

Warranty Manual & Homeowner Guide

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GMC Construction of NC, Inc.

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Dear Homeowner:

We would like to take this opportunity to congratulate you on your new GMC Construction home. We appreciate the confidence you have placed in GMC Construction of NC, Inc. as the builder of your new home.

For years, GMC Construction of NC has been building quality affordable homes in Cumberland, Hoke, and Robeson counties in eastern North Carolina. We take great pride in our employees, trade contractors, and of course YOU, our customers.

We realize that the purchase of a new home may be the single largest financial investment you will ever make. We also understand the personal gratification that comes from owning your own home. With these thoughts in mind, we strive to use the best materials and provide quality workmanship that will reflect our efforts in constructing a home that increases in value and reflects the lifestyle of the community you have chosen.

We thank you for becoming a GMC Construction homeowner who has realized part of the "American Dream" by owning their own home. Please take a few minutes to familiarize yourself with the Home Owner's Warranty Guide. This booklet contains important warranty and maintenance information that you will find beneficial. Please be sure to bring this booklet with you to your Orientation Walk-Through, which will be scheduled prior to closing.

Sincerely,

Gregory M. Caulder President

I. Introduction

We are proud of the quality, design and construction of the new home we have built for you. It is of paramount importance to us that all of our homeowners are satisfied.

The material in these pages is the result of our efforts to answer many of the questions you may have after you move into your new home. Since no guide could possibly address every question you might have, we encourage you to come to us for personalized assistance as the need arises.

A home is a unique product, one that requires your proper care and maintenance. Under the GMC Construction of NC, Inc. *New Home Warranty Agreement*, you are expected to prevent damage and ensure proper functioning of your home and its various systems.

WE STRONGLY URGE YOU TO READ THE ENTIRE WARRANTY CAREFULLY!

Customer satisfaction is our number one priority at GMC Construction of NC, Inc. This homeowner's guide and warranty manual has been prepared to provide you with some useful information on your new home, and to help you better understand the procedures that have been established to address customer service. The Manual covers warranty issues so you know what to expect and what to do when a situation arises. We also have included the Warranty Standards, which details the construction industry standards.

We have a highly motivated and professional staff that will be happy to assist you after you move into your home. If problems, questions, or complaints of any nature occur after close, please feel free to contact us at (910) 802-4959, or contact the appropriate vendor on the following vendor page.

Some of the information in this Homeowner Guide and Warranty Manual was prepared specifically to inform you of the maintenance responsibilities you will have as a new homeowner. Beginning with your move in date, there are items in your home that will need regular care by you. We urge you to read this book thoroughly.

GMC Construction of NC, Inc. Vendor and Subcontractor List

Brock Cabinets (910) 424-1776 Cabinets

Carpet One Floor & Home (910) 433-2757 Flooring and Ceramic Tile

Creative Stone (910) 491-1225 Granite Countertops

Allman Electric Co. (910) 485-8617 Electrical work

Steven Blue Plumbing (910) 536-6362 Plumbing

Tri-City Insulation (910) 486-8855

Insulation, fireplace, siding, shelving, bath accessories, shower doors

McDonald Lumber Co. (910) 424-4440

Windows, doors, trim materials

Snow's Landscaping (910) 483-3236 Landscaping

JLC Garage Doors (910) 723-1605 Garage door Taylored Control Systems (910) 484-0700 Alarm wiring, phone cables

Certified Heating & Air (910) 858-0000 HVAC

All-Star Pest Services (910) 258-1388 Termite pretreatment

Oxendine Trim (910) 263-0921 Interior trim work

Gary Collins Drywall (910) 521-4847 Drywall

Angeles Painting (919) 464-5097 Painting

Superior Concrete Finishing (910) 875-6776 Driveway, walkways, slab, patio

Mid-South Lighting Co. (910) 867-1600 Lighting package

Major Appliance Co. (910) 483-1369 Kitchen appliances

Note: This vendor list is for "general information purposes only" and is not lotspecific nor all-inclusive. Occasionally, we may have to use various vendors among similar trades due to scheduling constraints and availability. We will provide homeowners with a vendor list specific to their home at their walk-through appointment.

II. Homeowner Orientation

A. Purpose

The purpose of the Homeowner Orientation is to provide you with a chance to become acquainted with your new home with the help of one of our representatives. They will demonstrate and familiarize you with your new home, explain homeowner maintenance and warranty coverage. The GMC Construction of NC, Inc. representative will be able to answer any questions you might have about your home and its various components. You will be shown how to operate the appliances and equipment in your home, and you will be given the manufacturer's instructions and warranties for those items. Again, feel free to ask any questions you might have about the home and its components.

B. Procedures

As you participate in the Homeowner Orientation of your new home with a GMC Construction of NC, Inc. representative, it is very important that you understand the procedures of this orientation so that it may be completed properly and provide the most benefit to you. A set format will be utilized for you Homeowner Orientation and depending on the size of your home; the entire process may take approximately two (2) hours.

- (1.) The GMC Construction of NC, Inc. representative will begin by giving an overview of your Homeowner's Guide and Warranty Manual.
- (2.) Our knowledgeable staff will walk you through your house, room by room, as well as the exterior of your house. They will demonstrate how your house operates, testing appliances, lights, doors, windows, and all other devices in your home. They will also insure all of your selected options have been installed.

In addition, you will have an opportunity to note any items at your home needing attention on the Orientation Punchlist form. If an item does not fall within acceptable standards of quality for a home, the item will be listed on the Orientation Punchlist Form and scheduled for correction.

*Most items listed will most likely be cosmetic and can be completed promptly; however, depending on scheduling, ordering and other unforeseeable delays, some items may take up to 30 days for completion.

During your Homeowner Orientation, please feel free to open windows, look at every wall, flush every toilet, try out appliances, examine the exterior, etc. Take as much time as necessary to adequately inspect your new home. It is important that you understand we are working with manmade and natural materials and there *will be* flaws involved.

NOTE: We consult the National Association of Home Builders' guidelines as presented in their publication entitled "Residential Construction Performance Guidelines for Professional Builders & Remodelers" as the standard for determining the construction quality and warranty-related needs in your new home. We also utilize the industry standard of the "5 Foot Rule" which basically states that if you cannot see a flaw while standing a minimum of 5 feet away, it is not considered a fixable punch-list item. The item may however be fixed, at the discretion of the builder.

C. House Settling

All newly constructed dwellings are going to settle. To what degree they settle no one can determine. The weakest portions of the structure are the most noticeable recipients of the house and the land settling. The listed items below are considered normal settling occurrences:

- 1) "Cracking" or "popping" sounds in floor system
- 2) Nail pops, cracks and corner bead moving in drywall walls and ceilings
- 3) Grouted area in tile separating
- 4) Doors coming out of alignment
- 5) Cabinet doors and/or drawers coming out of alignment
- 6) Cracks in motor joints both in crawl spaces and veneers
- 7) Cracks in concrete both interior and exterior
- 8) Caulk separating or cracking around vanities and cabinets, etc.
- 9) Caulked areas around trim inside and outside separating or cracking
- 10) Trim joints coming out of alignment
- 11) It takes a year for pressure treated wood to cure, cracks may occur
- 12) Exterior steps may come out of alignment, etc.

III. Maintenance and Care

The following are some general hints to assist you in the care and cleaning of various components in your home, but always be sure to refer to the Owner Manual for specific care and cleaning procedures. Inspecting your home on a regular basis and following good maintenance practices is the best way to protect your investment in your home; whether you take care of a few tasks at a time or several all at once. It is easy to accomplish and not very time consuming. A regular schedule of seasonal maintenance can put a stop to the most common-and costly- problems, before they occur. *Remember to disconnect the power source of any electrical or gas system before inspecting, cleaning, or repairing it.

Acrylic Block Windows

Homeowner responsibilities:

Wash acrylic block windows with lukewarm water only, using a clean sponge or a soft cloth to minimize scratching. Rinse well with clean water. Do NOT scrub or use brushes on these products. Adherence to regular and proper cleaning procedures is recommended to preserve appearance.

SOME IMPORTANT DON'TS:

DO NOT use abrasive cleaners on acrylic products.

DO NOT scrape acrylic products with squeegees, razor blades, or other sharp instruments.

DO NOT use Benzene, gasoline, acetone, or carbon tetrachloride on acrylic products.

DO NOT clean acrylic products in hot sun or at elevated temperatures.

Appliances

Homeowner responsibilities:

Dishwasher: Before loading your dishwasher, rinse the dishes off first. Don't worry if you find some water inside your dishwasher, this is common. Typically, the dishwasher tub is self-cleaning. Sometimes, after long usage in hard water areas, you may find that a white film has developed on the tub. The tub can be wiped with a damp cloth and a mild, nonabrasive cleaning powder. To clean the exterior, use a damp, sudsy cloth.

Range/Microwave oven: Do not use or spill oven cleaner on metal trim. Never use gritty soaps or abrasive cleaners on any surface. Avoid using sharp instruments, like a knife or razor blade to clean any surface.

Bathtubs/Showers

Homeowner responsibilities:

For normal cleaning, use warm water and liquid detergent, such as Dow, Lysol or Mr. Clean bathroom cleaners, with sponge, nylon, polyethylene or saran cleaning pads. Do not use abrasive cleansers, scouring pads, steel wool, or scrapers of any type. For extra sparkle, smear entire unit with a water paste using baking soda. Allow effervescing for a few hours and rinsing with warm water. For stubborn stains, use a nonabrasive cleanser. Sponge the area with the cleaner, allow standing an hour and rinsing with warm water.

For extra deep stains, use hydrogen peroxide bleach, soaked onto a white cotton rag and applied to the deep stains overnight. Afterwards, rinse thoroughly with cold water. WEAR RUBBER GLOVES AND AVOID CONTACT WITH EYES, SKIN, CARPET, RUGS AND FURNISHINGS. Hard water scale deposits can be minimized through the use of an application of one (1) part regular pool acid, such as muriatic acid, into ten (10) parts cold water. Apply with a sponge until scale disappears. Afterwards, rinse thoroughly with cold water. WEAR RUBBER GLOVES AND AVOID CONTACT WITH EYES, SKIN, CARPET, RUGS AND FURNISHINGS. For scratches and dull areas, rub vigorously with automotive rubbing compound, such as Dupont, and a white cotton rag. Then buff vigorously with a carnauba-based wax, such as J-Wax, with a soft white towel. Gel gloss available from your local home improvement center is excellent for removal of minor scratches and metal marks. If you use a rubber or plastic "anti-skid" mat, make sure to remove it from the unit after each shower to avoid harm to the surface finish.

Brickwork & Masonry

Homeowner responsibilities:

Brick or stone may discolor due to moisture. The white powdery substance, which appears is known as "efflorescence" and is composed of one or more soluble salts. It may be removed by scrubbing with a stiff brush (not wire) and a solution of 60% vinegar to 40% water.

CAUTION: DO NOT ALLOW THIS SOLUTION TO CONTACT ANY FLOORS, WALLS OR FURNISHINGS.

Cabinetry

Homeowner responsibilities:

The cabinets in your home are factory finished and should be cared for as suggested by the manufacturer. Care should be taken to avoid overloading cabinets with excessive weight. Care should be taken to make sure standing water is not left sitting on or in the cabinets. If a water leak occurs, it is the homeowner's responsibility to keep the water from pooling in the cabinet. Stained or natural finished wood cabinets, as well as other wood items in your home, should be treated in the same manner as fine furniture.

Washing your cabinets with water and detergent will result in damage to the cabinetry's finish. For daily care, dust with a soft cloth. On stained wood cabinets, it is recommended that you use the proper furniture polish at least ever six (6) months or as suggested by the manufacturer. In your kitchen, use of the cook-top fan will help reduce the chance of damage to the cabinets around your cook top from heat, grease and steam.

Carpet

Homeowner responsibilities:

The carpeting in your home has been professionally installed. Carpeting comes in standard widths and seaming of the carpeting is unavoidable in installation. Every effort is made to limit the number of seams and to locate them as unobtrusively as possible. Nevertheless, seams can be noticed, especially when one is looking for them. Seams tend

to show more in flat, even-pile carpeting than in shag carpeting, and become less noticeable over time. In certain instances your carpet may appear to be loose, for reasons other than faulty installation. Often this condition is due to an increase in humidity. Carpet comes in continuous and non-continuous fiber. Non-continuous fiber will fill up your vacuum bags during the first several vacuum cleanings. This is normal and not a defect in the carpet.

Following these useful maintenance tips will help your carpet remain beautiful for as long as possible:

- Have your carpet professionally cleaned periodically. The frequency of cleaning depends on the type of yarn and the color of carpeting (light colors soil sooner than dark colors), the size of your family and the amount of dirt tracked in. Steam cleaning is hard on carpet and often results in the "heat set twist" coming out, thereby resulting in permanent damage to the pile. Usually conventional shampooing is less harsh.
- When cleaning spots, do not rub the spot, but "blot" it clean with warm water and or as suggested by the manufacturer.
- If you prefer to not wear shoes, it is recommended that you wear socks or bedroom slippers when walking on your new carpet. This will prevent the oils in the skin on the bottom of your feet from getting in the carpet fibers.

