



Homes by Towne®

**HOME BUILDER'S LIMITED
WARRANTY**

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CUSTOMER CARE PROGRAM MANUAL

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CUSTOMER CARE PROGRAM

SCHEDULED CUSTOMER CARE

During the two years of the CUSTOMER CARE PROGRAM there are four scheduled parts to the program: the walk-through inspection, the limited time Customer Care for manufactured surfaces, the 60-day Customer Care, and the 330-day Customer Care.

Walk-Through Inspection:

At a time near the closing date you or your representative will make a walk-through inspection of your home. At that inspection a walk-through inspection form is completed with a list of items requiring correction or completion. These items are scheduled to be completed within thirty days after the inspection. In certain situations the availability of materials or other unanticipated conditions may delay the completion of the work. In that event the work will be completed as soon thereafter as possible.

Limited Time Customer Care for Manufactured Surfaces:

This Customer Care will only occur if there is an item that is covered by Customer Care for manufactured surfaces. Verbal requests will not normally be accepted. Customer Service Request forms are provided with this HANDBOOK or submit online at www.homesbytowne.com. In the event you do not submit to the COMPANY within ten (10) days of occupancy, the COMPANY shall have no further obligation with respect to Customer Care for manufactured surfaces with respect to your home.

330-Day Customer Care:

The COMPANY does not schedule an inspection for this service. It is your responsibility to submit this request. The COMPANY will respond by providing Customer Care on those items for which it is responsible and for which it has received proper and timely notice. The work completion schedule will be the same as for the walk-through inspection.

HOW TO REQUEST CUSTOMER SERVICE

Verbal requests will not normally be accepted. Customer Service Request forms are provided with this HANDBOOK or submit online at www.homesbytowne.com. All questions or requests concerning customer care must be directed to the Customer Service Department.

There are three exceptions to the requirement for the submission of Customer Care requests on Customer Service Request forms.

1. Items covered under EMERGENCY SERVICE.
2. Kitchen appliance repairs. The appliance manufacturer provides a direct warranty to each homeowner, and the COMPANY is not responsible for performing repairs or warranty work on your kitchen appliances. For kitchen appliance repairs contact the appliance manufacturer's service department directly. See Attachment A for the phone number.
3. Air conditioning and heating repairs. As provided under SPECIFIC EXCLUSIONS AND LIMITATIONS, your request for service for defects relating to air conditioning and heating must be submitted directly to the manufacturer for all requests made after one year from closing. See Attachment A for the phone number.

Upon receipt of your request form our Customer Service Representative will contact you to review your request. We will then arrange for the work to be completed. The COMPANY's CUSTOMER CARE PROGRAM provides for the repair of minor problems in your home that might not rise to the level of construction defect under the LIMITED WARRANTY. It is not an on call service program. In most situations the original subcontractor will do the work. When possible, we ask the subcontractor to commit to doing the work either before noon or in the afternoon. However, at times they will only commit to doing the work sometime during the scheduled day.

The COMPANY's ability to complete your Customer Care request is directly related to the access you provide to your home. Any limitations that are applied for specific days or times will have a direct effect on how soon your work is completed. If you cannot be at home when the work is performed, please arrange to leave a key with a neighbor or a friend, who can provide access. If obtaining access to your home is difficult; we may ask you to work directly with the appropriate subcontractor in lieu of working through our Customer Service Representative.

