

DREAMWORKS BUILDERS, INC.

LIMITED WARRANTY

Property Address: _____

1. NAME AND ADDRESS OF WARRANTOR. The name of the Warrantor (*i.e. the entity making this Limited Warranty*) is DREAMWORK BUILDERS, INC., a Michigan corporation, the address of which is 9050 Cascade Drive, South Lyon, Michigan 48178-9291. The telephone number is 248.756.4088 and the fax number is 248.446.8657.

2. TERMS. The terms of the various coverage of this Limited Warranty begin on the date on which your home is deeded to you (*the "Closing"*), or as otherwise provided in this Limited Warranty.

3. COVERAGE. We, as Warrantor, warranty that for a period of one (1) year after Closing, the floors, ceilings, walls and other structural components of the residential structure (hereinafter "dwelling") which are not covered by other portions of this Limited Warranty will be free of substantial defects in materials or workmanship.
(See and acknowledge receipt of Exhibit A)

4. MANUFACTURERS' WARRANTIES. We assign and pass through to you any manufacturers' or suppliers' warranties on all appliances and equipment and "consumer products" (*as the same may be defined from time to time by Public Law No. 93-637, commonly known as the Magnuson-Moss Act or any regulations promulgated there under*) located in the dwelling. The following are examples of such appliances and equipment, although not every dwelling includes all of these items and some dwellings may include appliances or equipment not in this list: refrigerator, range furnace, washing machine, dishwasher, garbage disposal, ventilating fan and air conditioner. We do not hereby represent that any such appliances and/or equipment have manufacturers' or suppliers' warranties. To the extent that any such manufacturers' or suppliers' warranties exist on such appliances and/or equipment as may be provided in the dwelling, we hereby assign such manufacturers' or suppliers' warranties to you. If necessary, you should mail any return post cards to record the warranties.

5. EXCLUSIONS FROM COVERAGE. We do not assume responsibility for any of the following all of which are excluded from the coverage of this Limited Warranty:

- (a) Defects in appliances and pieces of equipment which are covered by manufacturers' or suppliers' warranties. (We have assigned any such manufacturers' or suppliers' warranties to you, and you should follow the procedures in these warranties if defects appear in these items).

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- (b) Damage due to ordinary wear and tear, abusive use, modification, or lack of proper maintenance of the dwelling.
- (c) Conditions which are the result of characteristics common to the materials used including defects which arise from normal settlement or shifting or normal expansion or contraction of the materials, such as (but not limited to) fading, checking of paint due to sunlight; damage to concrete resulting from use of salt, chemicals or other de-icing agents.
- (d) Damage to or destruction of any tree, shrub or plant growth on your site, whether it is native to the site or placed on your site or relocated to your site, and existing after completion of construction, regardless of Warrantor's care to protect any tree, shrub or plant growth in either its original or relocated site.
- (e) Defects in items installed by you or by anyone else except us or (if requested by us) our sub-contractors.
- (f) Work done by you or anyone else except us or (if requested by us) our sub-contractors.
- (g) Loss or injury due to the elements.
- (i). Any existing environmental or ecological conditions on the subject property.
- (j) Loss or damage which Purchaser has not taken timely action to minimize.

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- (k) **CONSEQUENTIAL, INCIDENTAL, SPECIAL OR SECONDARY DAMAGES ARISING OUT OF ANY DEFECTS IN MATERIALS OR WORKMANSHIP OR ARISING OUT OF ANY BREACH OF THIS LIMITED WARRANTY.** In no event will Warrantor be liable for such damages even if builder has been advised of the possibility of such damages, nor shall Warrantor be liable for or responsible to compensate or indemnify Purchaser for any damage, claim, demand, loss, cost or expense resulting from an alleged claim of breach of warranty hereunder, whether relating to injury to persons, property, or otherwise, or relating to the presence of any toxic or hazardous waste, substance or contaminant including radon gas in, on or under the site or the structure hereon or the real estate adjacent to or in close proximity with the site.

6. NO OTHER WARRANTIES. THIS LIMITED WARRANTY IS THE ONLY WARRANTY THAT WE GIVE. THERE ARE NO IMPLIED WARRANTIES OF ANY KIND AND/OR FOR THE BENEFIT OF ANY ENTITY, INCLUDING, BUT NOT LIMITED TO, WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, HABITABILITY AND CONFORMANCE WITH PLANS AND SPECIFICATIONS. THIS WARRANTY ALSO EXCLUDES ANY CONDITION WHICH MAY BE DEEMED IN VIOLATION OF ENVIRONMENTAL LAWS, RULES, POLICIES, OR REGULATIONS, AND/OR ANY CONDITIONS OF TOXIC WASTE OR HAZARDOUS SUBSTANCES. YOU MAY BE REQUIRED TO PAY SUBSTANTIAL SUMS FOR THE REPAIR OF DEFECTS WHICH MAY OCCUR AND WHICH ARE NOT COVERED BY THIS LIMITED WARRANTY. NO SALES REPRESENTATIVE OF THE UNDERSIGNED IS AUTHORIZED TO DEVIATE FROM THIS PROVISION.