Caulking

Homeowner responsibilities:

This is one of the regular items of maintenance, which you should keep high on your list. Proper maintenance of your new home can help reduce the risk of high repair costs. It is your responsibility as the homeowner to re-caulk these areas when cracks appear. If not properly maintained, cracked caulk can result in leaks and/or water damage. Caulking will shrink over time and lose its effectiveness as a moisture seal. To prevent expensive repairs to flooring and walls, regularly inspect and replace the caulking around your sink tops, tubs, showers, toilets, windows, doors, siding and ceramic tiles. Since caulking around your tub and shower areas help to prevent leakage, it is very important that you check these areas at least ever six (6) months or more often if necessary. If the caulking around your bathtub, sinks, toilet or windows should appear dried out or cracked, remove the old caulking and re-caulk it. Seeping moisture can cause damage to walls, floors and counter tops. If you do not have a caulking gun, caulking materials can be bought in applicator tubes at any hardware store.

Ceramic Tile

Homeowner responsibilities:

Your new home may include ceramic tile floors. They provide a durable and beautiful covering for your floors. However, as with any fine floor, care should be taken to avoid dropping heavy objects on these surfaces, since cracked or broken tiles can result. Hairline cracks may develop in the grouting between floor tiles due to normal settling; and cracking may develop between ceramic floor tile and bathtubs for similar reasons. Both can be repaired by simply filling with a grouting available from any hardware store.

Due to normal shrinkage that occurs as grouting dries, it is the responsibility of the homeowner to re-grout cracks in the joints of ceramic tile located around tub and shower areas. It is also the homeowner's responsibility to re-caulk, as needed, those areas where ceramic tile meets drywall surfaces. This must be done periodically to maintain the integrity of the tile surrounds, and is the responsibility of the homeowner throughout the life of the home. Grout crack repairs are considered a homeowner maintenance responsibility. Ceramic tile may be cleaned with mild soap and water or other household cleaners designed for use on ceramic tile.

CHECK ALL HOUSEHOLD CLEANING AGENTS FOR DISCLAIMERS AGAINST USAGE ON COLORED GROUT BEFORE USING

Concrete

Homeowner responsibilities:

Settling and temperature changes will cause cracks in foundation walls and garage floors; such cracks cannot be prevented. Normal homeowner maintenance should include filling these cracks with any commercially available caulk or grout designed for this purpose.

Counter Tops

Homeowner responsibilities:

For counter top maintenance, it is suggested that you wipe off excess water after usage. This will help prevent spotting. Care must be exercised when running hot water in any cultured marble sink. We recommend a reasonable hot water setting to avoid thermal shock that causes cracks in the gel coat around the drain area. Do not put hot pots, pans or cigarettes directly on counter tops. Use hot pads lined with a heat-resistant material. Your counter tops are made of a very tough material, which is scratch resistant, and will not crack or crease under normal usage. The counter tops will scratch is used as a cutting surface. Use a cutting board when cutting food or other items in your kitchen. Use a low abrasion cleanser, if necessary, for the cleaning of the counter tops. Heavy abrasives in some cleansers will damage the surface.

Decks and Balconies

Homeowner responsibilities:

You can easily maintain your decks and balconies. Frequent sweeping to remove dirt and debris as well as a light washing now and then are generally all that are needed. Leaving potted plants in one location may stain the deck over time. We suggest you periodically move all pots and furniture to prevent permanent staining. Surface manufacturers recommend that only neutral, biodegradable liquid cleaners, which are free from harmful alkali acid and solvents, be used to clean the deck surface. Soaps and scrubbing powders containing water soluble, inorganic salts or crystallizing salts should never be used because of possible water spots. Abrasive cleaners should also be avoided. The cleaning solution should be applied to the surface, allowing several minutes for the grime-dissolving action to take place. The dirty solution should then be removed by washing into drains (if applicable) or by mopping action. Complete removal is necessary to eliminate a slippery surface. The life of the deck coating can vary depending on exposure to the elements and general care given back to the deck.

Doors

Homeowner responsibilities:

Interior: During the summer months there is usually very little trouble with doors, but winter heating may change the moisture content of the wood, causing temporary warping. Interior slab doors and bi-fold doors often stick or warp due to various weather conditions. It is the homeowner's responsibility to apply wax to the tracks or jamb as required to prevent sticking. Use graphite on door locks and do not allow the door to be slammed. Some doors will have hinge-pin type doorstops. Caution must be used to prevent the door from being opened too wide or with too much force which would cause damage to both the door stop and the door which would not be covered by this Warranty.

Exterior: Doors should be cleaned using the mildest cleaning method possible, such as a soft cloth with mild soap and water. Avoid cleaning with vinegar, citrus-based cleansers, paint removers, window cleaners, brick and siding cleaners or other industrial or abrasive cleaners. These substances can damage the protective hardware finishes. All exposed hardware screws should be kept tightened. Lubricate metal parts at intervals.

Weather stripping on your exterior doors will require occasional adjusting to maintain a good seal.

Drainage

Homeowner responsibilities:

Your lot was designed to drain in a predetermined fashion. The finished graded lot was inspected and approved during your home's final building inspection and prior to your occupancy. You or anyone who does landscaping on the property for you must maintain this drainage pattern. Standing or ponding water within the immediate surrounding area of the home shall not remain for a period of 48 hours after a normal rain, or 72 hours in swales. The possibility of standing water after an unusually heavy rainfall or multiple days of rainy weather should be anticipated and is not considered a deficiency.

IT IS THE HOMEOWNER'S RESPONSIBILITY TO MAINTAIN THE DRAINAGE AS IT WAS DESIGNED AND GRADED AT THE TIME OF YOUR INITIAL OCCUPANCY.

As a homeowner, you are obligated to maintain the original grades and resulting drainage, and assume full responsibility if a drainage change causes damage to your home or the property of another. Several factors can affect the grading of your yard to include additional landscaping, foot traffic, weather, etc. Careful consideration must be given to drainage when you are planning or installing your landscaping. Drainage must not be reversed or impeded. Earthen berms (raised areas) or swales (depressed areas) on or between properties must be maintained to ensure proper drainage.

As a means of helping you maintain the drainage on your property, GMC Construction of NC, Inc. may have installed gutters on your home. It is the homeowner's responsibility to maintain the gutters, make sure there is no debris blocking the gutters and/or install extensions if necessary.

Drywall

Homeowner responsibilities:

The interior of your walls are constructed of drywall installed over wood. Because of the nature of organic materials, some contraction and expansion will occur. This shrinking and swelling can cause nail pops and settlement cracks during the drying out or settling process of your home. This is normal. You can use spackle to fill in these areas, which can be obtained at any hardware store.

Electrical

Homeowner responsibilities:

The electrical system and associated wiring in your home were designed and installed according to all applicable building and electrical codes. Occasionally, you may encounter a switch, outlet or circuit that doesn't work. This could be due to several reasons, below are a few items to check:

- Check for burned out or loose bulbs
- Make sure any associated switches are "ON"
- Check for built-in reset buttons on the outlet or surrounding outlets close by Check for faulty appliance
- Check the service panel for "tripped" breakers

Your electrical wiring is protected by circuit breakers located at the main service panel. The breakers are normally in an "ON" position. When a problem occurs, the breaker will appear in the tripped position. To restore power, turn the breaker "OFF", then snap it to the "ON" position. Ground Fault Interrupters have been installed in the electrical system and control outlets located in the bathroom(s), kitchen, garage and exterior according to approved electrical codes. These are sensitive breakers and can be tripped very easily.

NOTE: DUE TO THIS FACT, FOOD FREEZERS SHOULD NOT BE PLUGGED INTO THESE OUTLETS. FOOD FREEZERS AND REFRIGERATORS SHOULD ONLY BE PLUGGED INTO A DEDICATED OUTLET.

Fireplaces

Homeowner responsibilities:

Although gas fireplaces are defined as "decorative gas appliances" by ANSI (American National Standards Institute) many gas fireplaces generate pleasant, comforting heat. Artificial logs and embers have been provided for aesthetic purposes. Your local fireplace or building supply store will carry additional items to enhance the fireplace.

NEVER BURN WOOD, ARTIFICIAL LOGS, OR PAPER IN A GAS FIREPLACE.

Safety regulations require that gas fireplaces have a damper that remains partially open at all times. This provides venting in the unlikely event of a gas leak. Please do not be concerned if your damper cannot be closed completely. It is intentionally designed to remain partially open for your safety. Most fireplaces are equipped with an electrical switch to light the fire. These fireplaces will also have a pilot light. Should the pilot light

need to be relit, you will find instructions in the bottom section of the fireplace, usually attached to a chain.

Floor squeaks

Homeowner responsibilities:

As wood contracts and expands, it will cause many conditions that contribute to floor squeaks. The combination of metal joist hangers and wood also are a contributing factor to squeaks. Floor squeaks and pops are considered normal and will appear and disappear with changes in weather conditions. Should a floor pop (indicating a loose floor board) appear during the first year of the warranty period that is persistent or excessive, please submit a request for evaluation.

Garage Doors

Homeowner responsibilities:

Your garage doors and hardware were carefully selected to provide you with dependable service. Since garage doors are large moving objects, periodic maintenance by you is essential. To keep your door in good condition, perform the following maintenance as required:

- Lubricate moving parts of the door every three months with a silicone type of product.
- Inspect and tighten the screws that fasten the hardware to the door and the door track to the wall at the end of your first year of ownership.
- Operate the door only when adjusted properly and clear of obstructions.
- Do not permit children to play with the garage door or electronic controls.
- Avoid standing in open doorway or walking through doorway while an electrically operated door is moving.
- The door is under constant spring tension. Repairs and adjustments, particularly to cables and the spring assembly, can be hazardous and should be performed by qualified repair personnel only.
- Your garage door has been installed pursuant to the manufacturer's recommendations. Overhead garage doors are not designed or intended to be completely weather-tight. Because of this, some intrusion of the elements, particularly wind- driven rain, can be expected.

Garbage Disposal

Homeowner responsibilities:

Clean the garbage disposal by introducing ice cubes and 1/4 cup white vinegar into the unit and operating it with no running water. When the cubes are gone, start running cold water slowly. You can add baking soda for a deeper cleaning and some citric acid crystals for odor purposes. Always run a strong flow of cold water and start the disposal before you feed any waste into it. Never put your hand in the disposal.

Gutters and Downspouts

Homeowner responsibilities:

Gutters and downspouts, if installed, should be kept free of tree limbs, leaves, balls and other obstructions which will stop the downspout from functioning properly, and which

may, in time, cause leaks. Normal shrinkage will require re-caulking around vents and flues on the roof; failure to perform this maintenance may result in leaks over time.

HVAC System

Homeowner responsibilities:

Please review the following so that you will understand your HVAC system.

- All windows should have draperies or some type of covering to prevent heat loss and heat gain.
- Do not close registers completely. You should use the adjustment of registers to balance the temperature in the home. Closing registers off completely will only cause your heating and cooling systems to work less efficiently.
- Do not block registers with furniture, etc.
- Do not turn off the system completely for an extended period of time (if, for example, you plan to be out of town for a long period of time). Due to weather conditions, shutting the system off completely can speed up the drying- out process and cause wood to warp and drywall to buckle. In addition, during the winter, pipes could freeze and break during extreme cold spells if the system is turned off.
- Do change your filters periodically. The dust and sand in the air will quickly clogs the filters and put undue stress on your unit. Dirty filters can cause your HVAC to stop blowing cold air in the air conditioning cycle or warm air during the heat cycle.
- Do keep the outdoor unit clear of any debris. The grill provides air intake for your unit to work properly.
- Keep all interior doors open as often as possible, so each room's air can circulate and receive hot or cold air

Interior Trim

Homeowner responsibilities:

Wood is an organic building material and will expand and contract as the weather changes. It is affected by heat and cold, and may shrink under conditions of low humidity and expand when humidity is high. Although it is impossible to completely eliminate the problem, keeping the house at an even temperature and humidity will help. To keep them clean, dust only with a dry cloth or slightly dampened cloth with water to help pick up dust particles.

Landscaping

Homeowner responsibilities:

Your landscaping, whether a do-it-yourself project or done by a professional landscaper, should be done in a manner that insures proper drainage so that your property, as well as your neighbor's properties, is protected from over-watering, standing surface water, or damage due to improper drainage. It is very important that you maintain drainage from the rear yard through the side yard to the street, utilizing drainage pipes, rock, ground covers or grasses to prevent erosion along the side yard "swales." If proper drainage is impeded or negated, your home and/or your neighbors' homes could be severely damaged.

Any swales that have been located on the property should not be blocked or altered. These shallow ditches have been put there for the purpose of quickly removing water toward the driveway, street, or other positive outlet.

- Do not let water gather or stand near your foundation or any retaining walls. The foundation and any retaining walls are built to withstand the ordinary moisture in the ground. If water is permitted to pond against them, it may cause structural damage due to erosion or expansion of the soil.
- Do not create planter boxes or similar gardening areas next to foundations such that irrigation or rainwater collects in them.
- Avoid planting anything too close to your foundation. (Three feet should be the minimum distance between any shrubbery and our foundation.) When preparing flowerbeds or planting areas near the foundation, make sure that the ground surface slopes *away* from the foundation.

