

Schroeder Enterprises, Inc.

One (1) Year Limited Warranty Agreement and New Homeowner Orientation & Warranty Guide

This New Homeowner Orientation & Warranty Guide ("Guide") explains the Limited Warranty and conditions of coverage for Schroeder Enterprises, Inc. residential homes. This Limited Warranty is the only warranty, express or implied, that we make to you.

Singular and Plural terms each include the other, when appropriate. The terms "we" or "our" refer to Schroeder Enterprises, Inc. The term "Home" refers to the residential home constructed by Schroeder Enterprises, Inc. at _____.

In many cases, the answers to your questions are in this Guide. Please refer to the subject of your call in this Guide before you contact Schroeder Enterprises, Inc.

CUSTOMER SERVICE POLICIES

It is our policy that we respond to all warranty service claims as quickly and efficiently as possible should there be any repairs during your limited warranty period.

Occasionally, due to circumstances beyond our control, some warranty repairs may take more time than others. Delays can be caused by shortage of materials, back ordered parts from manufacturers, labor problems or weather. We will keep you informed if there is a delay in the processing of your warranty repair.

If you believe you have a warranty claim, thoroughly review this Limited Warranty before you request service through our website. This will help you to decide if the claim is covered by Schroeder Enterprises, Inc. under our Limited Warranty, the claim is covered by a warranty provided by one of our trade contractors or manufacturers, or the claim is your responsibility.

If you believe that you have an emergency requiring immediate attention, please refer to the emergency section in this guide. If your situation is not an emergency, please follow the steps below for submitting a warranty request to Schroeder Enterprises, Inc.

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REQUESTING WARRANTY SERVICE AND CLAIMS PROCEDURE

Initials:

WEBSITE FOR WARRANTY REQUEST

Notice to Purchaser:

Standard warranty requests within the Warranty Period that are not considered an Emergency will ONLY be accepted through our website below. Voice mails, mailed letters or other message(s) left digitally, by fax or through email will not be accepted or considered a valid request and therefore will not be responded to. This allows us to accurately assess your request and notify the appropriate sub-contractors or suppliers through the proper channels.

www.CustomHomesBoise.com

Go to the "Warranty" Tab and then "Warranty Request" Tab. Fill out all information entirely. DO NOT USE the "Contact Us" tab on the website as warranty requests from that source will not be responded to.

Note: If delay will cause extra damage (i.e. any items that are included below in the Emergency Customer Service Definitions and Precautions section), please call us at the number below. Only emergency warranty requests will be taken by phone.

Schroeder Enterprises, Inc.
(208) 941-3060 office

Repairs: Upon submittal of a Warranty Request through our website, if you have not been contacted by us or one of our Trade Contractors within seven (7) calendar days, please submit a 2nd request through our website. If the requested item(s) is found to be covered by this Limited Warranty, we will repair or replace at no cost to you, as soon as possible as long as there are no delays in (i) trade contractor availability or (ii) materials required for the repair (please refer to the Customer Service Policies section above regarding delays). Our employees, new home sales consultants (Realtors), trade contractors, vendors, real estate agents, and other agents (i) do not have permission to authorize repair work by others and (ii) are not authorized to make any warranty representation other than representations contained in this Limited Warranty, nor can they extend or in any way alter this warranty.

We take pride in the trade contractors who have been selected by **Schroeder Enterprises, Inc.** If you are dissatisfied with the quality of work or the level of professionalism displayed by one of our trade contractors during a warranty repair, please contact our office immediately! Your comments help us to maintain the high level of service that you expect with your new Home.

SCHROEDER ENTERPRISES, INC. will not be responsible for expenses that you incur for work that is completed by other contractors unless we authorize the work in writing.

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SERVICE CALLS THAT COST YOU MONEY

You will incur a service charge if any of our Employees, Trade Contractors, Vendors, or other agents respond to a warranty request, service call or repair item that was caused by your negligence, failure to follow the instruction manual, or normal wear and tear.

Some causes of unnecessary service calls that will cost you money are:

- Failure of heater or air conditioner operating properly due to dirty filters or lack of other maintenance.
- Power failure due to a tripped circuit breaker.
- Sewer stoppage because of something you introduced into the line.
- Hot water heater not working due to an unlit pilot light.
- Garage overhead door or opener not functioning properly due to operator error or the electronic eye and force-sensitive stop-and-reverse functions have been tampered with.

Homeowner/Purchaser Responsibilities:

Maintaining the following items will reduce or eliminate service calls and expense to you as a Homeowner/Purchaser:

- Frequently clean and replace heat / air conditioner filters.
- Replace worn washers on faucets.
- Repair chipped or scratched ceramic tile, grout, countertops, caulking, plumbing fixtures, floor tile, paint, etc., **unless damage was reported on the Closing Orientation & Final Walkthrough signed prior to Closing.**
- Replace damaged, missing or broken screens, glass, mirrors, appliances, light fixtures, etc., **unless the item was reported on the Closing Orientation & Final Walkthrough signed prior to Closing.**
- Maintain your Home's mechanical and electrical equipment.
- Take care of your floor coverings and countertops.
- Repair broken sprinkler heads and adjust sprinkler heads so they do not spray water on your Home. Continuous monitoring of the sprinkler timer and changing watering times and/or durations so as not to over-water or under-water.
- Frequently clean filters in the sprinkler heads and sprinkler system.
- Complete all paint touch-ups after Closing (interior and exterior) that were **not reported on the Closing Orientation & Final Walkthrough signed prior to Closing.**
- This Home has a mechanically vented crawl space. Purchaser is responsible to check and verify the operation of the fan at all times. (See the Attached Mechanically Vented Crawl Space Information).

Read all warranties, instruction manuals and booklets to understand the function and proper care of the many materials, fixtures, and equipment that help make your Home operate efficiently.

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EMERGENCY CUSTOMER SERVICE DEFINITIONS AND PRECAUTIONS

Emergencies are problems that require immediate attention to protect you and your family from harm and to avoid damage to your property, your Home or your lot. These problems include but are not limited to:

- A total stoppage of the plumbing drain system. If your plumbing system ceases to work, none of your sinks, tubs or toilets will function properly; also, stoppage of a particular toilet or drain may constitute an emergency if it occurs within your first 72 hours in your new Home.
- A water leak that requires the main water supply to your Home to be shut off to avoid serious water damage. Turn off the main water shut-off valve in your Home that was identified at the **Closing Orientation and Final Walkthrough prior to Closing**. If a leak can be isolated by the shut-offs under the cabinet or plumbing fixture, including your water heater, it is not an emergency.
- A total electrical failure within your Home. An electrical failure of many houses indicates neighborhood power failure and should be reported to the appropriate electrical utility for your area.
- Loss of heat during extreme weather conditions.
- If you smell the distinctive rotten egg odor of natural gas, hear a hissing sound near a gas meter or pipeline or if you see a broken line, contact Intermountain Gas Company at their 24-hour emergency contact number: 1-800-548-3679. **NOTICE: This number may change so it is your responsibility to verify the emergency numbers for accuracy.**

<i>SAFETY TIP: DO NOT DELAY IN REPORTING AN EMERGENCY!</i>

In case of an emergency, first protect your family from harm. Once you are sure of their safety, and if your safety will not be jeopardized, take steps to correct or lessen the effects of the emergency. You can minimize damage from a water leak, for example, by turning off the water to a particular fixture or turning off the water main to your Home.

Do not delay in reporting an emergency. Subsequent damage caused by a delay will not be the responsibility of **SCHROEDER ENTERPRISES, INC.** If your situation does not fall within the emergency guidelines, you should use the procedures outlined for requesting routine warranty service. If, however, you believe that a delay in responding to your claim could result in further damage, call our office immediately.

