laws of the state in which the home is located.
- L. This Limited Warranty may not be modified or amended in any respect except upon written amendment signed by both Belac Homes and the then-current OWNER.
- M. OWNER acknowledges if Belac Homes chooses to repair, replace, address, or discuss the improvement of any non-warranted condition involving in any manner the material, workmanship, supply or situation, Belac Homes is not obligated, represented, promised, or committed to repair, replace, address, or discuss any other non-warranted condition thereafter.

DISPUTE RESOLUTION

Any dispute concerning unresolved warranty issues shall be resolved as follows:

- (i) If a dispute arises concerning unresolved warranty issues and if said dispute cannot be settled through negotiation, the parties shall try in good faith to settle the dispute first through informal mediation.
- (ii) If, after mediation, the dispute concerning unresolved warranty issues remains unresolved between the parties the dispute shall be determined by arbitration administered by the American Arbitration Association in accordance with its construction industry arbitration rules. The arbitration will be conducted in English, in the county in which the home alleged to contain the defect is located and with one arbitrator. This agreement to arbitrate and any other written agreement(s) to arbitrate shall be specifically enforceable under applicable law in any court having jurisdiction thereof. The arbitrator shall not award any remedy or relief that a court of this state could not order or grant. Such arbitration decision is final and binding upon the parties. Judgment on the award rendered by the arbitrator may be entered in a court having jurisdiction thereof.
- (A) **ATTORNEY'S FEES:** As permitted by applicable law, OWNER and Belac Homes shall each pay his or her own attorneys' fees incurred in connection with the arbitration unless a statute or contract at issue in the dispute authorized the award of attorneys' fees, in which case the arbitrator shall have the authority to make an award of attorneys' fees as required or permitted by applicable Florida law.
- (B) **INITIAL COSTS:** Belac Homes will initially pay the filing fee for the American Arbitration Association or any other type of expense or cost the buyer would not be required to advance if he or she were free to bring the dispute in a court of law having competent jurisdiction, which fee or expense may be reallocated between the parties by the rules of arbitration.
- (C) **COURT PROCEEDINGS:** If any party begins litigation in violation of this Arbitration clause, that party must reimburse the other parties for their costs and expenses, including attorneys' fees incurred in seeking to dismiss such litigation.
- (D) **CLASS ACTIONS:** To the extent permitted by applicable law, the parties understand and agree that no claim subject to this contract will be filed as a class action. OWNER waives its right to serve as a class representative (in court or arbitration).
- (E) **STATUTE OF LIMITATIONS:** The parties agree that any demand for arbitration must be filed within the applicable statute of limitations period. If a party fails to file a demand for arbitration within the applicable limitations period, said failure constitutes a waiver of any such right to bring a claim for relief. If either party believes that the action is barred by the statute of limitations, they may have the issue determined by a judge in a court proceeding. This court proceeding will not waive the right to arbitrate if it is determined that the claim is not barred by the statute of limitations.
- (F) **NO JURY TRIAL:** To the extent permitted by applicable law, the parties hereby waive their rights to have their disputes heard and determined by a jury.

If any of the provisions of this section are inconsistent with any requirements of applicable law, including those set forth in Florida statutes, chapter 558, the requirements of applicable law shall control.

BELAC HOMES LIMITED WARRANTY
ACKNOWLEDGEMENT OF UNDERSTANDING AND
ACCEPTANCE

The undersigned acknowledge that we have received a copy of Belac Homes Limited Warranty 25.1. The undersigned further acknowledges that we have read, understand, and accept the terms and conditions of the foregoing, Warranty Identification: Belac Homes Limited Warranty 25.1.

WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, THE UNDERSIGNED ADDITIONALLY ACKNOWLEDGE THAT WE HAVE READ, UNDERSTAND AND ACCEPT THE SPECIFIC LIMITATIONS ON THE COVERAGE OF THIS LIMITED WARRANTY AS OUTLINED IN SECTIONS II, III AND IV.

The undersigned understands and agrees that there are conditions for which warranty service will be provided. The undersigned acknowledges that the undersigned has read, understands, and accepts the warranty conditions contained herein.

THIS ACKNOWLEDGEMENT OF UNDERSTANDING AND ACCEPTANCE SHOULD BE SIGNED AND RETURNED TO BELAC HOMES:

OWNER SIGNATURE: _____

DATE: _____, _____

OWNER SIGNATURE: _____

DATE: _____, _____

HOME ADDRESS: _____