7. FINAL PRE-CLOSING WALK-THROUGH LIST. You will be allowed a final walk-through of the completed home prior to closing. You should carefully inspect the home. In the event any substantial defects in materials or workmanship exist per this Limited Warranty, a written list of such defects must be made and presented to Warrantor prior to closing. The Warrantor shall not be required to correct such defects prior to closing, but shall do so as promptly as possible after the closing at Warrantor's own expense. After the closing, Warrantor's obligation to correct defects in the structure shall be strictly limited to those defects which are covered by this Limited Warranty and which were listed by the Purchaser in writing prior to the closing and those defects which are covered by this Limited Warranty and are latent and could not have been discovered by the Purchaser prior to the closing. *Nicks or cracks on plumbing fixtures, appliances, mirrors, counter tops, ceramic tile, tub scratches or chips, marble or other materials will not be repaired unless noted on your final pre-closing walk through.*

8. CLAIMS PROCEDURE. If a defect appears that you reasonably believe is covered by this Limited Warranty, you must file a written warranty service request with the Warrantor at its address noted above. Warrantor has no responsibility or liability hereunder for any claim which is not received by the Warrantor before the expiration of the one-year Limited Warranty period set forth in paragraph 1. *If delay will cause extra damage, telephone us immediately. Only emergency reports will be taken by telephone. To eliminate misunderstandings and to protect your interests, however, other than emergency items all communications must be in writing.* You must sign an acknowledgement of the completion of each repair made pursuant to this Limited Warranty on the repair order, as each repair is completed. Your failure to sign an acknowledgement upon request will terminate this Limited Warranty and relieve Warrantor of any further obligation to make additional repairs.

9. REPAIRS. Upon receipt of your written report of a defect, we will inspect your dwelling. If a defective item is covered by this Limited Warranty, we will repair or replace it at no charge to you within sixty (60) days after our inspection (longer if weather conditions, labor problems or materials shortages cause delays). This work will be done by us or sub-contractors chosen by us. The choice between repair and replacement is ours. **REPAIR OR REPLACEMENT OF DEFECTIVE ITEMS IS YOUR SOLE AND EXCLUSIVE REMEDY UNDER THIS LIMITED WARRANTY.**

10. NOT TRANSFERABLE. This Limited Warranty is extended to you only if you are the first purchaser of your structure. When the first purchaser sells the structure or moves out of it, this Limited Warranty automatically terminates.

11. ARBITRATION. ANY CONTROVERSY OR CLAIM WHICH MIGHT BE THE SUBJECT OF A CIVIL ACTION BETWEEN THE WARRANTOR AND THE PURCHASER OR ANYONE CLAIMING UNDER THE PURCHASER, SHALL BE SETTLED IN ACCORDANCE WITH THE CONSTRUCTION INDUSTRY ARBITRATION RULES OF THE AMERICAN ARBITRATION ASSOCIATION AND JUDGMENT UPON THE AWARD RENDERED BY THE ARBITRATOR(S) MAY BE ENTERED IN ANY COURT HAVING JURISDICTION THEREON.

12. APPLICABLE LAW. This Limited Warranty shall be construed in all respects and governed by the laws of the State of Michigan.

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Dated this _____ day of _____, the year _____.

Purchaser's Signature:

Warrantor's Signature:

DREAMWORKS BUILDERS, INC.
A Michigan Corporation

By: Amy K. Robinson-Crotty
Its: President

**Limited Warranty
Exhibit A**

This section establishes the performance standards by which DreamWork Builders will adhere to when correcting defects disclosed by you during the 12-month warranty period. These standards were adapted from those established by the National Association of Home Builders. Where specific standards and obligations are not set forth, the standard shall be accepted by industry practice for workmanship and materials.

<u>Defect/Area of Concern</u>	<u>Accepted Industry Performance Standard</u>	<u>Builder Responsibility</u>	<u>Exclusions/Homeowners Responsibility</u>
1. SITEWORK			
1.1. Grading	NONE	Builder shall grade to a final grade as accepted by the Municipality. Final finish grading for sod and landscaping is to be completed by Homeowner after closing. If closing should occur during the winter months and final grade is outstanding, Homeowner acknowledges the ground must be fully thawed and dry prior to final grade being completed. (Delays can be expected with spring rains.) Final grade may not be completed until the end of June.	Builder does not warranty or maintain natural trees. Homeowner accepts responsibility for care and maintenance for any builder installed landscaping, trees, or sod upon closing or when installed. Failure of Homeowner to properly care for landscaping and sod after closing absolves the Builder of any responsibility.