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ONE (1) YEAR LIMITED WARRANTY AGREEMENT

This section of your Guide is an express warranty (the “Limited Warranty”), which means that it gives the details of coverage for specific items, sets forth the warranty period, and provides limitations and exceptions to coverage. It also sets forth warranties on specific parts of your new Home, who has responsibility, and how each of these warranty claims are to be processed. This Limited Warranty specifies limits of responsibility and conditions under which it is valid or applicable, including without limitation, the following:

Initials:

This Limited Warranty is the only warranty we give. As set forth herein, we specifically disclaim all other warranties express or implied, including, but not limited to, the implied warranties of merchantability, workmanlike construction, habitability, design, condition, fitness for a particular purpose, quality or otherwise.

Initials:

As set forth herein, this Limited Warranty DOES NOT cover damage to personal property no matter the cause.

Initials:

Schroeder Enterprises, Inc.’s potential liability is limited by this Limited Warranty as set forth herein.

Initials:

As set forth herein, this Limited Warranty does not cover any appliance, piece of equipment, or item which is a consumer product for purposes of the Magnuson-Moss Warranty Act.

Initials:

As set forth herein, Schroeder Enterprises, Inc. does not provide any warranty coverage for any material, component, or workmanship that is warranted by another person or entity.

Our employees, new home sales consultants (Realtors), trade contractors, vendors, real estate agents, and other agents are not authorized to make any warranty representation other than those contained in this Limited Warranty, nor can they extend or in any way alter this warranty.

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Initials:

Who Is Covered

This Limited Warranty is applicable only to the ***original purchaser of the Home*** ("Purchaser") during the Warranty Period. This Limited Warranty is **NOT** applicable to Purchasers that use the Home for rental purposes at any time during the Warranty Period, Purchasers who do not occupy the Home within thirty (30) days of Closing, or Purchasers that do not utilize the Home as their principal residence during the entire Warranty Period. SCHROEDER ENTERPRISES, INC. MAKES NO WARRANTIES, EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, IMPLIED WARRANTIES OF MERCHANTABILITY, WORKMANLIKE CONSTRUCTION, HABITABILITY, DESIGN, CONDITION, FITNESS FOR A PARTICULAR PURPOSE, QUALITY OR OTHERWISE, TO PURCHASERS THAT USE THE HOME FOR RENTAL PURPOSES AT ANY TIME DURING THE WARRANTY PERIOD, PURCHASERS WHO DO NOT OCCUPY THE HOME WITHIN THIRTY (30) DAYS OF CLOSING, OR PURCHASERS THAT DO NOT UTILIZE THE HOME AS THEIR PRINCIPAL RESIDENCE DURING THE ENTIRE WARRANTY PERIOD.

Initials:

Non-Transferable

This Limited Warranty is not transferable. It is applicable to you **ONLY** if you originally purchased the Home from Schroeder Enterprises, Inc. If the Purchaser sells the Home, moves out of it, uses the Home for rental purposes, or no longer uses the Home as their principal residence, Schroeder Enterprises, Inc. shall have no further obligations under this Limited Warranty.

Term

The term of this Limited Warranty begins on the date on which the Home is deeded to Purchaser (the "Closing") and continues for a period of one (1) year, unless terminated (the "Warranty Period"). **Work completed to correct defects or workmanship does not extend warranty coverage beyond the Warranty Period.**

Exceptions to Limited Warranty When Purchasing a Model Home:

The purchase of a display model home will be covered under the same warranty as a new home. Provided, however, that the Purchaser accepts "as-is" all options and features including flooring, wall treatments, landscaping, sprinkler system, concrete driveways, walks and patios, drywall and stucco.

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1. Coverage on Home except Consumer Products

During the Warranty Period, Schroeder Enterprises, Inc. warrants the following:

- a) That all materials and equipment furnished under this Limited Warranty will be new unless specified otherwise;
- b) That all work performed pursuant to this Limited Warranty will be performed in a commercially expeditious manner;
- c) That all work performed pursuant to this Limited Warranty will be free from material defects in workmanship due to non-compliance with the applicable building code provision and the structural, mechanical, electrical, and quality standards of the home building industry for the geographic area in which the Home is located and which were in effect at the time the work was performed.
- d) That the Home will be free from material defects in workmanship and materials due to non-compliance with the structural, mechanical, electrical, and quality standards of the home building industry for the geographic area in which the Home is located and which were in effect at the time the Home was constructed.
- e) That the Home will be free from material defects in the installation of the plumbing, heating, cooling, and electrical systems resulting in non-compliance with the applicable plumbing, mechanical, or electrical code in effect at the time the Home was constructed; provided, however, that this Limited Warranty does not apply to defects in an appliance, fixture, or item of equipment or defects in plumbing, heating, cooling, or electrical systems caused by defects in an appliance, fixture, or item of equipment.

Schroeder Enterprises, Inc.'s (i) obligation to repair or replace materially defective materials or workmanship and (ii) obligation to repair any damage to the Home that directly resulted from materially defective materials or workmanship pursuant to the terms of this Limited Warranty are the only obligations of Schroeder Enterprises, Inc. under this Limited Warranty.

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2. Exclusion of Coverage on Consumer Products

For purposes of this Limited Warranty Agreement, the term "Consumer Products" means all appliances, equipment and other items which are consumer products for the purpose of the Magnuson-Moss Warranty Act (15 U.S.C. Sec 2301-2312) and which are located in the Home on the commencement date of the Limited Warranty. The following items of equipment are Consumer Products covered by the Magnuson-Moss Warranty Act when sold as part of a Home. This list is not exclusive.

Appliances

Refrigerator
Freezer
Trash Compactor
Range
Oven
Dishwasher
Oven Hood
Microwave
Clothes Washer
Clothes Dryer
Ice Maker

Plumbing

Garbage Disposal
Water Softener
Bath Fixtures & Hardware
Water Heater

Heating & Ventilation

Furnace
Air Conditioning System
Thermostat
Electronic Air Cleaner
Humidifier
Exhaust Fan
Crawl Space Fan

Mechanical/Electrical

Smoke Detectors
Fire Alarm
Chimes
Garage Door Opener
Central Vacuum System
Burglar Alarm
Electric Meter
Gas Meter
Gas Barbecue Grill
Electric Fixtures & Lights
Ceiling Fans

(Note: Each home may not contain all of these items)

Consumer Products are not warranted by Schroeder Enterprises, Inc. In the event Purchaser encounters a defect in a Consumer Product, Purchaser shall secure the repair or replacement of these products pursuant to the particular supplier or manufacturer's warranty. Schroeder Enterprises, Inc. hereby assigns to the Purchaser all rights under manufacturer's warranties covering Consumer Products. Purchaser should follow the procedures in the manufacturer's warranties if defects appear in these items.

3. Assignment of Manufacturer Warranties

Schroeder Enterprises, Inc. hereby assigns to Purchaser the supplier or manufacturer's warranties, if any, on all appliances, equipment, and Consumer Products installed in the Home and all products supplied by suppliers, manufacturers and trade contractors such as, but not limited to, doors, door hardware, windows, jalousies, skylights, roofing materials, cabinets, cabinet hardware, light fixtures, electric switches, receptacles, plumbing fixtures, tub and tub/shower units, floor coverings, countertops, tile, etc. that are warranted by the suppliers or manufacturers of those products. It is Purchaser's responsibility to obtain all applicable warranties at closing. Purchaser should follow the procedure set forth in the applicable warranty if a defect appears in any appliance, item of equipment, or other consumer product. **Purchaser is responsible for registering appliances, equipment, and "consumer products" installed in the Home, if required, for Manufacturer's warranties to apply.**

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4. Other Exclusions from Coverage

The following is a list of additional list items **NOT** covered by this Limited Warranty. Schroeder Enterprises, Inc. shall **NOT** be liable under this Limited Warranty for any loss or damage caused by the following list of items. Titles and headings are used for convenience only and do not limit the scope of any particular exclusion of coverage.