GENERAL EXCLUSIONS AND LIMITATIONS

The following general exclusions and limitations apply specifically to the CUSTOMER CARE PROGRAM and are in addition to the exclusions and limitations listed under specific items in this HANDBOOK including the LIMITED WARRANTY:

1. All Customer Care repairs and other work must be ordered by the homeowner pursuant to the provisions of this HANDBOOK. All Customer Care or appliance warranty work must be performed by the COMPANY or its agents, or subcontractors or by the manufacturers of the applicable product (the vendors) under and pursuant to their product warranties.
2. The COMPANY is not responsible for the cost of repairs ordered or performed through parties other than the COMPANY or its authorized agents, subcontractors or vendors.
3. The COMPANY shall have the option of selecting the material and methods to be used for repairs and corrections and shall be the sole determinant of whether to repair or replace any item.
4. Customer Care coverage shall terminate for any item that is repaired or altered by anyone other than the COMPANY or its authorized agents, subcontractors or vendors.
5. No steps taken by the COMPANY to correct defects shall extend the period of the CUSTOMER CARE PROGRAM beyond the term set forth in this HANDBOOK.
6. For Condominium units only, the CUSTOMER CARE PROGRAM does not cover the common elements.
7. The CUSTOMER CARE PROGRAM does not cover defects in appliances.

LIMITED TIME CUSTOMER CARE PROGRAM FOR MANUFACTURED SURFACES

There is a limited time Customer Care period for all manufactured or finished surfaces. The COMPANY's liability to repair all manufactured surfaces, including but not limited to: porcelain, fiberglass, sheet vinyl, ceramic tile, laminated tops, marble, roof tile, etc. is valid only if the damaged surface is reported to our Customer Service Department on a Customer Service Request form within ten (10) days after the home is first occupied. Manufactured surfaces and the COMPANY's limited liability to repair them include:

Ceramic Wall or Floor Tile: Individual tiles will be replaced if scratches, cracks or chips are easily observable in daylight from the greater distance of three feet or a standing position.

Window and Arcadia Door Glass: Will be replaced if scratches are easily observable from inside in the daylight at fifteen feet from the opening.

Laminate Counter tops: Will be repaired or replaced if chips or scratches are easily observable in daylight from a standing position.

Cultured Marble: Will be repaired if chips or scratches are easily observable in daylight from the greater distance of three feet or a standing position.

Granite, Marble or other Natural Stone: Will be repaired if chips or scratches are easily observable in daylight from the greater distance of three feet or a standing position.

Toilet Seats: Will be replaced if scratches are easily observable in daylight from a standing position.

Porcelain Sinks, Tubs or Toilets: Will be repaired if chips or scratches are easily observable in daylight from a standing position.

Stainless Steel Sinks: Will be repaired or replaced if dents or scratches are easily observable in daylight from a standing position.

Appliances: Will be repaired or replaced if dents, chips or scratches are easily observable in daylight from the greater distance of three feet or a standing position.

Light Fixtures: Will be replaced if scratches on the glass surface are easily observable in the daylight at a distance of three feet.

Mirrors: Will be replaced if flaws or scratches are easily observable in daylight at a distance of three feet.

Fiberglass Tub & Shower Enclosures: Will be repaired if chips or scratches are easily observable from the greater distance of three feet or a standing position.

Roof Tiles (Single Family Residences): Will be replaced if cracked or broken.

Any warranty claims on manufactured items must be made in writing within ten days after the home is occupied.

SPECIFIC EXCLUSIONS AND LIMITATIONS

In addition to all of the other exclusions and limitations provided for with this HANDBOOK with respect to the LIMITED WARRANTY the following specific exclusions and limitations shall also apply to the COMPANY's CUSTOMER CARE PROGRAM obligations and liabilities.

GENERAL:

For Customer Care items not covered below under this provision or other specific exclusions and limitations the Homes by Towne® Standards of Performance shall apply. Except for lesser time periods expressly provided for herein the period of time that the COMPANY is liable to perform Customer Care under the CUSTOMER CARE PROGRAM is limited to items on which the COMPANY receives a Customer Service Request within two years from the date of closing. Also, some of the items covered in this section may not be components of your home.

Under the CUSTOMER CARE PROGRAM, in the event that there is not an agreement that a completed repair is satisfactory then an independent inspection by the Arizona Registrar of Contractors may be scheduled to resolve the matter. The resolution of that inspection will be subject to the Registrar's Minimum Workmanship Standards for Licensed Contractors, which will be applied in lieu of any other standards contained in this HANDBOOK.