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<p>1.2 Settling of Ground around Foundation, Utility Trenches and other areas.</p>	<p>Settling of ground around foundation walls, utility trenches, or other filled areas should not interfere with water drainage away from the home.</p>	<p>If the Builder has completed finish grading, the Builder will fill settled areas affecting proper drainage one time only during the first year of the warranty period.</p>	<p>Homeowner is responsible for removal and placement of shrubs or other landscaping affected by placement of such fill.</p>
<p>1.3 Drainage</p>	<p>Necessary grades and swales will be established by the Builder to ensure proper drainage away from the home. Standing or ponding water shall not remain for extended periods in the immediate area after a rain (generally no more than 24 hours), except in swales, which drain other areas or in areas where sump pump discharges. The possibility of standing water after an unusually heavy rainfall should be anticipated.</p>	<p>Builder is responsible only for initially establishing proper grades and swales. The Homeowner is responsible for maintaining such grades and swales once they have been properly established. As part of the responsibility of the Homeowner to maintain grades and swales, water must be diverted further away from the house than originally provided by Builder. This includes all downspouts.</p>	<p>No grading determination will be made while there is frost or snow on the ground, or while the ground is saturated. Builder has no responsibility to restore proper grades and swales due to changes made by Homeowner landscaper.</p>
<p>2. CONCRETE</p>			
<p>2.1 Separation or movement at expansion and contraction joints</p>	<p>Concrete slabs are designed to move at expansion and contraction joints, but should not show displacement exceeding 1/4".</p>	<p>Builder will replace slabs to meet performance standard.</p>	<p>Damage found to be caused by Homeowner action such as improper drainage from downspouts, or negligence is not covered.</p>

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<p>2.2 Basement or foundation wall cracks</p>	<p>Shrinkage cracks are not unusual in concrete foundation walls. Such cracks greater than 1/4" in width will be repaired if leaking.</p>	<p>Builder will repair cracks in excess of 1/4" width if cracks are leaking. Repairs shall be done from the inside. Repair material shall be at the builder's discretion. Color of patching material may not be that same as the concrete.</p>	<p>Builder has no responsibility to repair cracks that are not are leaking.</p>
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NOTE: To expedite the repair of basement wall cracks, the area must be cleared of all personal belongings, debris, etc.

NOTE: Epoxy may be harmful if directly inhaled. Therefore, we suggest that the area to be worked on be well ventilated. Persons with health conditions and/or pregnant women may want to vacate the premises for a period of time.

<p>2.3 Basement floor cracks</p>	<p>Minor cracks in basement floors are normal. Cracks exceeding 1/4" in width with 1/4" in vertical displacement will be repaired.</p>	<p>Builder will repair cracks exceeding maximum tolerances by surface patching or other methods as required. Color of patching material may not be the same as the concrete.</p>	
<p>2.4 City & service walkways</p>	<p>Minor cracks in sidewalks are normal. Cracks exceeding 1/4" in width with 1/4" in vertical displacement will be repaired.</p>	<p>Builder will repair cracks exceeding maximum tolerances by surface patching or other methods as required. Color of patching material may not be the same as the concrete.</p>	

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<p>2.5 Cracking of slab in attached garage</p>	<p>Cracks in garage in excess of 1/4" in width with 1/4" in vertical displacement will be repaired.</p>	<p>Builder will repair cracks 1 exceeding maximum tolerances by surface patching or other methods required. Color of patching material may not be the same as the concrete.</p>	
<p>2.6 Pitting, scaling, or spalling of concrete work</p>	<p>Concrete surfaces should not disintegrate to the extent that the aggregate is exposed and loosened under normal conditions of weather and use.</p>	<p>Builder will take whatever corrective action necessary to repair or replace defective concrete surfaces; Saw cutting is an acceptable remedy.</p>	<p>Deterioration caused by salt, chemicals, mechanical implements and other factors beyond control, of builder including but is not limited to Homeowner action or negligence.</p>
<p>2.7 Stoops and steps of garage floors.</p>	<p>Stoops, steps, or garage floors should not settle, heave, or separate in excess of 1" from the house structure.</p>	<p>Corrective action according to Builders judgment will be used to meet the performance standard.</p>	
<p>2.8 Standing water on stoops</p>	<p>Water should drain from outdoor stoops and steps. Possibility of minor water standing on stoops for a short period of time after rainfall can be anticipated.</p>	<p>Builder shall take corrective action to assure proper drainage of steps and stoops.</p>	<p>Minor standing water on stoops for a short period after, rain is to be expected and is not considered a defect that needs correction.</p>
<p>2.9 Standing water on sidewalks</p>		<p>Builder shall review areas of concern and will take corrective action if a defect is found to be cause of standing water.</p>	
<p>3. MASONRY (Brick, block, or stone)</p>			