General Exclusions

- a) Products supplied by suppliers, manufacturers and trade contractors such as, but not limited to, doors, door hardware, windows, jalousies, skylights, roofing materials, cabinets, cabinet hardware, light fixtures, electric switches, receptacles, plumbing fixtures, tub and tub/shower units, floor coverings, countertops, tile, etc. that are warranted by the suppliers or manufacturers of those products are not covered by this Limited Warranty.
- b) Defects in design, installation, or materials which Purchaser supplies, installs, or has installed under their direction.
- c) Additions, alterations, or modifications to the Home or the real property on which it is located.
- d) Ground water or the introduction of excessive water into soils surrounding the Home by parties other than Schroeder Enterprises, Inc. or parties not under the direct control of Schroeder Enterprises, Inc.
- e) Normal wear and tear, normal deterioration, abusive use, or a failure to maintain the Home in good condition and repair.
- f) Normal settling of the Home.
- g) Dampness and condensation caused by the failure to provide sufficient ventilation after occupancy by parties other than Schroeder Enterprises, Inc. or parties not under the direct control of Schroeder Enterprises, Inc.
- h) Changes in the grading of the ground around the Home by parties other than Schroeder Enterprises, Inc. or parties not under the direct control of Schroeder Enterprises, Inc.
- i) Failure to maintain the grades, swales, and drainage patterns established by Schroeder Enterprises, Inc. which assure that any water falling on the property surrounding the Home, whether from natural precipitation or lawn irrigation, will flow positively away from the Home. The ground around the Home has been or will be graded in accordance with a city/county approved grading plan, if applicable, and any standards established by the city/county. It is important to maintain the established drainage of the Home properly. Purchaser's failure to do so will not be covered by this Limited Warranty.

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4. Other Exclusions from Coverage (Cont'd)

- j) This Limited Warranty **DOES NOT** cover damage to personal property no matter the cause.
- k) The lot on which the Home sits may have drain pit(s) installed to direct water to a location within the property boundaries for gutters or other water drainage in order to attempt to keep water away from the Home and/or neighboring properties. These drain pits, if installed, are not designed to handle unlimited amounts of water that may occur from Mother Nature, over-watering, neighboring property run-off, common area run-off, or other events or acts of God that may occur. You may experience water ponding in these areas and around the drain from time-to-time due to the over-saturation of the ground. It will dissipate over time but may take several hours or days for the water to absorb into the ground during certain events. This is not considered to be a drainage issue or an item that is covered under this Limited Warranty.
- l) Landscaping installed at the Home, including, but not limited to, plants, bushes, trees, grass, and/or any other live products in the landscaping, is not warranted by Schroeder Enterprises, Inc. To the extent the trade contractor who installs the landscaping or the supplier of the live products provides a warranty, which may be limited to a duration of thirty (30) days after Closing, any such warranty is hereby assigned to Purchaser. Purchaser acknowledges and agrees that no warranty coverage of any kind, express or implied, will be provided by the trade contractor or live product supplier for plants, bushes, trees, grass or any other live product in the landscaping on the property that is not properly maintained by Purchaser after Closing, such as but not limited to over-watering or under-watering. Determination of "properly maintained" shall be at the sole discretion of the trade contractor that installed the landscaping or the supplier of the live product landscaping. When landscaping is installed on a slope, water may pond or stand at the bottom of the slope from time-to-time or on a continual basis, depending on the watering habits of the Purchaser and additional slopes or grade of surrounding properties or common areas. As long as the standing water is not against the Home or Home's foundation, this is considered to be a normal occurrence and is not covered under this Limited Warranty. **Please refer to the attached Notice regarding Watering of your Lawn and Landscaping attached to and made part of this Limited Warranty.**
- m) Insects or animals, including without limitation, pets of any kind.
- n) Failure of Purchaser to take timely action to minimize such loss or damage or failure of Purchaser to give Schroeder Enterprises, Inc. proper or timely notice of defect.
- o) Accidents, natural disasters, or acts of God, including, but not limited to: fire, explosions, smoke, water escape, unforeseen changes in water table, ground water, wind, hail, lightning, blown objects, falling trees, aircraft and vehicles, flood and earthquake, except when the loss or damage is caused by Schroeder Enterprises, Inc.'s failure to comply with either the applicable building code or the structural, mechanical, electrical, and quality standards of the home building industry for the geographic area in which the Home is located and which were in effect at the time the Home was constructed.
- p) Any defect in which does not result in actual loss or damage.

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ONE (1) YEAR LIMITED WARRANTY AGREEMENT (Cont'd)

4. Other Exclusions from Coverage (Cont'd)

- q) Defects that are the result of characteristics common to the materials used, such as (but not limited to) normal shrinkage caused by drying of the Home and the materials used therein within the tolerances set forth in structural, mechanical, electrical, and quality standards of the home building industry for the geographic area in which the Home is located and which were in effect at the time the Home was constructed are not covered by this Limited Warranty. Cracks in wood or wood by-products or the minor separation or opening of wood or wood by-product joints such as those in paneled doors, mitered casings or solid paneling that are caused by normal shrinkage of wood are not covered by this Limited Warranty. In addition, cracking, warping, deflection of wood, checking, twisting, or turning of wood beams, unless such condition prevents the beam from meeting quality standards of the home building industry for the geographic area in which the Home is located and which were in effect at the time the Home was constructed, are not covered by this Limited Warranty. Fading and cracking of paint resulting from drying of wood, cracks in concrete, stucco, plaster, bricks, and masonry drying is not covered by this Limited Warranty. Shrinking, deterioration and cracking of caulking, grout, and weather-stripping is not covered by this Limited Warranty.
- r) It is the Purchaser's responsibility to schedule and have ALL items that were reported on the **Closing Orientation & Final Walkthrough form** signed by all parties at the final walkthrough of the Home prior to Closing completed within 30 calendar days from Closing, if they were not completed prior to Closing. After that time, Purchaser accepts all of these items "as-is" regardless of whether the item was documented on the **Closing Orientation & Final Walkthrough form** signed by all parties at the final walkthrough of the Home prior to Closing, or whether the item documented on the **Closing Orientation & Final Walkthrough form** signed by all parties at the final walkthrough of the Home prior to Closing was completed or not. Any such items that were not completed within 30 calendar days from Closing are not covered by this Limited Warranty.

Specific Exclusions

- s) *Ground Settling / Concrete Cracks* – The Home may settle during the first year after Closing, and Purchaser may notice some settlement cracks in Purchaser's concrete and cracks may also appear in the areas such as driveway, garage, walkways, stoops, patios, and foundations. These cracks are not covered under this Limited Warranty and are considered to be maintenance items. Purchaser acknowledges and agrees that cracks in concrete are a normal occurrence in nature and will not impair the intended use of concrete surfaces. Very rarely do these cracks indicate a construction deficiency. Defective concrete or workmanship by the trade contractor that installed the concrete are not covered by this Limited Warranty. All concrete warranty requests must be submitted through the trade contractor that installed the concrete after closing and not through Schroeder Enterprises, Inc. Frost heaves, weather damage or acts of God are not covered under this Limited Warranty. Any and all concrete patches or repairs, if desired after Closing, are Purchaser's responsibility. Any visible defects in concrete that were **NOT** documented or identified on the **Closing Orientation & Final Walkthrough form** signed by all parties at the final walkthrough of the Home prior to Closing are accepted by Purchaser "as-is" after Closing.