Mirrors

Homeowner responsibilities:

The plate glass mirrors in your home have been installed according to industry standards. Please avoid the use of abrasive cleaners or rough cleaning rags on your mirror; they can be easily scratched. Remember also to avoid excessive moisture build-up on your mirrors during cleaning or bathing. Use the exhaust fan system or open a window. Should the moisture penetrate behind the mirror's edge or behind the mirror itself, it can result in ugly, black blotches in the glass.

Paint

Homeowner responsibilities:

The walls and woodwork of your home have been primed and finished with premium quality paints and the colors should be uniform throughout the house. However, certain areas may tend to "flash" or have variations in color or texture under certain lighting conditions or at different times of the day. Such conditions are usually the result of normal touch-up practice during the finishing of your home and are acceptable under the terms of this Warranty. Stained and varnished woodwork should have a warm, pleasing appearance, but will contain variations in color ranging from very light to very dark. While an attempt is made to control the color of wood being installed, some degree of color variation is to be expected. Never attempt to clean your walls, trim or woodwork with abrasives or solvent based cleaners.

Pest Control

Homeowner responsibilities:

Termite Protection Guarantee: GMC Construction of NC, Inc. has contracted a licensed subcontractor to treat the soil under the dwelling of your home. This treatment provides you a one-year termite control guarantee for a period of one-year after your closing. It will be the homeowner's responsibility to obtain a service contract to ensure protection of the home after the first year. (Continued...)

Note: Any additions or alterations made, which effect the structure and create new termite hazards, or interfere with the chemical protective barrier with the ground will not be covered under the warranty.

One of the things you should be on the lookout for in your new home is the possibility of "uninvited guests" such as ants, wasps, field mice, etc. These pests are not covered under the one-year Termite Protection Guarantee provided by GMC Construction of NC. We strongly recommend that prior to moving in your new home you arrange to have the home treated for the above pests. It is homeowner responsibility to set up a regular pest control schedule through a certified pest control company. Please proceed cautiously when attempting to eliminate other pests. Always be sure to consult with a qualified pest control expert whenever you have a question.

Note: GMC Construction of NC, Inc. cannot guarantee against pest infiltration and it is not covered under the terms and conditions of the Warranty.

Plumbing

Homeowner responsibilities:

We ask that you thoroughly inspect all plumbing fixtures in your home during your orientation inspection. Any chips or other damage must be noted at that time. Single lever faucets have been used in many areas. These faucets usually require little or no maintenance. Please note, however, that faucets may leak or drip due to worn or defective washers. Care should be taken to close the faucets just hard enough to shut off the flow of water. If closed too forceful, the washer may be cut. Washer replacement is the responsibility of the homeowner and is part of normal homeowner maintenance. Do not flush diapers, disposable napkins or any other foreign material down your toilets.

SERVICE NOTICE: Clogged toilets or sinks are not covered by the Warranty.

Never pour grease, oil, paint, or thinner into the garbage disposal unit or other drains. Never step into a bathtub or shower with shoes on. Shoe soles carry hundreds of gritty particles, which can scratch the surface. Do not use plumbing fixtures as receptacles for photographic or developing solution. Developer stains are permanent. Your garbage disposal, if installed, is equipped with a built-in circuit breaker. The reset button is usually on the bottom of the unit under the sink. You should check this button before calling for assistance. Your garbage disposal also has manual wrench that can be used to help unblock foreign material. Your owner's manual will guide you in how to use this wrench and cover all safety features you should follow before clearing any items.

Your new home's plumbing system has been engineered and tested prior to passing building inspections. Even though all of your plumbing has been flushed out to remove dirt and other foreign materials, a small amount of pipe sealant compound or other small construction debris may come out of the faucets for the first few days of regular use. Prior to using your water for the first time, it is a good idea to remove aerators and let the water run for a few minutes to clear any dust or sediment from the lines.

In case of an emergency: The first step is to shut off the water supply. Familiarize yourself now with the location of the emergency shut-off valves to avoid damage if an emergency happens. The main shut-off valves are usually located where the main water supply pipes enter the house. Individual shut-off valves are usually just below the fixture (at the rear of the toilet at the wall or under the sink in the rear of the cabinet). If the leak is from the showerhead or tub spout area, you will need to shut off the main water valve to the home. This valve was pointed out to you during the Homeowner Orientation. In the event of a water leak between walls, turn off the main water valve to prevent damage to carpet and/or walls.

Tarnished or Discolored Fixtures: Corrosion of chrome and/or brass is due to hard water drying on it and is not the manufacturer's responsibility. The finish on your fixtures can also be damaged through the use of improper cleaning methods. Avoid abrasive or acid-based cleaners; fixtures may be cleaned with nonabrasive, foam-type cleaners or mild soap and water. Always dry the fixtures off after cleaning and use; hard water deposits will break down the protective lacquer finish and cause corrosion, tarnishing and discoloration to the finish.

SERVICE NOTICE: GMC Construction of NC, Inc. does not warrant tarnish or discolored fixtures

Aerators: Cleaning the aerators will be a frequent homeowner maintenance task. This attachment to the faucet adds air to the water as it leaves the faucet, reducing splashing and provides some savings from reduced water use. To clean an aerator, unscrew it from the mouth of the faucet, remove any debris, remove and rinse the washers and screens, replace them in original order, and put the aerator back on the faucet. Frequency of required cleaning will depend upon the condition of the water. If the water flow at the faucet becomes slow or light, the aerator probably needs to be cleaned. This is a homeowner maintenance responsibility and is not covered by the Warranty.

Do not close your faucets too tightly. Close them just enough to stop the flow of water. Over tightening of faucets can lead to excessive wear on the faucets and more frequent repair.

Toilets: Please remember that the toilets installed in your home are low water or "water-saver" toilets. This means they use significantly less water than toilets found in older homes and sometimes will appear to be flushing slowly. A slow flush is not necessarily a symptom of blockage; for some solids, you may need to flush more than once. Usually holding the flush handle down until all solids have cleared the bowl will help prevent blockages. To reduce the risk of overflows or blockage in the toilets, be sure to observe the following:

- Never use a toilet for the disposal of cotton swabs, dental floss, disposable diapers, feminine hygiene items or other personal care products.
- Avoid the use of toilet bowl cleaners that are in solid form; the particles they drop can clog the water jets in the toilet's rim. Tank type bowl cleaners may damage rubber and plastic parts and void the warranty.

Your toilet will perform reliably if kept in adjustment. An unadjusted float can cause a toilet to run too much, wasting water, or can provide too little water for proper flushing. To adjust the float assembly, remove the tank top lid carefully and adjust the float arm screw, you can heighten or lower the float arm; this will generally take care of the problem. Be sure that the float is free and not rubbing on the sides of the tank or other parts.

Traps: Each plumbing fixture in your home has a drain trap, which is a J-shaped piece of pipe designed to provide a water barrier between your home and the danger of sewer gas. The trap holds water, preventing airborne bacteria and the odor of sewer gas from entering the house. If any fixture is used infrequently, it should be turned on at regular intervals to replace evaporating water in the trap and insure that the barrier remains intact.

Clogged Pipes: Traps, because of their shape, are also the point at which drains are most likely to become clogged. Sink drains are subject to clogging by grease, hair, soap curds, etc. Never pour grease into a drain or toilet. To prevent stoppage in the kitchen sink, run very hot water through the drain every week. Remember, however, that cold water only should be used when you are running the garbage disposal. Petroleum-based products, such as paint or lacquer thinner, can damage poly vinyl chloride pipes and should never be put down the sink.

Clogged traps are easily cleared with a plunger, or in more sever blockages, by opening the sewer clean out and snaking the line to remove the blockage. GMC Construction of NC, Inc. recommends that a qualified plumber be used to clear blockages if the use of a hand-held plunger does not correct the problem. In the event of a stoppage or overflow, shut off the water at the angle stop shut-off valve at the base of the fixture. Every homeowner should have a plunger. It will usually clear a toilet stoppage. Use a rapid, but firm, up and down motion with the plunger and have water in the toilet bowl while doing so.

Sinks: Your sink can be chipped or scratched if subjected to sharp instruments or heavy blows. Clean with a nonabrasive cleanser and with normal usage and care, they will give you many years of service. If you have a stainless steel kitchen or bar skink, care should also be taken to use a nonabrasive cleanser or commercial stainless steel cleaner. Gel gloss available from your local home improvement center is excellent for removing minor scratches and metal marks.

Water Heaters: Your home is equipped with a quality storage-type water heater with sensitive thermostatic controls and is warranted for one (1) year. After the one year period, please contact the manufacturer.

CAUTION: IF YOUR WATER HEATER IS EQUPPED WITH A NONMETALLIC DRAIN VALVE, THE WATER MUST BE COOLED BEFORE DRAINING. FAILURE TO ALLOW THE WATER TO COOL WILL DAMAGE THE VALVE AND IS NOT COVERED BY THE WARRANTY.

Allowing the water to cool regularly will drain off mineral deposits from the hard water before they become solid. Failure to maintain the water heater properly can result in higher operating costs for this appliance; as the scale builds up in the tank, heat transfer is reduced. The water heater tries to compensate for this by longer heating cycles; this results in increased burner operation and higher utility cost to you.

If your home is equipped with a gas water heater: To light your water heater, refer to the manufacturer's instructions on the heater or call a professional service person. Note: Neither a plumber, nor the builder representative can light the water heater and set the water temperature this can only be done by the homeowner. If your heater has a thermostat indicator, set it between 120 and 140 degrees. After a while, you will know where to set the thermostat so your water is hot enough for you, but not so hot that it wastes fuel and speeds up the formation of sediment in the bank.

Your water heater is installed with a pressure relief valve to relieve excess pressure in the tank due to high water temperature. When the relief valve is operating it may appear the tank is leaking; actually, it may be merely releasing excess pressure. Water heaters normally collect a small amount of dirt and scale in the bottom of the water tank and should be flushed out every 6 months using the hose connection at the bottom of the tank. We recommend the homeowner hire a licensed plumber. If a gas water heater is installed, the pilot light may go out due to a drop in pressure or dirt in the gas main. You should follow the manufacturer's recommendation when relighting the water heater.

Screens

Homeowner responsibility:

Be careful when removing your window screens. They can be easily bent out of shape or have the screening torn. The screens need to be cleaned regularly. You can do this by removing them and using warm, clear water with mild detergent. Rinse them off thoroughly and allow them to dry completely before reinstalling. Nylon screening requires no preservative.

Septic System

Homeowner responsibility:

Most problems with sewer lines can be avoided by not stuffing large objects into the drain lines. Care should be taken to avoid disposal of sanitary napkins, disposable diapers and other similar materials into plumbing fixtures in order to minimize the possibility of clogging. Any clogging is the responsibility of the homeowner. Septic systems are designed and installed in compliance with state, county and local code regulations. With proper care and maintenance, septic systems will serve your needs as satisfactorily as a public sewer system. Note: Do not pour chemicals of any type down the drain as this may affect your septic system.

Shingles

Homeowner responsibility:

The composition roof shingles used are self-sealing fiberglass or asphalt shingles that seal themselves together after exposure to warm sunlight. Special care should be taken not to walk, stand, or nail anything on the roof of your home. Only experienced personnel should be allowed on your roof.

Shower Doors

Homeowner responsibility:

Keep clean and insure caulking is completed as required.

Siding

Homeowner responsibility:

Exterior siding materials have been selected for both appearance and ease of maintenance. All painted surfaces have been covered with either heavy body stains or paints. These painted surfaces will lose their color-fastness and fade to varying degrees depending on the original color used, but the integrity of the paint will not be affected. Cracks and peeling of paint are common due to causes other than the paint quality or the method of application. Variations in wood grain may absorb the same stain differently; these differences cannot be controlled. It is characteristic of exterior wood, including trim and battens, to have shrinkage, cracking, and sap pockets which may somewhat discolor paint; these conditions are normal in any wood. Shrinkage of exterior caulking materials is normal as is cracking due to shifting of the buildings; routine maintenance includes regular inspection of exterior caulking and re-caulking at regular intervals as needed.

Sliding Glass Doors

Homeowner responsibility:

Sliding glass doors lock from the inside only. The bottom tracks must be kept clean so they will operate freely. Paraffin is a good lubrication for these tracks. Under certain lighting conditions, door glass may be hard to see. To prevent accidentally walking into a glass door, screen doors should remain closed at all times. Visual decoration should also be placed on the glass portion of the doors for safety.

Vinyl Flooring

Homeowner responsibility:

A damp mop should keep vinyl floors looking new. Use only cleaning supplies recommended by the manufacturer. Never use an abrasive material to clean the floor. Abrasive cleaners and scouring pads will dull the finish of the floor. Sharp objects or furniture with small legs can cause indentations or tears and should not be placed on vinyl floors. Refrigerators and stoves often cause damage to vinyl as they are installed. Extreme care should be exercised when installing heavy equipment to avoid any tears, rips, or indentations.