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<p>3.1 Cracks in masonry walls or veneer.</p>	<p>Small hairline cracks due to shrinkage are common in mortar joints in masonry construction. Cracks greater than 3/8" in width are considered excessive.</p>	<p>Builder will repair cracks in excess of Performance Standard by pointing or a patching. These repairs will be made only once during the warranty period, at the 11- month service.</p>	
<p>3.2 Brick</p>	<p>Minor cracks in brick or mortar are normal and are not considered deficiencies.</p>	<p>Any cracks not noted prior to closing or on the walk through punch list are not covered under warranty.</p>	
<p>3.3 Concrete Block</p>	<p>Cracks in concrete block in excess of 1/4" in width with 1/4" in vertical displacement will be repaired. Cracks that are leaking will be repaired.</p>	<p>Builder will repair cracks not meeting Performance Standard by surface patching or other methods required. Color of patching material may not be the same as the concrete.</p>	
<p>4. Rough Carpentry</p>			
<p>4.1 Floor squeaks or sub floor appears loose</p>	<p>Floor squeaks and loose sub floors are often temporary conditions common to new construction. A squeak-proof floor cannot be guaranteed.</p>	<p>Any squeaks noted after placement of floor and closing are not warrantable.</p>	
<p>4.2 Uneven wood floors</p>	<p>Floors should not have more than 1/4" ridge depression within any 32" measurement when measured parallel to joists</p>	<p>Builder will correct to meet Performance Standard.</p>	

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	parallel to joists. Allowable floor and ceiling defects are governed by applicable building code.		
4.3 Bowed Walls	Interior and exterior walls have slight variances on their finished surfaces. Bowing of walls should not detract from or blemish the walls finished surface. Walls should not bow more than 1/4" out of line within any 32" horizontal or vertical measurement.	Builder will repair to meet Performance Standard.	
4.4 Out of plumb walls	Walls should not be more than 1/4" out of plumb for any 32" vertical measurement.	Builder will repair to meet Performance Standard.	
4.5 Interior trim workmanship	Joints in or between moldings and adjacent surfaces should not result in open joints exceeding 1/8" in width.	Builder will repair defective joints. Caulking is an acceptable way to repair.	Maintaining caulk is a Homeowner maintenance item.
4.6 Interior trim is split	None	None	Splits, cracks, and checking are inherent characteristics of all wood products and are not considered deficiencies. Open joints smaller than 3/8" that perform to the standard (i.e. exclude the elements) are not covered.
4.7 Exterior trim workmanship	Joints between exterior trim elements, including siding and masonry should not result in open joints in excess of 3/8". In all	Builder will repair open joints as defined. Caulking is an acceptable way of repair.	

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	cases, the exterior trim, masonry and siding should be capable of performing its function to exclude the elements.		
4.8 Exposed nail heads in woodwork	Setting nails and filling nail holes are considered part of a painting and refinishing. After painting or refinishing, nails and nail holes shall not be readily visible for a distance of 6' under normal lighting conditions.	Fill nail holes where required and if necessary, touch up paint, stain, or varnish to match as closely as possible. Finish color will not match exactly due to fading.	Nail holes do not have to be filled where the surface finish is not conducive. Nail holes in base and trim in unfinished rooms or closets do not have to be filled. Filler will not match stain/paint exactly
5. Insulation and moisture protection			
5.1 Leaks in basement	Leaks resulting in actual trickling of water will be repaired. Dampness of the walls or floors may occur in new construction and is not considered a deficiency.	Builder will take such action as necessary to correct basement leaks except where cause is determined to be the result of Homeowner action or negligence. Basement must be dry before leaks can be repaired.	Leaks caused by improper landscaping or failure to maintain proper grade are not covered.
5.2 Insufficient insulation	Insulation will be installed in accordance with applicable energy and building code requirements.	Builder will meet Performance Standard.	
5.3 Leaks in exterior walls due to inadequate caulking	Joints and cracks in exterior wall surfaces and around openings will be properly caulked to exclude the entry of water.	Builder will repair and/or caulk joints or cracks in exterior wall surfaces as required once during warranty period. Caulking will not match paint color.	Properly installed caulking will shrink and must be maintained during the life of the home. Only one repair will be made, after that repair it is the Homeowner's responsibility to maintain

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			caulking.
5.4 Sound transmission between rooms, floor levels, or garages in a building, or from the street into the home.	None	None	
6. ROOFING			
6.1 Louver and vent leaks	Attic vents and/or louvers must be provided for proper ventilation of the attic space.	None	
6.2 Roof or flashing leaks	Roof or flashing should not leak under normally anticipated conditions, except where cause is determined to be ice buildup or Homeowner action or negligence.	Builder will correct to meet Performance Standards	Snow or driving rain coming in vents are beyond Builder control and are not considered as part of the Performance Standard.
6.4 Roof shingles have blown off	Shingles shall not blow off in winds less than the manufacturer's standards or specifications.	Builder will replace shingles that blow off in winds less than the manufacturer's standards or specifications only if improper installation is shown to be the cause.	Shingles that blow off in hurricanes, tornadoes, hailstorms, or winds including gusts greater than 50 miles per hour, are not deficiencies. Homeowners should consult shingle manufacturer's warranty for information regarding shingles that blow off in higher wind speeds.
6.5 Defective shingles	None	None	Manufacturing defects in shingles are not covered under this warranty. Homeowners should consult manufacturer's warranty for information regarding defective