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4. Other Exclusions from Coverage (Cont'd)

- t) *Exterior Stucco* – Stucco exterior wall surfaces, if any, may show some visible cracks around the Home which can be caused from natural settling of the Home over time. Purchaser acknowledges and agrees that this is considered to be a normal occurrence in nature and will not impair the intended use of the stucco surfaces. Stucco cracks are generally considered cosmetic only. Cracks in stucco wall surfaces are not covered by this Limited Warranty unless a stucco crack grows large enough to insert the edges of a dime into it. In the event a repair is made pursuant to this Limited Warranty, Schroeder Enterprises, Inc.'s trade contractor will attempt to match the existing stucco color as close as possible using the same brand and color mix, if available, as was originally used, but Schroeder Enterprises, Inc. does not warrant or guarantee a perfect match and will only touch up the repair area and not the entire surface. Please be advised that stucco crack repairs often turn out to be as visible as the cracks themselves and that a visible stucco crack repair is not covered by this Limited Warranty.
- u) *Paint* - Normal fading, chalking, or checking of interior or exterior paint. If any touch-up painting as a result of a covered repair during the Warranty Period, the perfect match of the original colors is not guaranteed. Purchaser should do touch-up painting annually or as needed. Unless damage or paint touch-ups were documented or identified on the **Closing Orientation and Final Walkthrough form** signed by all parties at the final walkthrough of the Home prior to Closing, Purchaser accepts all painting on the interior & exterior "as-is" after Closing. Schroeder Enterprises, Inc. shall not be responsible to complete any paint touch-ups on the interior or exterior after Closing that were **NOT** documented or identified on the **Closing Orientation & Final Walkthrough form** signed by all parties at the final walkthrough on the Home prior to Closing. In the event touch-up paint is required on the interior or exterior in order to complete covered repairs during the Warranty Period, a color variation and/or sheen mismatch may exist due to the aging of existing paint and/or batch mixes. Schroeder Enterprises, Inc. will match the existing color as close as possible using the same brand and color mix, if available, as was originally used, but does not warrant or guarantee a perfect match and will only touch up the repair area and not the entire surface. In the event Purchaser has changed the paint color on any portion of the interior or exterior of the Home after Closing from the original colors and touch-up paint is required as a result of a covered repair during the Warranty Period, Purchaser is responsible for all paint touch-up on those surfaces as Schroeder Enterprises, Inc. will only be responsible to touch-up areas where original paint colors exist. **Notice:** It is the Purchaser's responsibility to schedule and have all paint touch-ups (interior and exterior) that were reported on the **Closing Orientation & Final Walkthrough form** signed by all parties at the final walkthrough of the Home prior to Closing completed within 30 calendar days from Closing if they were not completed prior to Closing. After that time, Purchaser accepts all painting on the interior & exterior "as-is" regardless of whether documented on the **Closing Orientation & Final Walkthrough form** signed by all parties at the final walkthrough of the Home prior to Closing or not.

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4. Other Exclusions from Coverage (Cont'd)

- v) *Floor Coverings* - All defects in floor covering materials, including, but not limited to, carpets, vinyl, tile, marble, granite, laminates and wood, vinyl or laminate flooring are not warranted by Schroeder Enterprises, Inc. Floor covering materials may be covered under the manufacturer's warranty. Schroeder Enterprises, Inc. hereby assigns all such manufacturer warranties, if any, to Purchaser effective as of the date of Closing. Schroeder Enterprises, Inc. only warrants against any improper installation of floor covering materials during the Warranty Period. Carpets, depending on style and cut, will show seams. Discuss this with the carpet representative, as this is not covered under this Limited Warranty. Wood flooring will shrink and requires ongoing maintenance. Humidifiers are recommended to keep levels of moisture in the air to reduce shrinkage caused by the wood drying out. Failure of Purchaser to adequately maintain the wood flooring will void any coverage under this Limited Warranty. Shrinkage of wood flooring, including, but not limited to, gaps on the sides or ends of the wood flooring is not covered under this Limited Warranty, for any reason.
- w) *Visible Defects in Floor Coverings and/or Countertops* – All visible defects or damage in floor covering materials or countertops, including but not limited to tears, gouges, scratches, cracks, seams in carpets, vinyl, tile, marble, granite, quartz, laminates and/or wood flooring must be documented on the **Closing Orientation & Final Walkthrough form** signed by all parties at the final walkthrough of the Home prior to Closing, **no exceptions**. Visible damage and/or defects after Closing will not be covered under this Limited Warranty and is accepted "as-is" by Purchaser after Closing.
- x) *Floor Squeaks and Vibrations* - Noise when walking on a second story floor in a two-story home is characteristic of multi-level homes and should be expected. Floor squeaks on any level home can develop over time due to the normal settling of the home. These are not a sign of any structural problem with the Home or of defective workmanship. Any and all floor squeaks shall be documented and identified on the **Closing Orientation and Final Walkthrough form** signed by all parties at the final walkthrough of the Home prior to Closing. Schroeder Enterprises, Inc. will make a reasonable attempt to eliminate floor squeaks prior to Closing without requiring removal of floor finishes. Nailing or shimming loose subflooring with casing nails into the carpet surface and countersinking the head is an acceptable practice. Schroeder Enterprises, Inc. will attempt to repair floor squeaks noted prior to Closing as much as possible but there is NO guarantee or warranty that all floor squeaks will be removed permanently or completely. The nature of wood and construction methods makes it impossible to eliminate all squeaks during all seasons. Noises, pops, cracks, squeaks coming from floors or flooring materials, are not covered under this Limited Warranty and shall be accepted by Purchaser "as-is" after Closing. Depending on placement of furniture and personal items in the Home, you may experience vibrations or rattling when walking next to or by furniture or other personal property items. This is not considered a defect, structural problem with the Home, or a product of defective workmanship and therefore not covered under this Limited Warranty.

Schroeder Enterprises, Inc.
One (1) Year Limited Warranty Agreement
and New Homeowner Orientation & Warranty Guide

ONE (1) YEAR LIMITED WARRANTY AGREEMENT (Cont'd)

4. Other Exclusions from Coverage (Cont'd)

- y) *Countertops* - Marble, granite, quartz, or other solid surface materials may show some markings from the manufacturing process. They must be protected from sharp objects, heat, excessive water and abrasives. Countertops may be sealed by the supplier before installation. Re-sealing countertops is considered to be an on-going Purchaser maintenance item and is not covered under this Limited Warranty. Laminate countertops may show markings from the manufacturing process as well, in addition to visible seams where the laminate may be seamed together. Laminate countertops must be protected from sharp objects, heat, excessive water, and abrasives. Take care not to allow water to stand on countertop seams as this will cause damage. Damage to countertops after Closing will not be covered under this Limited Warranty, no matter the cause. Any countertop damage or visible defects must be documented and identified on the **Closing Orientation & Final Walkthrough form** signed by all parties at the final walkthrough of the Home prior to Closing, no exceptions.
- z) *Grout, Tile Work & Caulking* - Caulking on the interior and exterior of the Home has been completed by Schroeder Enterprises, Inc. After Closing, caulking and grout touchup is considered a Purchaser maintenance item and is not covered under this Limited Warranty. Grouts will crack and caulking will shrink, therefore these are not covered under this Limited Warranty. Unless grout cracks and shrinkage in caulking was documented and identified on the **Closing Orientation & Final Walkthrough form** signed by all parties at the final walkthrough of the Home prior to Closing, Purchaser accepts all grout and caulking on the interior & exterior of the Home "as-is" after Closing. Water seepage through grout cracks, and any resulting damage, or shrinkage of caulking, and any resulting damage, is not covered under this Limited Warranty. Purchaser understands that water will percolate through grout naturally. Therefore, Purchaser should keep all wall and floor surfaces around water areas as dry as possible including squeegeeing down shower tile after every shower. **Schroeder Enterprises, Inc. does not seal grout, tile, or stone. Purchaser is responsible for sealing any and all grouts, tile and stone work if desired.**
- aa) *Cabinet Adjustments, Damage and Touchups* - Unless visible damage, adjustments and/or touchups were documented and identified on the **Closing Orientation & Final Walkthrough form** signed by all parties at the final walkthrough of the Home prior to Closing, Purchaser accepts all cabinets in the Home "as-is" after Closing.
- bb) *Windows and Glass Products* - Visible defects including, but not limited to, cracks, scratches or other defects on or in any glass products in the Home and any window frames defects must be documented and identified on the **Closing Orientation & Final Walkthrough form** signed by all parties at the final walkthrough of the Home prior to Closing. Any visible defects including but not limited to cracks, scratches or other defects on or in any glass products in the Home or window frames defects, unless documented and identified on the **Closing Orientation & Final Walkthrough form** signed by all parties at the final walkthrough of the Home prior to Closing, shall be accepted "as-is" by Purchaser after Closing. Defects in any glass products or window frames in the Home are not covered by this Limited Warranty. Purchaser was provided with the window manufacturer and warranty information at the Closing Orientation and Final Walkthrough of the Home prior to Closing. All window warranty requests must be submitted through the window manufacturer after Closing and not through Schroeder Enterprises, Inc.