Air Conditioning and Heating:

Defects in properly installed air conditioning and heating equipment are limited to the manufacturer's warranty. The COMPANY will correct failure in the operation of this equipment if a proper notice of defect is given to the COMPANY pursuant to a Customer Service Request within one year after closing. Thereafter, the manufacturer's warranty, if any, will be applicable, and all requests for service must be made directly to the manufacturer. Failure after the first year is subject to the manufacturer's warranty.

Temperature settings on the control thermostat are an approximate indication. The thermostat is operating satisfactorily if it consistently cycles the HVAC unit at the same temperature.

Appliances:

Defects in properly installed appliances are strictly the manufacturer's responsibility and replacements and/or repairs are limited to the warranty provided for by the manufacturer. For any defects identified prior to the close of escrow the COMPANY will contact the manufacturer to complete any required repairs. After the closing it is the owner's responsibility to contact the manufacturer, except that during the thirty days following the close of escrow the COMPANY will, at the owner's request, make that contact for the owner.

Cabinets:

The CUSTOMER CARE PROGRAM does not cover variations in the grain and shade of natural wood surfaces.

Carpeting:

Defects in carpeting are strictly the manufacturer's responsibility, and replacements and/or repairs are limited to the warranty provided for by the manufacturer. Carpet installation is covered by the CUSTOMER CARE PROGRAM to the following extent: Seams should be tightly fitted with no gaps or overlaps. Seams will be visible from a standing position as a result of normal factors affecting installation including peaking and carpet texture. Excessive piecing will be corrected, although how the carpet is pieced is determined by the carpeting contractor and is not an item covered by the CUSTOMER CARE PROGRAM.

Customer Care includes restretching the carpet, if necessary, as determined by the carpeting subcontractor and/or vendor, if a notice of defect is given by the homeowner pursuant to the Customer Service Request form within one year from closing. Customer Care covers restretching only if it is caused by the carpet loosening or "relaxing" and not if it is caused by sliding furniture or other items on the carpet. It is the owner's responsibility to remove any items located on the carpet that are required to be removed for the restretching.

In the event that carpet replacement is required due to defects in your carpeting, it is your responsibility to remove any items located on the carpet necessary to facilitate carpet replacement.

Carpentry:

Wood is a natural product and there will be variations in the walls, ceiling and floors throughout the home. The requirement for repairs or adjustments will be determined by the appropriate standards.

Caulking:

Caulking and other sealants are used throughout the interior and exterior of the home. It is normal for small cracks to appear over time. These are particularly common where dissimilar materials meet such as base molding at floors and walls, counter and vanity back splashes at walls, wall tile at tub and shower pans, and drywall corners at openings. These caulking repairs will be made one time if our Customer Service Department is notified of this condition by a Customer Service Request form within 365 days of closing.

Concrete:

Small cracks due to expansion, contraction and settling are normal and are excluded from the provisions of the CUSTOMER CARE PROGRAM. Cracks exceeding the appropriate standards may be repaired with approved materials or the concrete may be replaced at the COMPANY's sole discretion. Replacement concrete will vary in color and finish texture from the existing concrete. Minor blemishes, indentations, and surface imperfections in concrete are not covered by the CUSTOMER CARE PROGRAM.

Sidewalks, driveways or any other concrete surfaces that are within the street right of way or common areas are not covered by the CUSTOMER CARE PROGRAM. Damage caused by heavy trucks, machinery, equipment, heavy loads or landscape materials placed on the concrete are not covered by the CUSTOMER CARE PROGRAM.

Drywall:

The drywall may develop cracks in some areas. This is a normal occurrence and can be expected in new construction. It results from the different building materials adjusting to being assembled together and the expansion and contraction of the structure. In addition, there may be

“nail pops” or visible marks from the nails used to fasten the drywall. Cracks and nail pops will be corrected only on one occasion provided that our Customer Service Department is notified of this condition by a Customer Service Request form within 365 days of closing. Small cracks where the drywall meets a dissimilar material like a window frame are considered acceptable and are not corrected.