Windows

Homeowner responsibility:

The bottom window sash in your home may be released from the upright position and leaned in for ease in cleaning and repair. The windows have "seepage" holes and during windy times dust or dirt may accumulate in the tracks. Use a vacuum attachment to clean the tracks on a regular basis. This Warranty does not cover broken glass unless noted on the Homeowner Orientation Form. Window screens are not warranted against damage unless noted on the Homeowner Orientation Form.

Wood Flooring

Homeowner responsibility:

It is the nature of wood flooring, like any wood, to be affected by changes in the relative humidity in your home, resulting in swelling and shrinking. To protect the wood, the floors have been factory pre-finished, stained and sealed. Use only those products intended for use on wood floors to clean these areas and do not drag or "scoot" furniture or appliances across these floors.

IV. Warranty Coverage

A. One Year Warranty Coverage

For a period of one year beginning on the Closing date, GMC Construction of NC, Inc. warrants that the builder will correct any defects <u>due to faulty construction and/or defective materials</u> brought to its attention in conjunction with the Warranty Standards. This warranty is expressly limited by the contents of the "exclusions" and other express terms of the Warranty and may not be modified, revised, extended or supplemented except in writing signed by the homeowner and an authorized senior officer of GMC Construction of NC, Inc.

B. Cosmetic Deficiencies

The following deficiencies are considered to be "cosmetic deficiencies" and are not considered damages or defects. GMC Construction of NC, Inc. will correct a cosmetic deficiency only if such deficiency: (a) is readily visible, (b) does not result in any way from damage caused by the homeowner or any agent of the homeowner, (c) was noted at the time of the Homeowners Walk Through and Orientation..

C. Making a Claim

If you have identified a defect believed to be covered by this Warranty as a result of noncompliance with the Warranty Standards, a claim may be submitted by contacting the vendor who provided and/or installed the equipment or component directly. Please refer to the list of vendors at the beginning of this book and contact the appropriate vendor for your warranty/repair needs.

For any other service or repair needs not listed (all warranty questions/requests must be made in writing using the attached Service Request Form), or if further assistance is needed, please contact GMC Construction of NC, Inc.

GMC Construction of NC, Inc. 9820 US Hwy 301 North Lumberton, NC 28360

Phone: (910) 802-4959 Fax: (910) 802-4874

Email: gmcconstruction3@gmail.com

GMC Construction of NC, Inc.

9820 US Hwy 301 North Lumberton, NC 28360 Gmcconstruction3@gmail.com (910) 802-4959 Phone (910) 802-4874 Fax

SERVICE REQUEST FORM

a true warranty issue. Then, warranty request as best as yo to our office. Someone will be i to discuss your request, usua weekend or weekday). In em	describe below the exact nature of your ou can. Simply fax or email your request in contact with you as soon as practicable ally within 24-48 hours (depending on nergency situations, call the appropriate our Homeowner's Warranty Guide.
Homeowner's Signature	Date of Request
Lot # and Subdivision	Physical Address
 Contact Number	Contact Number

V. Exclusions

Notwithstanding other provisions of this Warranty, certain defects or damages are explicitly excluded from the coverage of the Warranty. This warranty does NOT cover any of the following:

- Damage to the home due to ordinary wear and tear, normal deterioration or lack of Homeowner maintenance.
- Damage to the home caused by causalities normally covered by standard homeowners insurance or damage resulting from natural catastrophes, acts of God, tropical storms, hurricanes, fire, smoke, explosion, nuclear hazards, volcanoes, riots, civil unrest, vandalism, aircraft crash, vehicles, mudslides, sink holes, power surges, power failures, water escape, flood, wind, hail, lightning, earthquake, insects or falling trees. Further, this Warranty does not cover loss or damage to the home or to persons or property directly or indirectly by insects, birds, vermin, rodents or wild or domestic animals.
- Damage caused either by the abuse of the home or use of the home for non-residential purposes or any other manner for which it is not intended.
- Damage resulting from or worsened by the homeowner's failure to take appropriate action to prevent further damage.
- Damage to the home caused by the homeowner (including accidental damage and damage during move-in), or damage caused by animals, an invitee, lessee, guest, trespasser, tenant, renter or other occupant of the home.
- Damage resulting from (a) any changes after the Closing to the grading or drainage of the property on which the home is located, or (b) modifications or additions to the home or the property under or around the home.
- Defects in or defects caused by materials furnished or work done at the request of the homeowner by anyone other than GMC Construction of NC, Inc. it's employees, agents or trade partners expressly selected by GMC Construction of NC, Inc.
- Non-structural cracks less than 1/8th inch in width in concrete and masonry. It is not unusual for such cracks to typically appear in such surfaces and frequently occur due to normal settling of the home.
- Cracks of less than 1/8th inch in width in walls or ceilings.
- Cracks which appear more than 1 year after Closing in grouting of ceramic tile joints or at junctions with other materials such as a bathtub.

- Wood cracks or minor openings of wooden joints such as in panel doors, mitered casings and solid paneling. In addition, the Warranty does not cover cracking, twisting or turning of wood beams, unless such condition(s) prevent the beam from otherwise meeting industry structural standards.
- Damage caused by the fading, chalking or checking of outside paint, masonry, or other exterior finishes caused by sun or weather.
- Any condition which does not result in actual physical damage to the home including, but not limited to, inhabitability or health risk due to the presence or consequence of unacceptable levels of radon gas, formaldehyde, electric and magnetic fields, carcinogenic substances, dust or other pollutants and contaminants, noise, unpleasant odors, or the presence of hazardous or toxic onsite materials.
- Negligence, improper or inadequate maintenance or operation, or changes, additions or alterations by parties other than GMC Construction of NC, Inc. or its agents with respect to the home, its systems, appliances, equipment and its fixtures or appurtenances.
- Violations of applicable building codes or ordinances in effect at the time of construction, including model energy codes or governmental financing requirements, unless such violation results in a defect which is otherwise covered under this Warranty. Under such circumstances, the obligation of GMC Construction of NC, Inc. under this Warranty shall be to repair the warranted defect, but shall not necessarily obligate GMC Construction of NC, Inc. to restore or bring the home into compliance with such code or ordinance.
- Loss or damage caused by or resulting from the homeowner's abnormal loading of structural elements which exceeds designed loads, including, without limitation, water beds, safes, weight benches, large fish tanks and pool tables.
- Bodily injury or damage to personal property and any and all incidental and consequential damages, including, without limitation, lost profits, stigma damages, time missed from work, expenses to address special health or physical situations, costs of shelter, transportation, food, moving, storage or other incidental expenses related to relocation during repairs.
- Loss or damage resulting from, or made worse by: (a) change to the grading of the property surrounding the home by anyone, including changes made by neighbors of the homeowner, except GMC Construction of NC, Inc., its employees, agents or trade partners, (b) changes in the grading or drainage resulting from erosion or subsidence, or (c) other soil movement.

- GMC Construction of NC, Inc. assumes no responsibility for damage caused by lack of or improper landscaping, changing the grade of a yard, fencing, patios, spas, pools, or otherwise which alters the grading or the water table.
- Loss or damage resulting from or worsened by, dampness, condensation, cold or heat buildup caused by the homeowner's failure to maintain proper ventilation
- Loss or damage due to the actions of others, including, without limitation, actions by or failure to act of cities, counties, or utility companies, including failure to provide utility service to the homeowner or its property (including, without limitation, any delay or failure to provide DSL, Internet, cable or telephone services to the home).
- Loss or damage due to loss of views or privacy or noise, including, without limitation, loss of views or privacy resulting from the construction or occupancy of homes adjoining or adjacent to the home. NO warranty of any kind is made as to the future use of any land parcels adjacent to or near the home.
- Loss or damage to land.
- Loss or damage to wiring to and between communication devices from the source of power, whether or not connected to the interior wiring system of the home. Such devices shall include, but not limited to, telephone systems, television cable systems, intercom systems, computer systems and security systems.
- Damage to tract boundary walls or fencing occurring after obligations for maintenance of such walls or fencing has been dedicated to and accepted by a homeowners association, maintenance district or governmental entity.
- This Warranty does not cover any appliance, piece of equipment, or other item which is a "consumer product" for purposes of the Magnuson-Moss Warranty Act (15 U.S.C. Sec. 2301-2312), and GMC Construction of NC, Inc. disclaims any implied warranties with respect hereto. However, some of these products have written warranties by the manufacturer.
- Under no circumstances shall GMC Construction of NC, Inc. be liable for any special, indirect, incidental or consequential damages, including, without limitation, any damages based on a claimed decrease in the value of the home, even if GMC Construction of NC, Inc. has been advised of the possibility of such damages.

VI. WARRANTY STANDARDS

The warranty standards instruct the home owner as to what may be reasonably expected in terms of the performance of the home, and specifically, what is considered and "defect" and therefore covered during the one year home owners' warranty provided by GMC Construction of NC, Inc. Additionally, the homeowner will find warranty standards helpful in determining what is customary and "normal" in a material or an aspect of GMC Construction of NC's construction process. Warranty standards include most systems and components of the home.

If any aspect of the home fails to perform as described in the warranty standards during the warranty period, GMC Construction of NC, or the relevant vendor, manufacturers, or material supplier will resolve the claim pursuant to the warranty as described in the manual, consistent with the terms of the warranty standards. Where specific standards are not listed, GMC Construction of NC, Inc. is entitled to take action based on building industry practices customary in the geographic area where your home is built.

The warranty standards listed in the following pages are intended to provide you with an understanding of the Builder's obligation for the correction of construction DEFECTS under the LIMITED WARRANTY during the first year of the LIMITED WARRANTY. Following the end of the first year of your homeowner's warranty period, the warranty standards will NOT apply.

For easy comprehension, the format of the warranty standards is designated as follows:

STANDARD: A warranty standard relating to a specific

deficiency; the warranty covers only non-

compliance with this standard.

DEFICIENCY: A brief statement, in simple terms, of problems that

may be encountered.

BUILDER CORRECTION: A statement of the corrective action required of the

builder to repair the deficiency.

"CABINETRY"

Alignment

- Standard: The outer edges of the cabinet doors and drawer fronts should be aligned horizontally and vertically in relation to the adjacent doors/drawer fronts. GMC Construction of NC, Inc. is not responsible for misuse by the homeowner, such as overloading drawers, hanging or leaning on doors, etc.
- Deficiency: Misalignment of outer edges of cabinet doors or drawer fronts exceeds 1/8 inch horizontally or vertically in relation to the adjacent doors or drawer fronts.
- Builder Correction: Adjust as needed.

Chips/Gouges/Scratches

- Standard: Chips, gouges, and/or scratches on the interior or exterior surfaces of cabinets or shelving can occur during the construction process, the homeowner "move-in", or during the warranty period after move-in. GMC Construction of NC will not be responsible for any chips, gouges, and/or scratches that occur after the Homeowner Orientation and walk-through. Damage that is reported at the walk though will be repaired.
- Deficiency: Damage should be identified at the time of the walk through. Exceptions apply if damage is obviously due to improper installation or defective materials used.
- Builder Correction: No action will be taken unless exceptions apply for which GMC Construction of NC will repair or replace the specific affected cabinetry component, i.e. door, drawer, skin, box, molding, etc. All reasonable efforts will be made to match the original surface texture and finish color as closely as practical and possible, but we cannot and do not guarantee an exact match. Proper and acceptable completion of the repair finish will be determined by the builder representative's inspection.

Color and Grain Variation

- Standard: When cabinets are made with wood, a natural product, color and grain patterns (even wood from the same tree) can vary noticeably. Colors will also change over time depending on varying exposures to natural sunlight. Other variations can be due to the way stains and sealing finishes are accepted. These variations are normal and acceptable.
- Deficiency: Not applicable. Such variations are a normal characteristic of cabinetry.
- **Builder Correction**: No action will be taken.

Cracks in Doors or Drawer Panels

- Standard: Cracking should not occur in doors, drawer panels, or face frames; unless caused by excessive drying due to lack of periodic oiling.
- **Deficiency**: Cracking occurring in a door, drawer panel, or face frame that is not the result of excessive drying caused by lack of periodic oiling.

• Builder Correction: Replace cracked door, panel, or frame. All reasonable efforts will be made to match the original surface texture and finish as closely as practical and possible, but GMC Construction of NC, Inc. does not guarantee an exact match. Proper and acceptable completion of the repair finish will be determined by the builder representative's inspection.

Finish Wearing Off

- Standard: Cabinet finishes are not waterproof, and if exposed to moisture repeatedly, will be damaged. This is especially true with cabinets in wet areas (by sinks, tubs, etc.). Cabinets must be dried whenever they get wet. The use of solvents or other harmful chemical agents should be avoided as they will damage cabinet finishes. The use of contact paper applied to shelving or drawer bottoms may also cause finish problems or delamination.
- **Deficiency**: Not applicable. Damage to finish can be minimized by proper care and maintenance.
- Builder Correction: No action will be taken, unless an exception applies. Exceptions apply if the problem is due to improper design, defective materials or an incorrect method of installation. In addition, if there is a damaged cabinet due to a leak, which occurred from homeowner's negligence; GMC Construction of NC, Inc. will not be responsible for the damaged cabinet. A builder representative from GMC Construction of NC, Inc. will determine if the damage caused to cabinetry by a leak was due to homeowner negligence.