Schroeder Enterprises, Inc.
One (1) Year Limited Warranty Agreement
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ONE (1) YEAR LIMITED WARRANTY AGREEMENT (Cont'd)

4. Other Exclusions from Coverage (Cont'd)

- cc) *Ceiling Fans* – Schroeder Enterprises, Inc. nor our trade contractors balance ceiling fans. Wobbly ceiling fans, ceiling fans that hum or make ticking noises in one or more speeds are the result of the product in manufacturing or design. Balancing kits may be included with your fan, or you can purchase the balancing kits at many retailers. Wobbly ceiling fans, ceiling fans that hum or make ticking noises in one or more speeds will not be addressed or covered under this Limited Warranty.
- dd) *Light Bulbs* – The longevity, flickering or color (hue) match of light bulbs, no matter what type or style, are not covered by this Limited Warranty.
- ee) *Sheetrock/Drywall Cracks* – Cosmetic cracking of drywall around windows and door openings, drywall seams, metal corner bead edges, and exposed nails is expected to occur to some extent in every new home. Purchaser acknowledges and agrees that cosmetic flaws of this nature are not a sign of any structural problem with the Home or of defective workmanship. Schroeder Enterprises, Inc.'s trade contractor will return to the Home ONE-TIME ONLY during the Warranty Period to repair cracks or nail pops in sheetrock located in INTERIOR LIVING SPACES ONLY (sheetrock within garages is specifically excluded) that may occur as a result of normal settling of the Home due to minor movement and shrinkage. Prior to and after the ONE-TIME ONLY repair takes place, maintenance of sheetrock cracks and nail pops is the responsibility of the Purchaser. Cosmetic cracking of drywall if installed around windows is due to caulking shrinkage and is considered a Purchaser maintenance item and will not be addressed or covered under this Limited Warranty.
- ff) *Garage Interior Finishes* - Interior garage walls have been painted with a primer paint. Purchaser acknowledges and agrees this is not to be considered a fully finished look and there will still be blemishes and uneven surfaces as a result. NOTE: Sheetrock cracks and/or cracks in tape joints in the garage are a common occurrence due to the change in temperatures that occur over the seasons in unconditioned spaces. Schroeder Enterprises, Inc. will not repair any sheetrock cracks or tape joint cracks occurring in the garage areas and any such cracks will not be covered under this Limited Warranty. If Purchaser's garage floor is finished with an epoxy paint, there may be some defects and blemishes as a result of the concrete surface it was applied to. Purchaser acknowledges and agrees that both of these are considered to be normal occurrences and not a sign of any structural problem with the Home or of defective workmanship and therefore will not be corrected by Schroeder Enterprises, Inc. or covered under this Limited Warranty.
- gg) *Roof* - Damage to the roof caused by the Purchaser, wind, hail, acts of God or by blown objects is not covered by this Limited Warranty.
- hh) *Hazardous Materials / Mold* – The presence or effect of mold, mildew, toxic material, or volatile organic compound or matter is not covered by this Limited Warranty.

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ONE (1) YEAR LIMITED WARRANTY AGREEMENT (Cont'd)

4. Other Exclusions from Coverage (Cont'd)

- ii) *Landscape & Drainage* - The object when grading a yard is to get water as far away from the Home as possible so it cannot damage the structure or any neighboring property. All drainage must either remain on site or be discharged to the street. Within the limits of practicality, these criteria will be met. In the event that there is insufficient slope to get drainage to the street, there will be ponding areas in the yard. In the event of narrow side or back yards, drainage will be contained as close to the property line as possible if it cannot be discharged to the street or rear yard. Any such ponding is not covered by this Limited Warranty. Purchaser acknowledges and agrees Schroeder Enterprises, Inc. is not responsible for any water intrusion or water ponding on Purchaser's property on which the Home sits as a result of run-off from neighboring properties and/or common areas and that any such water intrusion or water ponding is not covered by this Limited Warranty. If water intrusion or water ponding is resulting from neighboring properties or common area run-off, Purchaser is responsible to contact the responsible party that is causing the water intrusion or water ponding and **NOT** Schroeder Enterprises, Inc.
- jj) *Soil Conditions / Excavation* - Purchaser acknowledges and agrees that without engineering studies to determine load bearing capacities of soil, it is impossible to determine what loads can be put upon the soil without settling occurring and that if settling does occur, it can typically cause cracks in the foundation, driveway, flatwork and interior drywall. Purchaser further acknowledges and agrees that Schroeder Enterprises, Inc. was and is not required to perform any engineering studies on the property on which the Home is located. The soil condition of the property on which the Home is located, whether or not the property was owned by Schroeder Enterprises, Inc. is not covered by this Limited Warranty. Purchaser is responsible for any debris, concrete or items found below existing soil and that any such items are not covered by this Limited Warranty.
- kk) *Concrete* - Purchaser acknowledges and agrees that Concrete is a rigid product with a strong tendency to crack and move to accommodate minor movement and shrinkage. Concrete incorporated into the Home, including without limitation, foundations, patios, garages, driveways, or other flatwork is not covered by this Limited Warranty. Schroeder Enterprises, Inc. hereby assigns to Purchaser any applicable warranties made by the trade contractor that installed the concrete attached to this Limited Warranty. All concrete warranty requests must be submitted directly to the trade contractor that installed the concrete or flatwork and not through Schroeder Enterprises, Inc.
- ll) *Stone/Brick* - It is normal for stone or bricks to show some mortar stains. Repeated cleaning of stone/brick may actually damage its intended finish. Slight color variations may occur between the product display and installed stone/brick. Cracks and chips are also a normal occurrence in stone/brick, and not considered a defect in the product or covered under this Limited Warranty.
- mm) *Crawl Space* - Issues and damage resulting from moisture of any kind in the Home's crawl space are not covered by this Limited Warranty. (Note: Issues, damage, or moisture should not exist if Purchaser maintains and checks for the proper operation of the Fan Tech fan on a regular basis).