The drywall has a finish texture applied to its surface. The texture is not uniform and may vary significantly. These variations are considered acceptable. Flat or unfinished textured areas will be corrected if they are easily visible.

The removal or replacement of anything added after the closing that is required to complete the drywall repair is the responsibility of the homeowner. This includes finishes (custom paint, wallpaper, mirrors, etc.), furniture or fixtures. Drywall repairs may require texturing and painting. Texturing and painting of repairs will be done only to the area of the repair. Texture variations will occur. Paint color is affected by its environment and will age and change over time. Therefore, the new paint used on a repair may not exactly match the existing paint. All repairs, to some degree, will be visible upon inspection.

Natural Stone:

Natural stone slabs and tiles will show color and shade variations along with irregular markings. These conditions are expected and are excluded from the CUSTOMER CARE PROGRAM coverage.

Masonry:

Small cracks due to expansion, contraction and settling are normal and are excluded from the provisions of the CUSTOMER CARE PROGRAM. Stair step cracks in mortar joints result from normal settlement and do not necessarily indicate a structural problem. Individual cracks that exceed the appropriate standards will be filled with approved materials.

Any masonry, mortar or other repair materials used in repairs will vary in texture and color from the existing masonry work.

The COMPANY has constructed exterior masonry fences upon single-family home lots with heights determined in the COMPANY’s sole discretion, and the COMPANY is not responsible for changing or modifying those heights in any manner. Land slope and drainage grading cause variations in the finished fence height. Fence heights vary from five feet to over six feet. In addition, any gates, masonry fences or fences of any other material installed by the COMPANY do not provide security to prevent entry to the enclosed area and they are not intended to meet any existing or future ordinances regulating access to swimming pools, spas or other water features.

Paint:

Paint color is affected by its environment and will age and change over time. Therefore, the new paint used on a repair may not exactly match the existing paint. All repairs, to some degree, will be visible upon inspection.

Plastic Laminate Counter Tops:

Allowing either heat generating appliances or moisture to remain on a seam causes raised areas or separations at a seam. The resulting seam failure is not covered by the CUSTOMER CARE PROGRAM.

Plumbing:

Blockage or stoppage of the sewer or waste lines is covered for only the first two days the home is occupied. In the event of a water leak, the homeowner is responsible to shut off the water supply to limit damage.

Sounds and Noises:

The COMPANY has no liability for any sounds or noises resulting from the operation of garbage disposals and other appliances or equipment in the home, such as the operation of heating and cooling equipment provided that these items are functioning in accordance with their manufacturer's specifications.

The COMPANY has no liability for any sounds or noises related to the structure of your house or condominium unit. It is normal to hear various noises and sounds in houses and condominium units. The expansion, contraction and other movement of the building's components cause these. Examples include the expansion and contraction of pipes and waste lines from hot and cold water, metal ducts from hot and cold air, roofs from day and night temperature differentials and coolant flows in refrigerant lines. Although common in single story structures, multiple story structures increase the presence of these conditions.

If your home is a condominium unit, the COMPANY has no responsibility for sounds or noises from surrounding units provided that the construction of your unit is in compliance with local building codes.

Stucco:

The exterior stucco finish is a rigid, non-flexible material. Small cracks associated with settling and contraction are a common occurrence. At the owner's request, the COMPANY will fill cracks that exceed the appropriate standards. This work will be done one time if our Customer Service Department is notified of this condition by receipt of a Customer Service Request form within one year of closing. The repairs will be made with a flexible caulk or other material as determined by the COMPANY. Stucco on common area walls is not covered by the CUSTOMER CARE PROGRAM.