Installation

- **Standard**: Cabinets are properly secured and/or anchored to solid baking.
- **Deficiency**: Cabinets pull loose or become unstable.
- **Builder Correction**: Reinstall as necessary to meet the standard.

Joints Separating or Displaced

- Standard: Cabinet corners, attached moldings, or other joints should have minimal separation or displacement.
- **Deficiency**: Cabinet corners, attached moldings, or other joints exceed a 1/16 inch separation or displacement,
- Builder Correction: Adjust as needed or fill with matching filler material. GMC Construction of NC, Inc. is not responsible for separation or displacement of joints due to homeowner's lack of, or improper maintenance.

Knots

- **Standard**: Small surface knots are a normal characteristic of wood cabinetry and moldings.
- **Deficiency**: Depth of knots exceeds 1/16 inch or size of knots exceeds ½ inch diameter.
- Builder Correction: Repair or replace the specific affected cabinet component, i.e. door, drawer, skin, box, molding, etc. All reasonable efforts will be made to match the original surface texture and finish as closely as practical and possible, but GMC Construction of NC, Inc. does not guarantee an exact match. Proper

and acceptable completion of the repair finish will be determined by the builder representative's inspection.

Malfunctions

- Standard: All operating parts of the cabinetry shall function properly, such as drawer guides, hinges, etc, under normal use.
- **Deficiency**: Any operating part that does not properly function as a result of improper design, defective materials, or an incorrect method of installation.
- **Builder Correction**: Repair or replace operating parts are required. GMC Construction of NC, Inc. is not responsible for damage occurring due to misuse by homeowner, such as overloading drawers, hanging or leaning on doors/drawers, etc.

Nail Holes

- Standard: All exterior nails will be set and filled flush with putty. Putty should resemble the cabinet color but will still be visible. Interior nails and/or screws will be set but will not be filled or puttied.
- **Deficiency**: Exterior nails are not set or have not been puttied flush with surrounding material.
- **Builder Correction**: Set nails and/or install putty as required. Putty should resemble the cabinet color but will still be visible. GMC Construction of NC, Inc. does not guarantee an exact match.

Shelves Inadequately Supported

- **Standard**: Adjustable shelves must be adequately supported by proper fit and supporting hardware.
- **Deficiency**: Length of shelf is not within ½ inch of the inside dimension of the cabinet.
- **Builder Correction**: Replace shelf or shelves with those that meet the standard.

Visible Gaps

- Standard: Minor gaps between cabinet component and between cabinets and ceiling walls will occur due to slight variations of those surfaces, or movement, i.e. caused by shrinkage of the wall, but should not be excessive. Gaps between doors should be uniform and parallel with only minor variation.
- **Deficiency**: Gaps between ceilings and walls exceed 1/8 inch, provided installation of the cabinet is secure. Gaps between matched door edges exceed parallel alignment by more than 1/8 inch in 3 feet, or the uniformity of any door edge gap in comparison to any other exceeds 1/8 inch.
- **Builder Correction**: Reposition, reinstall, or repair as needed to close or make gap less visible to meet standard. This includes filling with matching filler, adjusting or adding scribe moldings.

Warping

- **Standard**: Slight warping of cabinet doors and drawer faces can be expected due to the expansion or contraction of the cabinet wood from moisture variation. It should not be excessive.
- **Deficiency**: Warping exceeds ½ inch over any size door, measured from the face of the frame to the point of the furthermost warping, with the door or drawer in the closed position.
- Builder Correction: Correct or replace door or drawer face. All reasonable efforts will be made to match the original surface texture and finish color as closely as practical and possible, but GMC Construction of NC, Inc. cannot guarantee an exact match. Proper and acceptable completion of the repair finish will be determined by the builder representative's inspection. Builder is not responsible for damage caused by homeowner misuse or lack of regular maintenance.

"CARPET"

Color Fading

- **Standard**: All carpets will slowly lose color due to natural and artificial forces in the environment.
- **Deficiency**: Not applicable, unless cause is determined to be due to manufacturer's defect.
- **Builder Correction**: No action. See "Manufactured Products" section.

Color Variations

- **Standard**: The color of the actual carpet may not exactly match the sample used to select the carpet of the same selection. This is due to normal dye lot variations that occur between each millrun of carpet in the manufacturing process.
- **Deficiency**: Not applicable, unless it is determined by manufacturer's representative that carpet installed is a different selection than what the homeowners chose.
- **Builder Correction**: No action, unless determined that the wrong carpet was installed, in which case, carpet will be replaced with the correct selection.

Carpet Fibers Detaching

- Standard: Carpet edging should be properly secured and fastened by transition strips or tack strips where it meets other types of flooring to prevent fibers from coming loose during normal use. It is normal for loose fibers throughout the carpeting to be found or vacuumed during the first few months of use after installation. Note: type and finish of transitions strips will be determined by the builder and may vary from house to house.
- **Deficiency**: Fibers at carpet edge junctions with other types of flooring come up, such that the backing becomes visible or becomes detached due to of or secure fastening.
- **Builder Correction**: Repair as needed to meet performance standard.

Loose or Buckling Carpet

- Standard: Wall-to-wall carpeting when stretched at installation and secured properly should not come up, become loose, ripple, or buckle excessively between its points of attachment. However, it is normal for carpet to loosen slightly as a result of use and changes in the atmosphere.
- **Deficiency**: Carpeting becomes loose to the point that it no longer returns to its original position when pulled up or if ripples, buckles or humps become visible.
- **Builder Correction**: Re-stretch and secure carpeting as needed.

Manufacturer's Defect

- Standard: issues related to the performance of the carpeting, such as premature or excessive wear, ineffective or insufficient stain protection (if applicable), backing delamination, etc. are the responsibility of the manufacturer. Please see "Manufactured Products" section. The respective carpet mill representative will determine whether a manufacturer's defect exists.
- **Deficiency**: Please see "Manufactured Products" section.
- **Builder Correction**: Please see "Manufactured Products" section.

Protruding Nails or Tack-Strip Tacks

- Standard: All nails and tack-strip tacks should be completely set. They should not protrude in any way that would allow them to be felt through the carpet fibers in normal use.
- **Deficiency**: Nails or tack strips are found protruding.
- **Builder Correction**: Reset or remove as needed.

Seam Visibility or Separation

- Standard: All properly installed carpet seams are visible to some degree depending on the type, color, location, light exposure and installation of the carpet. Seams that have gaps or excessive separation do not meet the performance standard.
- **Deficiency**: There are readily visible gaps between the two edges of the carpet backing forming the seam, the spacing between the first rows of fibers on either side of the seam is wider than the normal spacing of the carpet's fiber row, or the backing of one side of the seam overlaps the other.
- **Builder Correction**: Repair as necessary to correct condition to meet performance standard. This may include re-seaming or trimming the seam.

Spots on Carpet

- **Standard**: All carpeting should be spot-free at walk-through. GMC Construction of NC, Inc. is not responsible for any spots in carpet occurring after the walk-through.
- **Deficiency**: Not applicable. Spots should be noted at the time of the walk-through.
- **Builder Correction**: No action will be taken unless noted at walk-though.

"CONCRETE"

Color Variation

- Standard: Color variation occurs naturally. In addition, when concrete is repaired, the new concrete will vary somewhat from the originally installed concrete. In most cases, color variations will blend in or face out, but it may take several years to do so.
- **Deficiency**: Not applicable.
- **Builder Correction**: No action will be taken. GMC Construction of NC, Inc. is not responsible for color variation, which is a normal characteristic for both original installed and repaired concrete.

Chipped or Broken Concrete

- Standard: Any exterior concrete slab corners that are chipped or broken should be properly repaired by the builder prior to the walk-through, or noted at the time of the walk-through. GMC Construction of NC, Inc. is not responsible for damage caused during installation of landscaping, swimming pools, or other improvements made by the homeowner.
- **Deficiency**: Not applicable.
- **Builder Corrections**: No action will be taken. Any chipped or broken corner should be noted at walk-though.

Cracks

- **Standard**: Cracking is a normal characteristic of concrete and is typically caused by shrinkage during curing (drying), temperature changes, and normal moisture variations in the surrounding soils or atmosphere, or normal movement due to settlement. Simply put, concrete cracks. As long as such cracks are less than ½ inch, they are generally not a cause for concern. Proper care and use by the homeowner should be exercised to minimize cracks. Over watering of surrounding soils, use of heavy equipment such as concrete trucks or moving vans on the concrete, etc. can lead to cracks.
- Deficiency: Cracks that exceed ¼ inch in width or perpendicular displacement, unless caused by excessive heavy equipment loading, which is not covered by this warranty.
- **Builder Correction**: Repair using approved concrete repair methods and materials or replace immediate section(s) involved, as determined by the builder's representative's inspection.

Control Joints/Saw Cuts

- Standard: Control joints are placed in sidewalks, driveways, and some larger porches and patios in order to "control" the randomness of concrete cracking. Joints are usually spaced 4 to 8 feet apart, but may be as much as 20 feet apart.
- **Deficiency**: Cracks within the control joint exceed 1/4 inch in average width or perpendicular displacement, unless caused by excessive heavy equipment or overwatering by the homeowner, which is not covered by this warranty.

• **Builder Correction**: Repair using approved concrete repair methods and materials or replace immediate section(s) involved, as determined by the builder's representative's inspection.

Efflorescence

- Standard: Occasionally, a white, powdery, crystalline buildup called efflorescence will appear on concrete that is caused by salts in the soil being carried by moisture passing through the porosity of concrete. This is most prevalent in areas where soils have high salt content. Depending on the soils in the area, the occurrence of efflorescence can be minimized, not avoided, with regular cleaning by the homeowner.
- Deficiency: Not applicable.
- **Builder Correction**: No action will be taken.

Exposed Aggregate

- Standard: All concrete should be finished so that no aggregate is visible, unless concrete is installed with an exposed aggregate finish. Concrete surfaces should not deteriorate to the extent that the aggregate is exposed/or loosened under normal conditions of weathering and use. The homeowner should prevent or minimize exposure of the concrete areas to salts (found alkali soils or used to melt ice in cold weather), harsh chemicals (found in cleaners or pesticides), and other external agents harmful to concrete. The builder does not cover "spalling" of concrete under any circumstances.
- **Deficiency**: Aggregate beneath finish surface of concrete is or becomes exposed unless caused (a) by external agents such as salts or chemicals that are beyond the Builder's control, (b) by spalling, or (c) otherwise not covered by this performance standard.
- **Builder Correction**: Repair using approved concrete repair methods and materials.

Exterior Surfaces Too Smooth

- Standard: Exterior concrete surfaces should be finished with a "broomed" or nonskid finish, in order to roughen the surface and reduce slipping when the surface is wet.
- **Deficiency**: Concrete surfaces are left in a too smooth or trowel finished state evidencing unusual slipperiness. This only applies when there is no evidence of "broomed" or non-skid surface finishing. The degree of "broomed" finish applied may vary from light to heavy.
- Builder Correction: Resurfacing using approved concrete repair methods and materials.

Mildew/Mold/Fungus

• **Standard**: These types of growth may cause discoloration if not regularly and properly cleaned and/or treated by the homeowner when they appear. They occur naturally due to environmental conditions that are beyond the control of the builder.

- **Deficiency**: Not applicable.
- **Builder Correction**: No action will be taken.

Out of Plumb

- Standard: The vertical surfaces and edges of concrete walls, columns, and piers can vary slightly from plumb (vertical straightness). Those variations should be minimal.
- **Deficiency**: Variance to plumb exceeds 3/8 inch in any 10-foot measurement or 1 1/2 (1.5 inches) over the total height of the structure.
- Builder Correction: Repair using approved concrete repair methods and materials.

Overspill

- Standard: Overspill of concrete footings, stemwalls, or slabs will occur due to the various methods of forming before placement, but should be controlled to minimum excess.
- **Deficiency**: When it visibly protrudes from the correct finish-grade level, or exceeds the design dimensions by more than 3 inches.
- **Builder Correction**: Remove the excess overspill and restore the finish grade and items affected by the removal to their original condition.

Protruding Objects

- **Standard**: Fastening and reinforcing components, such as nails, rebar, and wire mesh, are interior components of concrete, and should not protrude from any exposed surface of the concrete.
- Deficiency: Interior component protrudes from exposed surface of concrete or interferes with proper installation of other materials adjacent to the concrete. This does not include framing hardware that is designed to be embedded in the concrete and protrude to fasten to the framing.
- **Builder Correction**: Remove protrusion and repair using approved concrete repair methods and materials.

Salt or other External Agent Reactions

- Standard: The homeowner should protect exterior concrete areas from salts (such as alkali in soils), chemicals (from cleaners), or any other external agents that can react and deteriorate concrete which can result in spalling, chalking, pitting, etc. These causes are beyond the control of the builder, and are not covered by these Warranty Standards. (Also see "efflorescence" in this section.)
- **Deficiency**: Not applicable.
- **Builder Correction**: No action will be taken.