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			regarding defective shingles
7. Siding			
7.1 Loose or fallen siding	All siding that is not installed properly, which causes siding to come loose or fall off, is a deficiency.	Reinstall or replace siding and make it secure.	Loose or fallen siding due to Homeowners actions or neglect, such as leaning heavy objects against siding, impact, or sprinkler systems repeatedly wetting siding, is not a deficiency. Siding that comes loose or falls off due to high winds is not covered.
7.2 Siding has holes, dents, or other damages	Holes or dents can occur in siding if hit with sharp, heavy, or projectile objects.	Builder will not be responsible for repairs unless damage has been reported to Builder at final walk through or prior to closing.	Weed whackers, snow blowers, lawnmowers, etc. can cause damage to siding. This damage is considered to be Homeowner action is not warrantable.
8. DOORS AND WINDOWS			
8.1 Warping of exterior doors	Exterior doors will warp to some degree due to temperature differential on inside and outside surfaces. However, they should not warp to the extent that they become inoperable or cease to	Builder will correct and refinish or replace defective doors during the warranty period.	Homeowner installation of a nonventing storm door will void warranty to exterior door.

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	be weather resistant (1/4" measured diagonally from corner to corner).		
8.2 Warping of interior passage and closet doors	Interior doors (full openings) should not warp in excess of 1/4", measured diagonally from corner to corner.	Builder will correct and refinish defective doors to match existing doors as nearly as possible during the warranty period.	
8.3 Shrinkage of insert panels to show raw wood edges	Panels will shrink and expand and will expose unpainted surfaces.	None	
8.4 Openings at bottom of interior doors	Doors are set at standard height for normal clearance of flooring.	Builder responsible to set doors to accepted height. Non defective doors that drag or leave a larger gap at bottom will be adjusted.	If clearance issue is determined to be caused by Homeowner installation of new carpeting or other flooring or by other Homeowner action, no corrective action may be taken
8.5 Garage doors fail to operate properly, under normal use For information about garage door sound transmission, please see section 5.4	Garage doors should operate properly under normal use.	Builder will correct or adjust garage doors as required, except where the cause of defect is determined to be the result of Homeowner action or negligence.	The installation of garage door openers by Homeowners can void the warranty on the garage door if not installed by the original garage door installer.
8.6 Garage doors allow entrance of snow and water	Garage doors will be installed as recommended by the manufacturer. Some entrance of the elements can be expected under normal circumstances.	Builder will adjust or correct garage doors to meet manufacturer's recommendations.	Bent or bowed garage doors that allow entrance to the elements because of Homeowner action or neglect are not the responsibility of the builder.
8.7 Scratched glass in windows	Glass may have slight imperfections from manufacturer's factory as well as from installation and cleaning that shall not be visible from a distance of 6' under normal lighting conditions.	NONE No window scratches will be addressed if not reported prior to closing.	

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8.8 Broken glass	NONE	NONE. Broken glass not reported to the Builder prior to closing is the Homeowner's responsibility	
8.9 Malfunction of windows	Windows will operate with reasonable ease, as designed by manufacturer.	Builder will repair as required.	
8.10 Condensation and/or frost on windows	Windows will collect condensation on interior surfaces when extreme temperature differences and high humidity levels are present. Condensation is usually the result of climatic conditions.	Unless directly attributed to faulty installation, window condensation is a result of conditions beyond Builder's control. No corrective action is required.	Humidifier adjustment may be necessary to correct condensation on windows.
8.11 Air infiltration around doors and windows	Some infiltration is normally noticeable around doors and windows, especially during high winds. Poorly fitted weather-stripping should be adjusted or replaced. It may be necessary for Homeowner to have storm doors and windows installed in high wind areas.	Builder will adjust or correct poorly fitted doors, windows and weather-stripping.	The installation of storm doors and/or windows is at the sole discretion of the Homeowner. Builder has no responsibility to install or correct poorly installed storm doors or windows. NOTE: Installing storm doors may void warranty coverage of that door.
9. DRYWALL			