The primary purpose of the repair is to maintain the stucco's function of protecting the underlying weather proofing and not the cosmetic appearance of the exterior. In addition to caulking, other stucco repairs may require texturing. Texture variations will occur. Painting will be done only to the area of the repair. Paint color is affected by its environment and will age and change over time. Therefore, the new paint used on the repair may not exactly match the existing paint. All repairs will be visible upon inspection.

Telephone:

The CUSTOMER CARE PROGRAM covers one line of telephone service and the connection jacks to provide that service. Unless part of the Sales Contract, the serviceability and connection of additional phone lines are not covered by the CUSTOMER CARE PROGRAM (i.e., the COMPANY takes no responsibility with respect to additional lines added by the homeowner or the effect thereof on the overall telephone service of the homeowner).

Tile:

The CUSTOMER CARE PROGRAM covers only tile that loosens, cracks, or breaks from a construction related problem. It does not cover tile that is chipped, cracked, or broken through use and occupancy of the home. Only the broken or cracked tiles will be replaced. The color shading of tile varies. Therefore, there may not be an exact color match with the remaining original tile.

Checking and cracking in grouting or ceramic tile joints are commonly due to normal shrinkage and as such are a maintenance responsibility of the homeowner. However, at the owner's request, loose grouting and cracks will be repaired one time if our Customer Service Department is notified of this condition by receipt of a Customer Service Request form within one year of closing. Tile grout seasons and changes color over time. In addition, water and any other materials, including sealers, which come in contact with it, affect the color. Grout repairs performed under the CUSTOMER CARE PROGRAM will be limited to using only the original grout and color as installed. Therefore, there may not be a color match with the remaining original grout.

Grout cracks that occur where tile joints meet a dissimilar surface (base molding, door thresholds, shower pans, etc.) or where the tile transitions from one mounting surface to another (cabinet top to wall) may be repaired with a flexible sealant in lieu of grout. Therefore, there will be a color variation between the sealant and the remaining grout.

Valves and Tub/Shower Drains:

It is important to regularly run/exercise your tub and shower valves to insure they operate properly. Shower valves if left unused can dry out and will malfunction which may result in undo cost to the unit owner.

Running and filling your tubs periodically is also important to ensure the seals and sealant around the tub drains remains moist and pliable. Again if left unused for a period of time these components can dry out and result in leaking.

HOMEOWNER REPAIR AND MAINTENANCE

Your responsibility for repairs and maintenance starts at the close of escrow subject to the COMPANY's obligations under the CUSTOMER CARE PROGRAM.

Following are several examples of homeowner repair maintenance items and when your responsibility starts.

1. Grouting, ceramic tile joints. One year from closing.
2. Interior and exterior caulking. One year from closing. **(If in an apartment or condo then exterior caulking is the responsibility of the Homeowner association)**
3. HVAC air return filters. From occupancy
4. Light bulbs. From occupancy
5. Faucet washers & cartridges. One year from closing.
6. Adjustment of doors, windows and weather-stripping. One year from closing.
7. Maintenance of mechanical equipment, appliances and similar items. (Failure to perform that maintenance may affect the manufacturer's warranty.) From occupancy.
8. Repairs required as a result of occupancy of the home. From occupancy.
9. Smoke detector batteries. From occupancy.
10. Insects and other pests. From occupancy.

EMERGENCY SERVICE

During the two years coverage of the CUSTOMER CARE PROGRAM certain situations that meet the following requirements are considered emergency service situations and do not require a Customer Service Request form. Emergency service situations are:

Total stoppage of the waste or sewer system. Total stoppage does not include one toilet blocked or stopped and another still operating. CUSTOMER CARE PROGRAM coverage for stoppage of the waste or sewer system is limited to the first two days the home is occupied.

Water leakage that requires shutting off the water service to your home to avoid serious damage to the structure or contents of your home or an adjoining home. These are leaks that come from above the ceiling or within the walls and cannot be stopped by the wall mounted supply valves under the counters, vanity tops or the toilet tank.