Separation at Joints

Standard: This occurs at joints between two separate concrete slabs (expansion joints), or where joints have been installed in slabs to control cracking (control joints). These joints are designed to allow separation and movement as will often

- occur with seasonal changes. The performance standard is that minor separation and/or perpendicular displacement should occur at these joints.
- **Deficiency**: An expansion joint or a control joint settles, heaves, or separates more than 1/4 inch, not including the installed spacer or expansion joint.
- **Builder Correction**: Repair using approved concrete repair methods and materials, or replace immediate section involved as determined by inspecting building representative.

Slopes of Walkways or Landings

- **Standard**: Walkways, stoops, or landings should have a slope that carries water away from the building and prevents ponding of water on the surface.
- **Deficiency**: Slope of surface does not carry water away from the building, allows ponding to occur on the walkway, and is less than 1/4 inch per 1 foot in slope.
- **Builder Correction**: Remove and replace section(s) of walkway necessary as determined by the builder's representative in order to meet standard The builder is not responsible for color variation, which is a normal characteristic for both originally installed and repaired concrete.

Stair Dimensions and Steepness

- Standard: Stair dimensions (i.e. tread widths, riser heights, landing sizes, stairway widths, etc.) and/or steepness will meet the applicable building code requirements in effect at the time the building permit was issued for construction of the home in question.
- **Deficiency**: Stair dimensions and/or steepness do not comply with the applicable building code.
- **Builder Correction**: Stairs will be brought into compliance with applicable building code using approved concrete repair methods and materials.

Surface Imperfections

- Standard: Concrete surfaces should be uniform with only minor variations in texture (as reasonably determined by the builder per industry practice). Surfaces should be free of imperfections, such as chalking, pitting, powdering, scaling, or spalling. Fastening and reinforcing components, such as nails, rebar, and wire mesh, are interior components of concrete, and should not protrude from any exposed surface of the concrete.
- **Deficiency**: They are excessive for the applicable geographic region in which the home is located and caused by installation related problems or compounds used; not the result of aging, weathering, or use by the homeowner, which are beyond the control of the builder.
- **Builder Correction**: Repair using approved concrete repair methods and materials.

Uneven Concrete Slabs

• Standard: Except where the slab or portion of the slab has been designed for specific drainage purposes, concrete slabs shall not have excessive pits, depressions or areas of unevenness.

- **Deficiency**: Areas of unevenness exceed 5/16 inch in any direction below a 10-foot long straight edge.
- **Builder Correction**: Repair using approved concrete repair methods and materials.

"CONCRETE-FOUNDATION"

Cracking

- Standard: Cracking is a normal characteristic of concrete and is typically caused by shrinkage during curing (drying, temperature changes (expansion from heat and contraction from cold), and normal movement due to settlement. Simply put, concrete cracks. As long as such cracks are less than 1/4 inch, they are generally not a cause for concern. If the widths of such cracks are less than 1/4 inch, no action will be taken. Minor cracks are considered normal, unless they are the result of a structural problem (see "Structural Integrity," in this section). Cracks should not, however, telegraph through the flooring in standard non-carpeted areas.
- **Deficiency**: A crack in the floor that is visible through the flooring material. This only applies to standard non-carpeted flooring areas.
- **Builder Correction**: Repair or replace using approved concrete repair methods and materials.

Moisture under the Foundation

- Standard: Some accumulation of moisture or dampness under raised floor areas is normal, especially during the winter and spring seasons. The Warranty Standard does not cover improper use of crawl space vents, standing water caused by improper landscaping and/or irrigation installed by the homeowner, failure of the homeowner or the neighboring homeowners to preserve the drainage pattern of the yard grading, or any other homeowner originated causes.
- **Deficiency**: Excessive standing water is detected under raised floor areas that are directly attributable to improper design, defective materials, or an incorrect method of installation.
- **Builder Correction**: Perform necessary corrective action. The builder will not take action if cause is determined to be the result of homeowner's actions. If wood components of the foundation have been moistened, open all vents to allow drying. Replacement is not required unless there is evidence of rotting.

Out of Plumb

- Standard: The vertical surfaces and edges of concrete walls, columns, and piers can vary slightly from plumb (vertical straightness). Those variations should be minimal.
- **Deficiency**: Variance to plumb exceeds 3/8 inch in any 10-foot measurement or 1 1/2 inches (1.5 inches) over the total height of the structure.
- **Builder Correction**: Repair or replace using approved concrete repair methods and materials.

Protruding Objects

- Standard: Fastening and reinforcing components such as nails, rebar, and wire
 mesh are interior components of concrete, and should not protrude from any
 surface of the concrete.
- **Deficiency**: Interior component protrudes from exposed surface of concrete, or interferes with proper installation of other materials adjacent to the concrete. This does not include framing hardware that is designed to be embedded in the concrete and protrude to fasten the framing.
- **Builder Correction**: Remove protrusion and repair or replace using approved concrete repair methods and materials.

Structural Integrity

- Standard: Any components that support a structure must maintain the integrity of the use for which it was designed and constructed.
- **Deficiency**: Condition indicates a structural problem, or the home becomes unsafe or uninhabitable.
- **Builder Correction**: Perform necessary repairs or replacement to structural elements and related damage per recommendations of a structural engineer.

"SLAB ON GRADE FOUNDATION"

Uneven Living Area

- **Standard**: Floor slabs except where a floor or portion of floor has been designed for specific drainage purposes, concrete floor slabs shall not have excessive pits, depressions, or areas of unevenness.
- **Deficiency**: Areas of unevenness exceed 1/4 inch in any direction below a 10-foot straight edge. Depressions in floors exceed 1/4 inch in 32 inches.
- Builder Correction: Repair using approved concrete repair methods and materials.

Uneven Garage Floor Slabs

- Standard: Concrete floor slabs, such as in the garage, shall not have excessive pits, depressions, or areas of unevenness. Garage floors are poured with a slight downward angle towards the doors to allow for drainage.
- Deficiency: In addition to excessive pits, depressions or unevenness, separations
 or cracks exist in the slab and such crack(s) exceeds 1/8 inch in average width or
 perpendicular displacement on the garage floor.
- Builder Correction: Repair using approved concrete repair methods and materials.

"COUNTER TOPS"

Counter top or Backsplash is Loose

- **Standard**: Counter top and backsplash should be properly secured and adhered to cabinets and/or walls.
- **Deficiency**: A counter top or backsplash becomes unreasonably loose or loses adherence due to improper design, defective materials, or an incorrect method of installation. Coverage is applicable when "one-piece" tops (i.e., combined counter top and backsplash) are utilized.
- Builder Correction: Re-secure as necessary.

Joint Separation

- Standard: Joints between the countertop surface and the backsplash and/or side splash surface and between backsplash panels will be visible, but should not separate or have perpendicular displacement.
- **Deficiency**: Joints separate or displace enough to crack or break grout filling joint.
- Builder Correction: Re-caulking is the homeowner's responsibility. GMC Construction of NC, Inc will re-grout if necessary. GMC Construction of NC, Inc. is not responsible for color variations in grout. All reasonable efforts will be made to match the grout colors as closely as practical, but an exact match is not guaranteed. GMC Construction of NC, Inc. does not endorse or apply any grout sealer. This is the Homeowner's responsibility, even if Homeowner previously sealed grout before repair.

<u>Level</u>

- **Standard**: Counter tops should be level.
- **Deficiency**: Tops are out of level more than 1/4 inch in any 5-foot measurement.
- **Builder Correction**: Repair and/or replace to meet standard. GMC Construction of NC, Inc. is not responsible for color variations in grout. All reasonable efforts will be made to match the grout color as closely as practical, but an exact match is not guaranteed. GMC Construction of NC, Inc. does not endorse or apply any grout sealer. This is the Homeowner's responsibility, even if Homeowner previously sealed grout before repair.

Surface or Edge Damage

- Standard: Chips, scratches, and/or gouges in counter top surfaces may occur during construction, during Homeowner move-in, or from use after move-in. Unless, noted at the time of the Homeowner walk-through, such claims will be denied. GMC Construction of NC, Inc. is not responsible for surface damage occurring after the walk-through. Any chips, scratches or other damage that are reported to GMC Construction of NC, Inc. no later than the walk-through will be repaired or replaced.
- **Deficiency**: Not applicable to claims made after Homeowner walk-through.
- Builder Correction: No action will be taken.

Natural Stone Counter Tops and other Natural Stone

- Standard: Natural stone products, including granite counter tops, marble flooring and other granite or marble products, are inherently subject to natural variations in shading, markings, patterns and color, and each natural stone product is unique. Furthermore, the Homeowner is advised that a sample of a natural stone product may vary in appearance when compared to the fully installed natural stone product. The builder will not be responsible for any variations in shading, markings, patterns or color, or differences in installed appearances when compared to the sample natural stone products selected by the Homeowner.
- **Deficiency**: Not applicable.
- **Builder Correction**: No action will be taken.

Delamination of Laminate Surface

- Standard: Delamination is the separation of the finish surface veneer from the substrate material (in the case of laminates such as Formica, the substrate is usually plywood). Delamination should not occur. GMC Construction of NC, Inc. however, is not responsible for Homeowner misuse or damage.
- **Deficiency**: Laminate surface separates from the substrate due to improper design, defective materials or an incorrect method of installation.
- **Builder Correction**: Re-glue or replace as necessary.

Seam Separation

- **Standard**: Seams will be visible but should not separate. Seams should be tight, even, and flush.
- **Deficiency**: Seams separate or displace more than 1/32 inch on average.
- **Builder Correction**: Repair as necessary; in the case of separation, filling seam with appropriate seam filler.

"DECKS"

Deck Boards and Pickets Split and Crack

- Standard: Decking boards and pickets are prone to split and/or crack as part of the drying out process. This may be kept to a minimum with proper care and maintenance.
- **Deficiency**: Not applicable.
- **Builder Correction**: No action will be taken.

Structural Posts Twist or Severely Crack

- Standard: 4x4 posts are prone to twist and/or crack as part of the drying out process; however, if severe splitting or cracking occurs that jeopardizes the integrity of the structure a builder representative will make a determination for repair.
- **Deficiency**: Structural posts twist or severely crack.
- Builder Correction: If an exception applies, repair as needed. A builder representative from GMC Construction of NC, Inc. will make the determination for repair.

"DOORS AND WINDOWS"

Air, Dust, or Moisture Infiltration

- Standard: Most doors and windows are designed to be operable and therefore have moving parts and allow condensation or minor penetration by the elements to drain outside. Accordingly, some infiltration of air, dust, or moisture will occur, especially in high wind conditions. This is normal. The Homeowner should keep weep holes free of dirt buildup and debris, thereby allowing water to drain properly. Periodic adjustment of components, such as weather stripping and thresholds may be required and is normal Homeowner maintenance.
- **Deficiency**: Infiltration of air, dust, or moisture is due to a component(s) of the door or window not functioning properly.
- **Builder Correction**: Correct as needed by adjusting, repairing or replacing component(s) causing the problem. GMC Construction of NC, Inc. is not responsible for normal Homeowner maintenance.

Condensation Between Panes

- Standard: Condensation between panes occurs when the window seal fails.
- **Deficiency**: Amounts of condensation are detected between panes, sufficient to obscure 30% of the window surface.
- **Builder Correction**: Repair or replace as needed to correct condition within the applicable warranty period. After the warranty period, the manufacturer's warranty, if available, may apply.

Improper Window Covering or Tinted Windows

- Standard: NONE
- Deficiency: Improper window covering or tinted windows will void the warranty. Improper window coverings, tinted window films or coatings (including, but not limited to, aluminum or tin foils) applied by the Homeowner will void the warranty. GMC Construction of NC, Inc. is not responsible for problems caused by Homeowner additions, misuse, or neglect.
- **Builder Correction**: No action will be taken.

Condensation or Frost Buildup

- Standard: Condensation or frost on interior window surfaces normally occurs when there are gross differences in temperature from inside the home to outside, and/or there are high levels of humidity inside the home. While these occurrences cannot be avoided, the Homeowner can minimize them by operating fan vents, opening windows, or using dehumidifiers when humidity levels are highest. NOTE: Regular maintenance is required when condensation occurs to prevent damage to walls and sills surrounding windows.
- **Deficiency**: Not applicable. This is naturally occurring condition beyond the control of the Builder.
- **Builder Correction**: No action will be taken.

Delamination of Door Parts

- Standard: Delamination occurs when an applied surface or other laminated component separates or loses adhesion. GMC Construction of NC, Inc. is not responsible for problems caused by Homeowner misuse or neglect.
- Deficiency: Delamination is detected, unless caused by Homeowner lack of maintenance or misuse.
- **Builder Correction**: Repair or replace as needed. After the warranty period, the manufacturer's warranty, if available may apply.