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<p>9.1 Drywall blemishes, such as nail pops and blisters in tape</p>	<p>Slight imperfections such as nail pops, seam lines, and cracks not exceeding 1/8" in width are common in drywall installations and are considered acceptable.</p>	<p>None Courtesy repairs on nail pops, and other drywall work may be made once during the warranty period, at 11 months.</p>	<p>Corrective action of nail pops may be taken but Builder has no responsibility to perform paint touch ups for repaired areas.</p>
<p>10. CERAMIC TILE</p>			
<p>10.2 Grouting of tile joints or at junctions with other materials</p>	<p>Cracks in grouting of ceramic tile joints are commonly due to normal shrinkage conditions.</p>	<p>Builder will repair grouting if necessary one time only, during the warranty period. Caulking cracks is an acceptable form of repair. Builder is NOT responsible for minor color variations.</p>	
<p>11. WOOD FLOORING</p>			
<p>11.1 Cracks developing in finished wood flooring</p>	<p>Cracks in excess of 1/8 inch will be corrected.</p>	<p>Builder will repair cracks in excess of 1/8 inch within warranty period by filling or replacing, at Builder's discretion.</p>	
<p>12. CARPETING</p>			

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<p>12.1 Carpet does not meet at the seams</p>	<p>It is not unusual for carpet seams to show. However, visible gaps at the seams are not acceptable.</p>	<p>Builder will eliminate visible gaps at carpet seams.</p>	
<p>12.2 Carpeting loosens or stretches</p>	<p>When stretched and secured properly, wall to wall carpeting installed as the primary floor covering shall not come up, loosen, or separate from the points of attachment</p>	<p>Builder will re-stretch or re-secure the carpeting as necessary to meet the guideline.</p>	<p>If carpet loosens due to Homeowner pulling or lifting carpeting to accommodate wiring (i.e. speaker, cable, phone, etc.), Builder responsibility becomes null and void.</p> <p>Pulling or stretching of carpet occurs when heavy items (entertainment units, sofas, etc.) are dragged rather than lifted across the floor. If Homeowner action is determined to be cause, warranty and builder responsibility become null and void.</p>
<p>12.3 Spots or minor fading</p>	<p>Exposure to natural light may cause spots on and minor fading of the carpet.</p>	<p>NONE</p>	
<p>12.4 Color variations in carpet</p>	<p>NONE</p>	<p>NONE</p>	<p>Colors may vary by dye lot, and from one end to another in the same roll. Side to side shading may show at most if not all seams, even where the same dye lot is used. Carpet material is not covered under this warranty, Homeowner should consult manufacturer's warranty for information regarding color variation.</p>
<p>13.VINYL LINOLEUM FLOORING</p>			

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<p>13.1 Nail pops appear on the surface of resilient flooring</p>	<p>Readily visible nail pops on resilient flooring are not acceptable.</p>	<p>Builder will repair or replace at the Builder's option, the resilient floor covering in the affected areas with similar materials. Builder is NOT responsible for discontinued patterns or color variations when replacing floor covering.</p>	
<p>13.2 Depressions or ridges appear because of sub floor irregularities</p>	<p>Readily apparent depressions or ridges exceeding 1/8" shall be repaired. The ridge or depression measurement is taken with the gap at one end of 6" straightedge centered over the depression or ridge with 3" of the straightedge held tightly to the floor on one side of the defect.</p>	<p>Builder will repair or replace at the Builder's option, the resilient floor covering in the affected areas with similar material.</p> <p>Builder is NOT responsible for discontinued patterns or color variations when replacing floor covering.</p>	
<p>13.3 Resilient flooring loses adhesion</p>	<p>Resilient flooring shall not lift, bubble, or detach from secured locations.</p>	<p>Builder will repair or replace at the Builder's option, the resilient floor covering in the affected areas with similar materials.</p> <p>Builder is not responsible for discontinued patterns or color variations when replacing floor covering.</p>	<p>Resilient flooring is only secured at the perimeter and is made to float over sub floor. Heavy objects drawn across floor may tear middle and are actions of the Homeowner that are not warrantable</p>
<p>13.4 Seams or shrinkage gaps show at flooring joints</p>	<p>Gaps at joints in resilient sheet flooring shall not exceed 1/16" from the floor. Where dissimilar materials abut, the gap shall not exceed 1/8".</p>	<p>Builder will repair or replace at Builder's option the resilient flooring as necessary to meet the performance guideline.</p>	

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		Builder is NOT responsible for discontinued patterns or color variations when replacing floor covering	
13.5 Bubbles appear on vinyl flooring.	Bubbles resulting from trapped air that protrude higher than 1/16" from the floor are not acceptable.	Builder will repair or replace at Builder's option the resilient flooring as necessary to meet the Performance guideline. Builder is NOT responsible for discontinued patterns or color variations when replacing floor covering.	
13.6 Patterns on vinyl flooring are misaligned	Patterns at seams between adjoining pieces shall be aligned to within 1/8".	Builder will repair or replace at Builder's option the resilient flooring as necessary to meet the performance guideline. Builder is NOT responsible for discontinued patterns or color variations when replacing floor covering.	
13.7 Yellowing appears on surface of vinyl sheet	Builder shall install vinyl flooring per manufacturer's specifications	Builder does not cover yellowing from a manufacturer's defect.	Only cleaning methods specified by manufacturer should be used, this warranty provides no coverage for damage as a result of improper use of chemicals for cleaning.
14. PAINTING Note: Paint touch up kits will be provided to the Homeowner at closing			