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One (1) Year Limited Warranty Agreement
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ONE (1) YEAR LIMITED WARRANTY AGREEMENT (Cont'd)

4. Other Exclusions from Coverage (Cont'd)

- nn) *Cosmetic Items* - Purchaser was given the opportunity to identify any and all cosmetic items, visible defects, and adjustments needed during the Closing Orientation and Final Walkthrough of the Home prior to closing. All cosmetic items, visible defects and adjustments including, but not limited to, chips, scratches, gouges, cracks, pops, squeaks, or other visible defects inside or outside of the Home or on the property also including, but not limited to, paint, walls, floors, ceilings, tubs, showers, shower pans, shower doors (if any), countertops, sinks, plumbing faucets, cabinets, cabinet doors and drawers, mirrors, light fixtures, switches, outlets, windows, glass, doors, trim work, concrete, stucco, stone and live materials landscaping were documented and identified on the **Closing Orientation and Final Walkthrough form** signed by all parties at the final walkthrough of the Home prior to Closing. Any cosmetic items, visible defects or adjustments to the interior or exterior of the Home that were **NOT** identified during the Closing Orientation and Final Walkthrough are not covered by this Limited Warranty, no exceptions. Purchaser acknowledges and agrees by signing below that all such items, unless documented and identified on the **Closing Orientation & Final Walkthrough form** signed by all parties at the final walkthrough of the Home prior to closing, are in a non-defective condition at the time of Closing.
- oo) *Exterior and Interior Defects* -
The "Five Foot Rule" - Interior defects that are not easily visible when standing in front of and five (5) feet away from the imperfection shall not be deemed defective and are not covered by this Limited Warranty; *and*
The "Ten Foot Rule" - Exterior defects that are not be easily visible when standing in front of and ten (10) feet away from the imperfection shall not be deemed defective and are not covered by this Limited Warranty.
- pp) *Fireplaces* -The first few times the Home's fireplace, if any, is operated, there will be an odor from the curing of the paint and the burning off of the lubricants used in the manufacturing process. Depending on usage, the burn-in period may take a few hours or a few weeks. Purchaser acknowledges and agrees that any such odor is not a defect and is not covered by this Limited Warranty. NOTE: Ventilate the site during the burn-in period. The resulting odor and haze may set off a smoke detector. Do not operate the blower during the first few fires as part of the burn-in period. A white film may develop on the glass front during the first few fires as part of the burn-in period. This film is not covered by this Limited Warranty. The glass should be kept clean during the burn-in period to prevent the film from baking on - making it very difficult to remove. Refer to the owner's manual of the fireplace for instructions on cleaning the glass and other operations of the fireplace.
- qq) *Showers* -Purchaser acknowledges and agrees that it is normal for some water to discharge onto the floor outside a shower on occasion, that this discharge may be more common when a frameless shower door is installed, that any such discharge is a Purchaser maintenance item, and that any such discharge and any resulting damage are not covered by this Limited Warranty.
- rr) *Pool/Mailbox Keys (if applicable)* - Purchaser shall be responsible for obtaining pool and/or mailbox keys directly from the applicable homeowners association after Closing. The condition of mailboxes and subdivision amenities, including, but not limited to pools, is not covered by this Limited Warranty.

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ONE (1) YEAR LIMITED WARRANTY AGREEMENT (Cont'd)

5. Warranty Claims

- a) **Claims:** Purchaser shall submit all claims made pursuant to this Limited Warranty within thirty (30) calendar days of the earlier of (i) the date Purchaser discovers the circumstances giving rise to Purchaser's claim or (ii) Purchaser reasonably should have discovered the circumstances giving rise to Purchaser's claim. Purchaser's failure to submit a claim within this thirty (30) calendar day time period shall constitute a waiver of the claim and any such claim shall not be covered by this Limited Warranty.

Repairs or Replacement: If, following an inspection of the Home, Schroeder Enterprises, Inc. determines that a valid warranty claim exists, the warranty service repairs and replacements will be completed by Schroeder Enterprises, Inc. or trade contractors chosen by Schroeder Enterprises, Inc. Schroeder Enterprises, Inc. reserves the right to choose the materials, methods, and personnel used to make warranty service repairs and replacements. **Schroeder Enterprises, Inc. shall not be liable under this Limited Warranty if; (i) a repaired area or refinished material does not match in color and/or texture; (ii) patterns in floor coverings, wall coverings, or other finished surfaces have been discontinued.** In the event any materials have been discontinued by their manufacturer or are otherwise unavailable, Schroeder Enterprises, Inc. may at its sole discretion make substitutions, including without limitation, the right to utilize different dye lots and approximate color matches, without penalty of any kind. In addition, Schroeder Enterprises, Inc. is only required to repair or replace the affected area and are not required to replace all of the materials previously installed with the substitute materials selected. The choice between repair and replacement belongs solely to Schroeder Enterprises, Inc.'s. Schroeder Enterprises, Inc. shall not honor invoices, bills, or receipts for labor performed, equipment or materials purchased or rented by or at the direction of the Purchaser.

- b) **Voidable Warranty Item:** If, following an inspection of the Home, Schroeder Enterprises, Inc. determines that, during the Warranty Period, Purchaser repaired or replaced himself/herself/themselves or employed or used a trade contractor or supplier not directed or approved by Schroeder Enterprises, Inc. to repair or replace any item covered under this Limited Warranty, Schroeder Enterprises, Inc., at its sole discretion, may immediately terminate coverage under that particular item under this Limited Warranty. In this event, Schroeder Enterprises, Inc., shall not be responsible or liable for any further warranty claims or repair requests on that specific item, even if the Warranty Period has not terminated.

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ONE (1) YEAR LIMITED WARRANTY AGREEMENT (Cont'd)

6. Dispute Resolution

Before commencing any legal action or arbitration related in any way to this Limited Warranty, Purchaser must first comply with the provisions of the Notice and Opportunity to Repair Act, Idaho Code §6-2501 (*hereinafter*, the Act). Failure to comply with the Act shall constitute a waiver of any claims. Purchaser may have claims under this Limited Warranty. Schroeder Enterprises, Inc. shall be entitled to an award of attorney fees and cost in any legal action or arbitration filed without first complying with the Act. If the Purchaser and Schroeder Enterprises, Inc. are not able to resolve their differences in accordance with the provisions of the Act, suit must be brought in the small claims division of the Idaho Magistrate Court if Purchaser's claims fall within the jurisdictional limits of said court. **ALL OTHER DISPUTES WILL BE SETTLED IN ACCORDANCE WITH THE CONSTRUCTION INDUSTRY ARBITRATION RULES OF THE AMERICAN ARBITRATION ASSOCIATION, TOGETHER WITH THE SUPPLEMENTARY PROCEDURES FOR RESIDENTIAL CONSTRUCTION DISPUTES.** Purchaser agrees that any such dispute shall be governed by the American Arbitration Association's Fast Track Procedures, regardless of the dollar amount of Purchaser's claim. The prevailing party in any such arbitration shall be entitled to an award of attorney fees and costs unless the Purchaser recovers an amount equal to or less than the jurisdictional limits of the small claims court at the time the arbitration is commenced. In such an instance, Schroeder Enterprises, Inc. shall be entitled to an award of attorney fees and costs incurred.

7. EXCLUSIVE WARRANTY

EXCEPT AS PROVIDED IN THIS LIMITED WARRANTY, SCHROEDER ENTERPRISES, INC. MAKES NO REPRESENTATIONS OR WARRANTIES OF ANY NATURE, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO IMPLIED WARRANTIES OF MERCHANTABILITY, WORKMANLIKE CONSTRUCTION, HABITABILITY, DESIGN, CONDITION, FITNESS FOR A PARTICULAR PURPOSE, QUALITY OR OTHERWISE AS TO THE HOME, THE PROPERTY THE HOME IS LOCATED ON, AND OTHER IMPROVEMENTS CONSTRUCTED ON THE PROPERTY THE HOME IS LOCATED ON AND SCHROEDER ENTERPRISES, INC. EXPRESSLY DISCLAIMS ANY SUCH REPRESENTATIONS OR WARRANTIES. Purchaser hereby acknowledges and accepts such disclaimer and waives any and all rights Purchaser may have by virtue of such representations and warranties.