Dents in Metal Doors

- Standard: Dents are a result of impacts to the door surface occurring during the construction process, move-in, or from use after move-in. GMC Construction of NC, Inc. is not responsible for dents occurring after the walk-through. Dents that are reported to the Builder no later than the walk-through will be repaired. (Doors that cannot be properly repaired will be replaced at the sole discretion of the Builder).
- **Deficiency**: Not applicable. Any door dents should be noted at the time of the walk-through.
- **Builder Correction**: No action will be taken.

Door Hinge Residue

- Standard: Door hinges need to be lubricated periodically. Lack of lubrication (liquid lubrication should be used) will cause friction and wear, which can be visually identified by a black residue (mostly iron metal fragments) that will accumulate at the friction points and possibly fall to the floor. It is the responsibility of the Homeowner to maintain the door hinges.
- **Deficiency**: Not applicable. Door hinge residue is the result of friction caused by lack of lubrication, which is a maintenance responsibility of the Homeowner.
- **Builder Correction**: No action will be taken.

Glass Breakage

- Standard: Breakage occurs from impact to the glass. GMC Construction of NC, Inc. is not responsible for breakage occurring after move-in, unless it is attributable to improper installation or a product defect.
- **Deficiency**: Not applicable. Any glass breakage should be reported at the walk-through. Breakage is not warranted after the walk-through, unless it is attributable to improper installation or a product defect.
- Builder Correction: No action will be taken.

Loose or Rattling Fit at Latches

- Standard: Latches on doors and windows should fit tightly and not be loose or rattle. GMC Construction of NC, Inc. is not responsible for Homeowner misuse or damage.
- Deficiency: Latches are loose or rattle.
- Builder Correction: Adjust as needed,

Manufacturer's Defects

- Standard: Please see "Manufactured Products" section.
- **Deficiency**: Please see "Manufactured Products" section.
- Builder Correction: Please see "Manufactured Products" section.

Operation of Rollers, Hinges and Other Moving Parts

- Standard: Operating and moving parts of doors and windows should function and operate freely and smooth as intended, with no excessive binding, catching, slippage, etc. Regular maintenance is required by Homeowner to keep parts operating correctly. GMC Construction of NC, Inc. is not responsible for Homeowner misuse or neglect.
- Deficiency: Operating or moving parts of doors or windows do not function as designed and intended.
- **Builder Correction**: Parts will be adjusted or replaced as necessary in order to function as designed and intended.

"Popping" of Acrylic Block Windows

- Standard: Acrylic block may make a "popping" sound when they heat up in the summer sun. This is a natural expansion of materials and not a cause for concern.
- **Deficiency**: Not applicable.
- **Builder Correction**: No action will be taken.

Raw Wood or Metal Exposed

- Standard: Occasionally, unpainted or unstained surfaces will become exposed at the edges of inset panels on exterior doors. This is due to expansion and contraction caused by temperature and moisture changes, which is a normal characteristic of doors. Depending on the type of material the door is made of, frequency of Homeowner maintenance will vary but will be needed. GMC Construction of NC, Inc. is not responsible for problems due to Homeowner neglect.
- **Deficiency**: Not applicable. This is a normal occurring condition, unless it is determined that the door was not painted or stained in accordance with the manufacturer's recommendations.
- **Builder Correction**: No action will be taken, unless exceptions apply. In such cases, repair as necessary.

Scratched Window Glass

- Standard: Minor scratches are common in window glass occurring from the manufacturing, shipping or construction process, as well as from normal Homeowner cleaning and maintenance activity.
- **Deficiency**: Scratches in window glass can be seen from further than 8 feet away in natural light at time of walk-through.
- **Builder Correction**: Repair glass if possible; in unable to repair, replace with glass that meets the performance standard.

Screens Not Fitting, Torn or Damaged

- Standard: Screen panels should fit their designated opening properly. Homeowner should use caution when removing, cleaning and reinstalling screens as they easily tear, especially with pets or small children. GMC Construction of NC, Inc. is not responsible for tears or other damage to screens occurring after the walk-through. Tears or other damage items that are reported to the Builder no later than the walk-through will be corrected.
- **Deficiency**: Screens have gaps exceeding 1/4 inch or do not fit as intended by the manufacturer. No action will be taken on tears or other damages reported after the walk-through.
- **Builder Correction**: Repair or replace as needed.

Sliding Patio or Screen Door

- **Standard**: Sliding patio doors and screens should slide properly on their tracks at the time of the Homeowner Orientation and Walk-through. The cleaning and maintenance necessary to preserve proper operation are a Homeowner responsibility.
- **Deficiency**: Sliding door or screen does not stay on track and cause is due to product or installation problems.
- **Builder Correction**: Adjust as necessary, if cause is due to product or installation problems; otherwise, no action will be taken.

Spacing between Door Bottom and Flooring

- Standard: Adequate spacing is required to allow for unobstructed flow of air between rooms when a door is in the closed position. The resulting spacing between the door bottom and any flooring type, however, should not be excessive. This does not include garage service doors. NOTE: Homeowner is advised that, to the extent Homeowner s adding or modifying flooring, Homeowner is responsible for maintaining sufficient spacing to allow for unobstructed flow of air and closing of the door.
- **Deficiency**: Door bottom to flooring spacing exceed 1 & 3/4 inches (1.75 inches).
- **Builder Correction**: Make correction as necessary to meet standard. However, if Homeowner has added or modified flooring, GMC Construction of NC, Inc. will not be responsible to make any corrections necessary to meet the standard.

Split in Door Panel (Wooden Doors)

- Standard: Some splitting is normal and should be expected. Splits in panels should not allow light to be visible through the door. Certain types of doors require periodic Homeowner maintenance. GMC Construction of NC, Inc. is not responsible for splits caused by Homeowner's lack of maintenance or neglect.
- **Deficiency**: Split in door panel is allowing visible light through the door. Other manufacturer's warranties may apply.
- **Builder Correction**: Fill the split and match paint or stain finish as closely as is practical and possible. An exact match is not guaranteed. The door panel may be replaced at the sole discretion of the Builder's representative.

Swelling

- Standard: For doors exposed to weather, swelling can occur. This is caused by the normal absorption and release of moisture of the door's wood components. The resulting expansion and contraction may cause noticeable variations in the fit and operation of the door. This is a normal characteristic of doors, with wooden components. Doors, however, should be installed with adequate reveals to allow for these variations, so the operation of the door is not impaired from normal use.
- Deficiency: Doors swell to the point it binds or may be damaged by continued use.
- **Builder Correction**: Correct by making adjustments as needed to meet standard.

Warping of Doors

- Standard: Minor warping; cupping, bowing or twisting of doors, especially exterior doors will occur due to temperature differentials on inside versus outside surfaces. Doors should not warp to the extent that they become inoperable or cease to function properly.
- **Deficiency**: Door becomes inoperable, ceases to be weather resistant, or exceeds 1/4 inch measured vertically, horizontally, or diagonally from comer to comer.
- **Builder Correction**: Correct or replace and refinish to match existing doors as near and as close as practical.

"DRYWALL"

Bowed, Uneven or Wavy Surfaces

- Standard: All drywall surfaces have slight variations due to the drywalls flexibility, the material it is fastened to, other components, installed in the wall behind the drywall, such as plumbing pipes or framing hardware, or the type and amount of joint compounds and tapes used. Humps and/or dips can be visible from different angles or in various types of light, but are considered normal if not greater than the tolerance specified.
- **Deficiency**: Areas of unevenness exceed 1/4 inch in any direction under a 6-foot straight edge
- Builder Correction: Repair as needed to bring the variance to within the standard. All reasonable efforts will be made to match the original surface texture and finish color as closely as practical and possible, but GMC Construction of NC, Inc. does not guarantee an exact match. Proper and acceptable completion of the repair finish will be determined by the Builder representative's inspection.

Crowning or Shadowing

- Standard: Crowning is when a drywall joint is excessively higher than the plane of the drywall board on each side. All joints should be finished in such a manner that the center of the joint is only slightly higher than the plane of the drywall board surface using the proper amount of joint compound and finished with a wide flat edge. (Also see "Bowed, Uneven, or Wavy Surfaces" in this section).
- **Deficiency**: Crowning of joint exceeds 1/8 inch as measured with a 12-inch broad knife placed over the center of the joint.

• **Builder Correction**: Repair as necessary to comply with standard. All reasonable efforts will be made to match the original surface texture and finish color as closely as practical and possible, but GMC Construction of NC, Inc. does not guarantee an exact match. Proper and acceptable completion of the repair finish will be determined by the Builder representative's inspection.

Cracking and Nail Pops

- **Standard**: As a home settles there may be drywall cracks or nail pops. This is considered as a normal homeowner maintenance item and is not considered a warranty issue.
- **Deficiency**: Not applicable.
- **Builder Correction**: No action will be taken.

"ELECTRICAL SYSTEM AND FIXTURES"

Air Infiltration around Electrical Outlets

- Standard: Electrical outlet boxes are backed by the exterior wall of the home, which may allow some air infiltration to occur. This is normal and not considered to be a defect.
- **Deficiency**: Air infiltration is excessive as determined by an inspection by a GMC Construction of NC, Inc.'s representative.
- **Builder Correction**: Seal affected outlet boxes as necessary to abate excessive air infiltration.

Bulbs Burned Out

- Standard: GMC Construction of NC, Inc. cannot guarantee the life of light bulbs. The home should be furnished with functioning light bulbs at the time of the walk-through. GMC Construction of NC, Inc. is not responsible for burned-out light bulbs occurring after the walk-through. Those light bulbs provided by the builder that are reported as burned out no later than the walk-through will be replaced.
- **Deficiency**: Not applicable.
- **Builder Correction**: No action will be taken.

Circuit Breakers Tripping

- Standard: Circuit breakers are designed to trip ("pop" or "kick off") to protect the home from power surges, overloading of the circuits, etc. They should not activate under normal usage. Repeated occurrences may indicate a malfunction or other problem. The homeowner should use caution not to improperly use or overload circuits.
- Deficiency: Breakers trip excessively or fuses blow as a result of improper workmanship and/or materials used. Criteria is based on the applicable local, state, and approved National Fire Protection Association's electrical codes, or problem is directly attributable to improper design, defective materials or an incorrect method of installation.
- Builder Correction: Correct as needed to meet code requirements.

Ground Fault Interrupter (GFI) Trips

- Standard: GFI's are sensitive safety circuit breakers designed to protect against electrical shock. This is why they are typically installed in the areas of the home that are exposed to water during normal use and are very easy to trip. Freezers, refrigerators, or other appliances requiring constant electrical flow should not be plugged into GFI circuits.
- Deficiency: GFI breaker does not meet applicable local, state, and approved National Fire Protection Association's electrical codes, or problem is directly attributable to improper design, defective materials, or an incorrect method of installation.
- **Builder correction**: Correct as needed to meet code requirements.

Lights Dimming

- Standard: Occasionally, a momentary dimming of lights or other signs of power drains on an electrical circuit can be detected. These occur typically when an appliance is turned on, an air conditioning unit starts up, or some other instantaneous draw of electrical current is required. This is a normal characteristic of the electrical circuits and does not indicate a defective condition. Attention and caution should be used by the homeowner not to overload circuits beyond their capacity.
- Deficiency: Not applicable. Dimming lights or other noticeable momentary power drains are normal and characteristic when appliances or other equipment on the circuit start up. Circuitry should meet the applicable local, state, and approved National Fire Protection Association's electrical codes for installation and material requirements. GMC Construction of NC, Inc. will only be responsible for problems directly attributable to improper design, defective materials or an incorrect method of installation.
- **Builder Correction**: Correct as needed to meet code requirements.

Lights Flickering

- Standard: Lights should not flicker with normal use. The homeowner should exercise proper care and use to avoid overloading circuits and fixtures. For example, this usually occurs when more appliances than the design circuit load allows are plugged into a circuit, or oversized light bulbs are used.
- **Deficiency**: Flickering occurs due to a problem directly attributable to improper design, defective materials or an incorrect method of installation.
- **Builder Correction**: Correct as needed.

Noisy Exhaust Fans

- **Standard**: Fans should operate as intended, without excessive vibration or rattling. On occasion, wind may cause a slight vibration of vent flaps, which is a normal occurrence.
- Deficiency: Fan blade hits the casing, is impeded by obstructions that cause unintended noise or vibration, or is directly attributable to improper design, defective materials, or an incorrect method of installation.

• **Builder Correction**: Repair or replace as needed.

Scratched/Damaged Fixtures or Cover Plates

- Standard: GMC Construction of NC, Inc. is not responsible for scratches or other damage to fixtures occurring after the walk- through. Scratched or damaged fixtures that are reported to the builder no later than the walk-through will be repaired or replaced.
- **Deficiency**: Not applicable. Any scratches or damaged fixtures should be reported at the walk-through.
- Builder Correction: No action will be taken.

Smoke Detectors

- Standard: Smoke detectors should not fail. GMC Construction of NC, Inc. Warrants against problems related to improper installation or defective parts. Smoke detectors do, however, require regular homeowner maintenance, such as replacing batteries and cleaning regularly in order to function properly. If not properly and routinely maintained, smoke detectors may intermittently "beep", fail to operate or false alarms may occur that are not the result of faulty components. GMC Construction of NC, Inc. is not responsible for the homeowner's lack of maintenance or neglect.
- **Deficiency**: Smoke detector failure due to improper installation or defective parts.
- Builder Correction: Replace defective unit.