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<p>14.1 Touch-ups</p>	<p>Touched up area to be free of streaks or bubbles that are noticeable at a distance of at least 6' under normal lighting conditions.</p>	<p>None No paint touch ups will be done after closing. However, builder will repair section of wall damaged as result of warranty service to original paint color as indicated in specifications. Entire wall WILL NOT be painted.</p>	<p>Paint colors altered by Homeowner eliminates Builder's responsibility for touch ups. Courtesy drywall touch ups at 11 months DO NOT include painting.</p>
<p>14.2 Paint splatters and smears on finish surfaces</p>	<p>Paint splatters on walls, woodwork, or other surfaces which are excessive, shall not be readily visible when viewed from a distance of 6' under normal lighting conditions.</p>	<p>Builder shall remove paint splatters without affecting the finish of the material, or replace the damaged surface if paint cannot be removed. Builder will not remove any paint not noticed prior to closing.</p>	<p>Minor paint splatter and smears on impervious surfaces that can be easily removed by normal cleaning methods are considered to be Homeowner maintenance items and are not deficiencies.</p>
<p>15. FIREPLACES</p>			
<p>15.1 Fireplace or chimney does not draw properly</p>	<p>A well designed and constructed fireplace and chimney should function properly. It is normal to expect that high winds can cause temporary negative draft situations. Similar negative draft situations can also be caused by obstructions such as large branches of trees too close to the chimney. Some</p>	<p>Builder will determine cause of malfunction and correct if found to be problem with design or construction of fireplace.</p>	<p>Maintaining trees over chimney and cleaning debris (i.e. birds nests, etc.) are the responsibility of the Homeowner as they are maintenance items.</p>

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	homes may need to have a window opened slightly to create an effective draft, if the home has been insulated and weatherproofed to meet high energy conservation criteria.		
15.2 Chimney separation from structure to which it is attached	Newly built fireplaces will often incur slight amounts of separation. Separation should not exceed 1/2" from the main structure in any 10' vertical measurement	Builder will repair to meet Performance Standard.	
15.3 Firebox paint changed by fire	Heat from fire will alter finish.	None	
15.4 Cracked firebox and mortar joints	Heat and flames from roaring fires will cause cracking.	None	
15.5 Noise coming from fireplace	Whistling from the wind as well as slight pops from the heated pipes are to be expected and are not deficiencies.	None	
16. LAMINATES, CABINETS AND SOLID SURFACE COUNTERTOPS			
16.1 Surface cracks, joint delaminations and chips in laminates on countertops	Countertops fabricated with high-pressure laminate covering should not delaminate.	Builder will replace delaminated coverings to meet specified criteria. Builder is NOT responsible for chips and cracks noted following closing.	Damage found to be caused by Homeowner action or negligence is not covered. Homeowner is responsible to maintain caulking between counter and backsplash.

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16.2 Kitchen cabinet malfunctions	Warpage should not exceed 1/4" as measured from face frame to point of furthest warpage with door or drawer front in closed position.	Builder will correct or replace doors or drawer fronts Style of cabinet will be the same, however, due to natural wood grain, color and/or pattern may not be the same.	
16.3 Discoloration of cabinets	Natural wood grain has variances in color and are not considered deficiencies.	None	Cabinets may fade in sunlight; such cabinets are not covered under warranty.
16.4 Missing pans of cabinets	All cabinets come with manufacturer's parts and pieces.	Any missing pieces not reported prior to closing are not covered.	
16.5 Solid surface countertops	Builder will correct only if documented prior to closing.	The builder will repair cracked vanity tops at drains or along the countertop. Granite is a very porous stone and stains to granite inflicted by homeowner are not covered.	Homeowner is responsible for maintaining and sealing granite countertops. Recommendation: Re-seal every 2 years for optimal protection.
17. PLUMBING			
17.1 Plumbing pipes freeze and burst	To prevent freezing (during normally anticipated cold weather), drain, waste, vent, and water pipes will be adequately protected; as required by applicable code defined in accordance with ASHRAE design temperatures.	Builder will correct situations not meeting code.	Burst pipes due to Homeowner's neglect and resultant damage are not Builder's responsibility. During periods when the outdoor temperature falls below the design temperature it is the Homeowner's responsibility to drain or otherwise protect lines