Complete loss of electrical service in your home not related to a failure of the electrical service to your home.

Complete failure of the heating and cooling system. Complete failure does not include one heating and cooling unit failed and the other still operating.

When an emergency service situation occurs:

During our normal business hours Monday through Friday call the Customer Service Department at the phone number listed on Attachment A.

Outside of normal business hours call the appropriate sub contractor whose name and phone number is listed on Attachment A.

Following are several examples of situations that are NOT considered to be emergency situations. If these occur, take the required action, if indicated, and follow the procedure for HOW TO REQUEST CUSTOMER CARE.

1. Water leaking from base of the faucet or the dishwasher. Shut off wall mounted water supply valve under sink or vanity.
2. Water leaking only when the faucet is turned on at the faucet or when running the dishwasher. Shut off faucet or dishwasher.
3. Water leaking under sink or vanity. Shut off the faucet or the wall mounted supply valve, if necessary. Either do not use or place a container under the leak area and empty as necessary.
4. Toilet water supply running continuously or water leaking from toilet base or tank. Shut off wall mounted water supply valve under toilet tank.
5. Water leaking at water heater. First SHUT OFF THE CIRCUIT BREAKER to the water heater at the electric panel and then shut off the cold water supply to the heater.
6. Appliance not operating. Contact appliance manufacturer.
7. Partial failure of electrical wall outlets or lighting.

8. Failure of water heater.

If the COMPANY or its authorized agent, subcontractor or vendor makes an emergency service call to your home and the service call is not for an emergency as defined herein, then you will be billed for the service call.

FINAL NOTICES

PLASTIC LAMINATE COUNTER TOP NOTICE

The seams in your kitchen plastic laminate counter top are not water tight. If water is allowed to settle on this joint, it will damage the top. Water should be removed from the seam immediately after it is exposed. Since this is a preventable situation, it is not covered by your standard builder warranty.

DRYWALL REPAIRS

The drywall that covers your home's interior may develop cracks in some areas. This is a normal occurrence and can be expected in new construction. It results from the different building materials adjusting to being assembled together and the expansion and contraction of the structure. In addition, there may be "nail pops" or visible marks from the nails used to fasten the drywall. Cracks and nail pops will be corrected only one time during the first year of ownership. Small cracks where the drywall meets a dissimilar material like a window frame are considered acceptable and are not corrected.

The drywall has a finish texture applied to its surface. The texture is not uniform and may vary significantly. These variations are considered acceptable. Flat or unfinished textured areas will be corrected if they are easily visible.

The removal or replacement of anything added after the closing that is required to complete the drywall repair is the responsibility of the owner. This includes finishes (custom paint, wallpaper, mirrors, etc.), furniture or fixtures. Drywall repairs may require texturing and painting. Texturing and painting of repairs will be done only to the area of the repair. Texture variations will occur. Paint color is affected by its environment and will age and change over time. Therefore, the new paint used on a repair may not exactly match the existing paint. All repairs, to some degree, will be visible upon inspection.

STUCCO REPAIRS

The exterior of your home is finished with stucco. Stucco is a rigid, non flexible material. Small cracks associated with settling and contraction are a common occurrence. At your request we will fill cracks that are 1/16" or more in width. This will be done only one time during the first year of ownership. The repairs will be made with a flexible caulk or other material as determined by the party that does the repair.

The primary purpose of the repair is to maintain the stucco's function of protecting the underlying weather proofing and not the cosmetic appearance of the exterior. In addition to caulking, other stucco repairs may require texturing. Texture variations will occur. Painting will be done only to the area of the repair. Paint color is affected by its environment and will age and change over time.

Therefore, the new paint used on the repair may not exactly match the existing paint. All repairs will be visible upon inspection.

In requesting the above drywall or stucco repairs I understand that they will be done only one time and during the first year of ownership. After that time drywall and stucco maintenance is a home owner responsibility.