8. LIMITATIONS OF LIABILITY

- a) **Maximum Liability.** Schroeder Enterprises, Inc.'s liability under this Limited Warranty shall not exceed the purchase price paid by the Purchaser for the Home.
- b) **Disclaimers.** IN NO EVENT SHALL SCHROEDER ENTERPRISES, INC. BE LIABLE TO PURCHASER FOR DAMAGES FOR BODILY INJURY, DAMAGE TO PERSONAL PROPERTY, OR DAMAGE TO REAL PROPERTY, WHICH IS NOT PART OF THE HOME. **FURTHER, IN NO EVENT SHALL SCHROEDER ENTERPRISES, INC. BE LIABLE TO PURCHASER FOR ANY SPECIAL, INDIRECT, INCIDENTAL, PUNITIVE OR CONSEQUENTIAL DAMAGES ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE HOME, THE PROPERTY THE HOME IS LOCATED ON, AND**

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ONE (1) YEAR LIMITED WARRANTY AGREEMENT (Cont'd)

8. LIMITATIONS OF LIABILITY (Cont'd)

OTHER IMPROVEMENTS CONSTRUCTED ON THE PROPERTY THE HOME IS LOCATED ON (INCLUDING WITHOUT LIMITATION LOST PROFITS, LOST USAGE, AND DAMAGE OR LOSS OF USE OF DATA), EVEN IF SCHROEDER ENTERPRISES, INC. HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, IRRESPECTIVE OF WHETHER SUCH DAMAGES WERE FORESEEABLE OR UNFORESEEABLE DAMAGES AND IRRESPECTIVE OF THE NEGLIGENCE OF SCHROEDER ENTERPRISES, INC OR WHETHER SUCH DAMAGES RESULT FROM A CLAIM ARISING UNDER TORT, WARRANTY, CONTRACT, OR ANY OTHER LEGAL THEORY. WHETHER FORESEEABLE OR UNFORESEEABLE AND WHETHER OR NOT SUCH DAMAGES ARE BASED ON WARRANTY, CONTRACT OR ANY OTHER LEGAL THEORY.

- c) **Acceptance of Risk.** Except for the warranties provided in this Limited Warranty, Purchaser assumes the risk of any and all damages hereafter occurring in or appearing on the Home, the property the Home is located on, and other improvements constructed on the property the Home is located on regardless of the cause thereof. Purchaser's assumption of this risk is partially in consideration of the amount of the purchase price of the Home which is lower than it would be if Schroeder Enterprises, Inc. was to be held responsible for any such risk by virtue of said express or implied representations or warranties.

9. OTHER RIGHTS AND MISCELLANEOUS PROVISIONS

- a) **Other Rights.** This Limited Warranty gives the Purchaser specific legal rights, and they may also have rights which vary from state to state.
- b) **Governing Law.** This Limited Warranty and the Guide are to be governed by and construed in accordance with the laws of the state of Idaho, without regard to principles of conflicts of law and shall be binding upon Purchaser, and Purchaser's heirs, personal representatives, successors and assigns and shall inure to the benefit of Schroeder Enterprises, Inc., its successors and assigns. Any action or proceeding concerning this One (1) Year Limited Warranty Agreement and New Homeowner Orientation & Warranty Guide shall be commenced in the District Court of the State of Idaho, in and for the county in which the Home is located. Each party hereby irrevocably submits generally and unconditionally for themselves and in respect of their property to the sole and exclusive jurisdiction of such courts in any suit, action, or proceeding arising out of or relating to this One (1) Year Limited Warranty Agreement and New Homeowner Orientation & Warranty Guide. Each party hereby irrevocably waives, to the fullest extent permitted by law, any objections that each may have now or hereafter to the laying of venue in any such court and any claim that any such court is an inconvenient forum.

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One (1) Year Limited Warranty Agreement
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ONE (1) YEAR LIMITED WARRANTY AGREEMENT (Cont'd)

9. OTHER RIGHTS AND MISCELLANEOUS PROVISIONS (Cont'd)

- c) **Entire Agreement.** This One (1) Year Limited Warranty Agreement and New Homeowner Orientation & Warranty Guide constitutes the entire understanding and agreement between parties with respect to the subject matter thereof and supersedes all prior written or oral understandings and agreements between the parties with respect thereto. This One (1) Year Limited Warranty Agreement and New Homeowner Orientation & Warranty Guide cannot be changed, altered, amended or modified except by an agreement in writing executed by all parties.
- d) **Waiver.** The failure or neglect of a party to enforce any remedy available by reason of the failure of the other party to observe or perform a term or condition set forth in this One (1) Year Limited Warranty Agreement and New Homeowner Orientation & Warranty Guide shall not constitute a waiver of such term or condition. A waiver by a party (i) shall not affect any term or condition other than the one specified in such waiver, and (ii) shall waive a specified term or condition only for the time and in a manner specifically stated in the waiver.
- e) **Interpretive Provisions.** Notwithstanding the fact that this One (1) Year Limited Warranty Agreement and New Homeowner Orientation & Warranty Guide has been drafted or prepared by one of the parties, each party confirms that both it and its counsel, if desired by a party, have reviewed, negotiated and adopted this One (1) Year Limited Warranty Agreement and New Homeowner Orientation & Warranty Guide as the joint agreement and understanding of the parties. The language used in this One (1) Year Limited Warranty Agreement and New Homeowner Orientation & Warranty Guide shall be deemed to be the language chosen by the parties to express their mutual intent, and no rule of strict construction shall be applied against either party. Captions, headings, and titles set forth in this One (1) Year Limited Warranty Agreement and New Homeowner Orientation & Warranty Guide are for convenience only and shall not be used to interpret or construe the provisions of this One (1) Year Limited Warranty Agreement and New Homeowner Orientation & Warranty Guide.
- f) **Third-party Beneficiaries.** This One (1) Year Limited Warranty Agreement and New Homeowner Orientation & Warranty Guide is intended for the benefit of the parties hereto and their respective successors and assigns, and is not for the benefit of, nor may any provision hereof be enforced by, any other person.
- g) **Consideration.** This One (1) Year Limited Warranty Agreement and New Homeowner Orientation & Warranty Guide is hereby appended to and made part of the contract of sale of the Home. The consideration for this One (1) Year Limited Warranty Agreement and New Homeowner Orientation & Warranty Guide shall be the same consideration as stated in the contract of sale.

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ONE (1) YEAR LIMITED WARRANTY AGREEMENT (Cont'd)

9. OTHER RIGHTS AND MISCELLANEOUS PROVISIONS (Cont'd)

- h) **Severability.** In the case that any one or more of the provisions contained in this One (1) Year Limited Warranty Agreement and New Homeowner Orientation & Warranty Guide, or any application thereof, shall be invalid, illegal or unenforceable in any respect, the validity, legality or unenforceability of the remaining provisions shall not in any way be affected or impaired thereby.
- i) **Merger.** The doctrine of merger shall not apply to this One (1) Year Limited Warranty Agreement and New Homeowner Orientation & Warranty Guide and the terms of this One (1) Year Limited Warranty Agreement and New Homeowner Orientation & Warranty Guide shall survive the Closing.

By signing below, I/we acknowledge receipt of this One (1) Year Limited Warranty Agreement and New Homeowner Orientation & Warranty Guide consisting of twenty-two (22) pages. I/We have carefully read and reviewed its terms, along with all documents referenced as attached herewith, and I/we agree to their provisions .

Date of Closing: _____

Address of Property: _____

Schroeder Enterprises, Inc.