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			and exterior faucets. Additionally, maintaining suitable temperature in the home to prevent water in the pipes from freezing is to be performed by the Homeowner. Homes, which are periodically occupied, such as summer homes, or where there will be no occupancy for an extended period of time, must be properly winterized or periodically checked to insure that a reasonable temperature is maintained.
17.2 Faucet or valve leak	No valve or faucet should leak due to defects in workmanship or materials.	Builder will repair or replace the leaking faucet or valve.	
17.3 Exterior faucet noise	Anti-siphon valves are to be installed, per code, on exterior faucets and may make noise when in use.	None	
17.4 Defective plumbing fixtures, appliances, or trim fittings	Fixtures, appliances, or fittings will comply with their manufacturer's standards.	Builder will replace any defective fixture or fitting which does not meet acceptable standards, as defined by manufacturer.	
17.5 Cracking or chipping of porcelain or fiberglass surfaces	Chips and cracks on surfaces of bathtubs and kitchen sinks can occur when surface is hit with sharp or heavy objects.	Builder will not be responsible for repairs unless damage has been reported to Builder at walk through or prior to closing.	
17.6 Staining of plumbing fixtures due to high iron, or other mineral content in water	None	None High iron content in water will cause staining of plumbing Fixture.	Maintenance and treatment of the water is the Homeowner's responsibility.

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17.7 Plumbing fixture tarnishes	None	None	Finishes on plumbing fixtures may be covered under the manufacturer's warranty. Homeowner should consult manufacturer's warranty for information
17.8 Sump pump	Sump pump when installed per manufacturer's specifications should prevent water overflow under normal usage.	Builder responsibility for malfunction of the sump pump is to repair or replace damaged parts only; damage to contents is not covered by Builder and should be handled through Homeowners Insurance.	Sump pump in basement has been provided with its own electrical outlet. Use of this outlet for other items or addition of a protective surge strip is not allowed.
<p>18. HEATING AND AIR conditioning</p> <p>NOTE: We recommend changing furnace filters once a month optimum performance.</p>			
18.1 Inadequate heating	Heating system should be capable of producing an inside temperature of 70° Fahrenheit, as measured in the center of each room at a height of 5' above the floor as specified by ASHRAE.	<p>Builder will correct heating system to provide the required temperatures.</p> <p>Heating will be balanced once after all furniture and window treatments have been installed.</p>	It is the responsibility of the Homeowner to balance dampers, registers, and make other minor adjustments.
18.2. Inadequate cooling	<p>Where air conditioning is provided, the cooling system will be capable of maintaining a temperature of 78° Fahrenheit, as measured in the center of each room at a height of 5' above the floor as specified by ASHRAE.</p> <p>In the case of outside temperatures exceeding 95° Fahrenheit, a differential of 15°</p>	Builder will correct cooling system to meet temperature conditions in accordance with specifications.	

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	<p>Fahrenheit from the outside temperature will be maintained.</p> <p>Federal, state, or local energy codes shall supersede the standard where such codes have been locally adopted.</p>		
18.3 Noisy duct work	<p>When metal is heated it expands and when cooled, it contracts. The result is ticking or crackling, which is to be expected.</p>	NONE	
18.4 Ductwork makes excessively loud noises known as "Oil canning"	<p>The stiffening of the ductwork and the gauge of the metal used will be such that ducts to not "oil can." The booming noise caused by "oil canning" is not acceptable.</p>	Builder will correct.	
<p>19. ELECTRICAL NOTE: Telephone jacks terminate in the unfinished basement. It will be the homeowners responsibility to connect after closing</p>			
19.2 Malfunction of electrical outlets, switches, or fixtures	<p>All switches, fixtures and outlets should operate as intended.</p>	Builder will repair or replace defective switches, fixtures or outlets.	
19.3 Ground fault interrupter (GFI) trips frequently	<p>Ground fault interrupters (GFI) are sensitive safety devices installed into the electrical system to provide protection against electrical shock. These sensitive devices can be tripped very easily.</p>	<p>Builder will repair if failure is result of defective workmanship or materials. Builder will not repair if failure is due to Homeowner action t or negligence.</p>	<p>GFI circuits have a test and reset button. Once each month, it is the Homeowner's responsibility to press the test button to trip the circuit. It is then necessary to press the reset button. A GFI that trips frequently during normal use may be an indication of a faulty appliance overload on the system. Running</p>

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			heavy appliances such as power tools or sports equipment may cause GFI to consistently trip. Always check all GFI breakers before calling for service as they are interconnected.
19.4 Electrical fixtures	NONE	Electrical fixtures will be cleaned, at installation only. Builder is not responsible for missing parts, broken fixtures, Etc. that are not reported prior to closing. Tarnished electrical fixtures are not covered under this warranty.	Finishes on electrical fixtures may be covered under the manufacturer's warranty. Homeowner should consult manufacturers warranty for information.
19.5 Drafts from Electrical outlets	NONE	NONE	The electrical junction box on exterior walls may produce a slight airflow whereby the old air can be drawn through the outlet into a room. This problem is normal in new home construction.
20. Landscaping			
20.1 Landscaping	NONE	NONE	DreamWork Builders, Inc. does not warrant landscaping. The preferred landscaper that installed your landscaping package warrants landscaping.

Purchaser acknowledges receipt of DreamWork Builders Exhibit A to Limited Warranty.

Purchaser: _____

Date: _____

Purchaser: _____

Date: _____