Purchaser:

By: _____

By: _____

Title: _____

Printed: _____

Date: _____

Date: _____

By: _____

Printed: _____

Date: _____



April 14, 2021

AH Concrete LLC dba Hartley Concrete Construction takes pride in the concrete work we have provided for your home. We have followed industry standards to achieve excellent and long-lasting concrete flatwork for your home. We have and will do everything we can to satisfy you as our customer.

The crews who have worked on your project are trained to place and finish concrete to the highest of industry standards. We also work with our concrete producers and cement suppliers to provide you with the highest quality materials.

We offer a one-year warranty of materials and workmanship for no additional cost. The warranty and what to expect from your concrete is detailed in the following sections.

WHAT TO EXPECT WITH YOUR CONCRETE FLATWORK SURFACES.

- Finish
Exterior concrete service walks, drives, porches and patios that are broom finished, or pattern finished can still be slippery when wet or snow covered.
- Surfaces
A common misconception is that your drive, porch, patio or drive surface will last and hold indefinitely. Unfortunately, this is not true. Exterior concrete, particularly in Idaho, is subject to inclement weather and vehicle traffic. This will result in normal wear on the surface of the concrete. Sometimes the surface of the concrete may appear to be popping or flaking off. If this is minimal (a few here or there) it is quite possible that a stone or stones close to the surface popped out. This is nothing to worry about because the integrity of the slab is not compromised. If you experience a lot of popping and flaking of the surface (more than 20%) then you may have a warranty issue.
- Discoloration
Another common misconception is color matching. It is not always possible to match the exact color of your porch to your sidewalk, drive, or patio. Sometimes even the different pours of your driveway will not match exactly. Many driveways require two or more loads of concrete, and these can vary in color. Weather conditions, location or moisture in the sub-grade can also contribute to how the cement will cure. While we make every attempt to minimize colorization issues, color variations are common and may fade over time.

Purchaser _____(initials)
Date: _____

Purchaser _____(initials)
Date: _____

- Discoloration-cont.

If you are considering replacing one or more squares of a drive, patio or sidewalk that have popped, cracked, or flaked, please take into consideration the color difference that will result between the older sections and the newly poured section(s). This color variation will take many years to, or may never blend together and will be more noticeable than a few pops or cracks.

- Cracks

Concrete will crack. We don't like it either but it is going to happen. Your concrete is poured over large areas of pliable material dirt/gravel. Concrete is a strong and rigid material. These are two un-like materials so we compensate for this difference by either cutting or tooling control joints in the surface of the slab. These joints are where we want the concrete to crack. However, sometimes cracks occur before the joints are cut. Weather conditions often determine these factors when we are pouring so we do what we can to stop the cracking. There is *no guarantee* that the concrete will not develop cracks in other locations during the curing process and later on. Cracks outside of control joints *that exceed 1/4" in width or 1/4" in vertical displacement* will be repaired. *Repairs are not guaranteed to match the existing concrete in color or texture.*

- Frost Heaves & Cracking

Idaho is in a severe weather region. Throughout any given winter/spring there are many freeze-thaw cycles. During these events your exterior concrete is likely to heave up but will most likely settle back to its normal elevation again. Unfortunately, the slab is susceptible to cracking during a frost heave event. Cracking related to frost heave is *not* a warranty issue.

CUSTOMER CONCRETE KNOWLEDGE & CARE

- Industry standards for repair or replacement is greater than 1/4" displacement either in height or gap.
- Use of any salt or de-icing chemicals *will void any warranty.*
- Do not allow snow and ice to accumulate the first winter-keep drive and sidewalks shoveled off.
- Do not apply de-icing chemicals; use sand for traction as a necessary alternative.
- For any stain removals, do not use harsh acids; use one specifically designed for the stain in question, and for use on concrete.
- Idaho is classified as a severe weather region.

Thank you,

Rob Lewis
AH Concrete LLC dba Hartley Concrete Construction

Purchaser _____(sign)
Date: _____

Purchaser _____(sign)
Date: _____

IMPORTANT INFORMATION

Regarding Mechanically Vented Crawl Spaces

This home has a mechanically vented crawlspace. The exhaust fan is usually mounted by the furnace location in the garage. It should have constant power to it for it to operate. Usually the disconnect switch is in the electrical panel within sight of the exhaust fan.

The exhaust fan is a FAN TECH model and to identify it, it will have a 4" galvanized pipe going to the outside and one 4" galvanized pipe usually going into the crawl space. There is a floor boot or wall register that does go in to the crawl space and that is usually at the opposite side of the home from the exhaust fan. This vent / register should always be open and never blocked. The homeowner is responsible to check for the fan operation. To do this they can usually go to the fan and feel it or listen to it to make sure it is running, and of course make sure the electrical disconnect stays in the ON position.

This mechanically vented crawl space is designed to keep the crawl space at more constant temperatures then if foundation vents were in place. This mechanically vented crawl space is NOT designed to remove water, moisture or humidity if any water were to get into the crawl space. Water can enter the crawl space in many different ways. Some examples are: broken water lines or sewer pipes, saturated watering of the lawn, or of course mother nature.

If the mechanically vented crawl space does not seem to be operating, please contact Ultimate Heating and Air at 208-321-8663 for service immediately.

The Purchaser is required to verify the fan is operational at all times. Never turn the power off to the Fan Tech fan, or electricity to the home for a long period of time as this could cause damage to the crawl space.

Purchaser has read and understands the foregoing instructions and procedures for the Mechanically Vented Crawl Space:

Purchaser

Date

Purchaser

Date

NOTICE

Watering of your Lawn and Landscaping

Setting the time clock for your sprinkler system to EXCESSIVE watering times, multiple watering times per day, watering more than three days per week, planting and watering or causing a water trap within 4 feet of foundation walls, or watering at a rate more than the ground can absorb, failing to maintain proper grade away from home, failure to divert rain water away from your home, failure to properly maintain your sprinkler system(s), adjusting sprinkler heads so they don't hit the home, WILL lead to undesirable results to your property or home including but not limited to: water entering crawl space, possible structural damage, lawn and plant disease, create environment for insects, mosquito's or other natural growths such as molds and mildews, and general flooding of your yard and property.

Purchaser(s) understand and agree that you are solely responsible for maintaining and continuously monitoring your sprinkler system, sprinkler time clock, adjusting sprinkler heads, and watering times after closing. Seller/Builder is not responsible for any negative or undesirable results that may occur due to over-watering or under-watering of your lawn and landscaping.

Purchaser(s) also understands and agrees that if your landscape sprinkler system is connected to a Pressurized Irrigation System that is either maintained and/or controlled by a City, County, State or subdivision homeowners association, Seller/Builder has no control over the pressure, delivery or water conservation practices in place from the controlling source. It is Purchaser(s) responsibility to notify the controlling party NOT the Seller/Builder with concerns or issues regarding pressure, delivery and/or water conservation practices that are in place in your subdivision or on the property.

Purchaser has read and understands the foregoing Notice regarding Watering of your Lawn and Landscaping:

Purchaser

Date

Purchaser

Date

UTILITY TRANSFERS

GENERAL CONTRACTOR (SELLER) SCHROEDER ENTERPRISES, INC.

PROPERTY ADDRESS OR LEGAL _____.

HOMEOWNER/PURCHASERS NAME _____.

DATE: _____.

Purchaser(s) understand that it is your responsibility to transfer and verify that all utilities are in Purchaser(s) names at closing. Schroeder Enterprises, Inc. will not be responsible for any damages or liability resulting from Purchaser(s) failure to timely transfer such utilities prior to closing. Schroeder Enterprises, Inc. shall remove its name from any utility accounts within one (1) business day after closing which will terminate the service.

Dated this _____ day of _____, 20_____.

Schroeder Enterprises, Inc.

Homeowner/Residential Real Property Purchaser

Homeowner/Residential Real Property Purchaser