Tarnished Fixtures

- Standard: Finish of fixtures should not tarnish with normal use. Some cleansers may cause fixture finish to tarnish. The homeowner should note that in regions in which "hard" water is provided, fixtures will tarnish readily if water is left standing on fixtures after us. GMC Construction of NC, Inc. is not responsible for homeowner's improper cleaning, failure to clean or other neglect.
- **Deficiency**: Tarnishing is determined to be caused by defective surface or subsurface finish by a representative of GMC Construction of NC, Inc.
- **Builder Correction**: Replace if determined to be defective finish. No action will be taken if problem is related to the homeowner's improper cleaning or neglect.

Wiring not Carrying Designated Load

- Standard: All wiring in the home is rated to carry a design load specified by the manufacturer. All wiring should perform to this standard under normal residential use.
- Deficiency: Wiring does not carry design load as determined by applicable local, state, and approved National Fire Protection Association's electrical codes, or problem is directly attributable to improper design, defective materials, or an incorrect method of installation.
- Builder Correction: Correct as needed to meet code requirements.

"FIREPLACES AND DECORATIVE GAS APPLIANCES"

Cracks in Refractory Panels

- Standard: Panels should not crack or separate with normal use of product. The homeowner should exercise proper care and use by avoiding the use of synthetic logs or other materials not approved by the manufacturer that will cause excessive heat and refractory panel cracking. GMC Construction of NC, Inc. recommends that the homeowner use only seasoned hardwood in fireplaces.
- **Deficiency**: Does not meet manufacturer's warranty standards. Please refer to "Manufactured Products" section.
- **Builder Correction**: Please refer to "Manufactured Products" section.

Gas Leaks

- **Standard**: Gas leaks should not occur. The homeowner should shut off appliance and/or gas source, open windows, and contact local gas utility immediately.
- **Deficiency**: Gas leak is detected.
- **Builder Correction**: Repair or replace as necessary.

Malfunction of Decorative Gas Appliances

- **Standard**: Decorative gas appliances should function as represented and intended by the manufacturer. The homeowner should exercise proper care and use to avoid making any alterations that deviate from the manufacturer's recommendations.
- **Deficiency:** Does not meet manufacturer's warranty standards. Please refer to "Manufactured Products" section.
- **Builder Correction**: Please refer to "Manufactured Products" section.

Manufacturer's Defects

- **Standard**: Please see "Manufactured Products" section. Note: Each unit is designed to function differently, depending upon the manufacturer's specifications and, depending upon the model, some units create heat, while other units do not. Color and height of flame will vary from one unit type to another.
- **Deficiency**: Please see "Manufactured Products" section.
- **Builder Correction**: Please refer to "Manufactured Products" section.

"FRAMING"

Bowed, Uneven, or Wavy Surfaces

- **Standard**: All interior and exterior framing surfaces have slight variations. These can be caused by variations in the natural materials used, methods of installation, or components inside the wall, such as plumbing, piping, or framing hardware. Minor bows and uneven or wavy surfaces are normal and to be expected.
- **Deficiency**: Walls bow more than 1/4 inch out of line within any 6-foot horizontal or vertical measurement as measured from the center of the bow or depression.

• **Builder Correction**: Repair as needed to bring the variance to within the standard.

Checking and Warping

- Standard: All wood beams and posts (interior and exterior) are subject to checking (splitting) and warping (twisting, bowing, or cupping) as they dry out. As the wood increases in thickness, the tendency to check or warp also increases. These characteristics are normal within the performance standard tolerance stated, unless they affect the structural integrity of the framing member, or interfere with the purpose for which it was installed (see "Structural Integrity" in this section).
- **Deficiency**: Cracks exceed 3/8 inch in width.
- **Builder Correction**: Repair and/or replace as needed.

Floor Squeaks/Loose Sub-floor

- Standard: All wooden floors produce slight noises like faint creaking or squeaking. This is understandable, given the large number of separate elements that are fitted and fastened together, and the amount of movement (flexing) the structure is designed to accommodate. Seasonal changes in temperature and/or humidity can also cause creaking or squeaking. No floor is squeak-proof. Slight floor noises are considered normal and not covered by this standard.
- **Deficiency**: Squeaking sound is directly attributable to loose sub-flooring, defective materials, or an incorrect method of installation.
- **Builder Correction**: Refasten any loose sub-flooring or repair as needed to minimize or eliminate the noise to the extent possible within reasonable

Out of Level, Plumb or Square

- **Standard**: Walls and surface edges at openings, corners, sills, shelves, etc. can vary slightly from level (horizontal), plumb (vertical), or square (perpendicular or at a 90° angle). These variations should be minimal.
- **Deficiency**: Variance to level, plumb, or square exceeds 1/4 inch in any 6-foot measurement.
- Builder Correction: Repair as needed to bring the variance within the standard. All reasonable efforts will be made to match the original surface texture and color as closely as practical, and possible, but GMC Construction of NC, Inc. does not guarantee an exact match. Proper and acceptable completion of the repair finish will be determined by the builder representative's inspection.

Structural Integrity

- **Standard**: Any structural framing members, those that directly or indirectly support the frame structure, must maintain the integrity of the use for which it was designed and constructed.
- **Deficiency**: Condition indicates a current or potential problem that may compromise the structural integrity of the home.
- **Builder Correction**: Perform necessary repairs or replacement to structural elements and related damage.

"GARAGE DOORS"

Dents in Metal Door

- Standard: Dents are the result of impacts to the door surface occurring during the construction process, move-in, or from use after move-in. GMC Construction of NC, Inc. is not responsible for dents occurring after the walk-through. Dents that are reported to the builder no later than the walk-through will be repaired. Doors that cannot be properly repaired will be replaced at the sole discretion of the builder.
- **Deficiency**: Not applicable. Any door dents should be noted at or before the time of the walk-through.
- **Builder Correction**: No action will be taken.

Garage Door Opener Adjustments

- Standard: Garage door openers (if installed by GMC Construction of NC, Inc.) will be demonstrated at the walk-through. It is the homeowner's responsibility to maintain tracks, rollers, chains, sensors, etc., to ensure smooth operation. GMC Construction of NC, Inc. is not responsible for adjustments occurring after the walk-through. Needed adjustments that are reported to the builder no later than the walk-through will be made.
- **Deficiency**: Not applicable. GMC Construction of NC, Inc. will not adjust garage door opener after walk-through demonstration. Exceptions apply only if problem is attributable to improper installation or defective parts used.
- Builder Correction: No action, unless exceptions apply.

Garage Door Garage Door Opener Malfunctions

- Standard: Garage doors and garage door openers should operate as intended with normal use. If garage door opener is installed by GMC Construction of NC, Inc., manufacturer warranties apply. Note: New obstruction sensor devices (if applicable) should not be blocked or bumped. GMC Construction of NC, Inc. cannot be responsible for homeowner misuse or problems caused by garage door openers or other devices installed by the homeowner. Please read the manufacturer's warranty. The installation of certain devices (e.g., openers) by the homeowner may void manufacturer's warranty.
- **Deficiency**: Garage door fails to operate correctly unless problem is caused by a garage door opener, or other device installed by the homeowner, misuse, or other actions by the homeowner.
- Builder Correction: Adjust or repair as needed.

Leakage at Garage Door

- Standard: A garage door that is properly installed per manufacturer's specifications will provide reasonable weather protection but not weatherproofing. Minor leakage of rain, snow, dust, or wind is common and to be expected, especially under unusual or significant weather conditions.
- **Deficiency**: Gaps around the garage door exceed 3/4 inch, and it is determined that the door does not meet the manufacturer's installation recommendations.

GMC Construction of NC, Inc. is not responsible for homeowner misuse or problems caused by garage door openers or other devices installed by the homeowner.

• **Builder Correction**: Repair as needed.

"HARDWARE"

Door Hinge Residue

- Standard: Door hinges need to be lubricated periodically. Lack of lubrication (liquid lubrication should be used) will cause friction and wear, which can be visually identified by a black residue (mostly iron metal fragments) that will accumulate at the friction points and possibly fall to the floor. It is the responsibility of the homeowner to maintain the door hinges.
- **Deficiency**: Not applicable. Door hinge residue is the result of friction caused by lack of lubrication which is a maintenance responsibility of the homeowner.
- **Builder Correction**: No action will be taken.

Finish Deterioration

- **Standard**: Finish should not deteriorate during the one-year warranty period. However, GMC Construction of NC, Inc. is not responsible for:
- o (a) deterioration caused by chemicals used by the homeowner in cleaning:
- o (b) deterioration caused by scratched or chipped lacquer finish coating: nor
- o (c) deterioration to finishes on exterior fixtures or hardware caused by exposure to outdoor elements, such as salt air, humidity, etc.
- **Deficiency**: Finish deteriorates due to material defect(s).
- **Builder Correction**: Replace as necessary.

Operation of Door

- **Standard**: All hardware should perform easily, smoothly and as intended, without catching, binding or requiring excessive force to operate.
- **Deficiency**: Hardware does not function as intended.
- **Builder Correction**: Repair or replace as necessary.

Scratches & Dings

- Standard: Scratches or dings may occur during the construction period, move-in, or after move-in from homeowner use. GMC Construction of NC, Inc. is not responsible for scratches, dings, or other damage occurring after the walk-through. Damage that is reported to the builder no later than the walk-through will be corrected by repairing or replacing affected item(s).
- **Deficiency**: Not applicable.
- **Builder correction**: No action will be taken.

"HEATING AND COOLING SYSTEM"

Appliance Venting (Kitchen Hood, Dryer)

- Standard: Vents should provide for unobstructed release of air. No screens or attachment screws should impede air flow or catch debris (lint, grease). Backdraft dampers should be installed and function as intended. Vents should meet manufacturer's and Uniform Building Code requirements on size, diameter, length, elbows, etc., whichever apply. If both apply, the manufacturer's requirements take priority.
- **Deficiency**: Venting does not meet manufacturers or code requirements.
- **Builder Correction**: Repair as necessary to meet requirements.

Compressor Failure

- Standard: Compressor should not fail within the one-year warranty period. Compressor failure beyond the first year of warranty may be covered by the warranty from the manufacturer. Please read the warranty information provided by the manufacturer for exact conditions and terms of this extended warranty.
- **Deficiency**: Compressor fails during the one-year warranty period.
- Builder Correction: Repair/replace as necessary.

Condensation Lines Clogged Up

- Standard: The cooling system produces condensation and must be drained off through condensation drain lines. On occasion, over the life of the home, debris from the attic (if the unit is installed in the attic), or from the system itself, may clog the condensation lines. Condensation line blockages not caused by construction debris are the responsibility of the homeowner.
- **Deficiency**: Condensation line blockage is due to construction debris or other original construction-related cause.
- Builder Correction: Clear line to re-establish unobstructed condensation flow.

Cooling is Inadequate

- Standard: The cooling system should maintain a comfortable temperature in the home, but in cases of grossly different heat, can only maintain a constant differential from the outside temperature, which can be higher than the optimum inside temperature desired by the homeowner. Some minor adjustments and maintenance, such as balancing dampers and registers, and replacing filters, are the responsibility of the homeowner.
- **Deficiency**: The cooling system cannot maintain a temperature of 78°F as measured 5 feet above the center of the floor of any room. Slight variations in temperature from this standard of up to 6°F difference are acceptable between rooms.
- Builder Correction: Correct the system as needed.

Heating is Inadequate

- **Standard**: The heating system should maintain a comfortable temperature in the home. Some minor adjustments and maintenance, such as balancing dampers and registers, and replacing filter, are the responsibility of the homeowner.
- **Deficiency**: The heating system cannot maintain a temperature of 68°F as measured 5 feet above the center of the floor of any room. Slight variations in temperature of up to 6°F difference are acceptable between rooms.
- **Builder Correction**: Correct the system as needed.

Leak in Refrigerant Lines

- **Standard**: One of the key elements that enables the cooling system of the home to cool is refrigerant. It should be completely contained within the system and not leak. From time to time, refrigerant will require refilling even though no leak has occurred.
- **Deficiency**: System loses ability to cool as a result of loss of refrigerant, and cause of leak is not due to homeowner misuse or neglect.
- **Builder Correction**: Repair cause of leakage, restore refrigerant to required levels, and restart cooling system to ensure proper operation.

Noises from Ductwork

- Standard: Noises occur in the heating and cooling system due to the flow of air, its velocity, and from the heating and cooling of the ductwork. This often can be heard as a "ticking" or "crackling" sound, and is a normal characteristic of the system.
- **Deficiency**: A loud popping noise (also known as "oil canning") occurs.
- **Builder Correction**: None.

Thermostat Calibration

- **Standard**: Depending on the make and model of the thermostat, sight temperature variations (actual temperature compared to temperature indicated on thermostat read-out) are common and acceptable if not excessive.
- **Deficiency**: Temperature differential between thermostat and actual room temperatures exceeds 6°F.
- **Builder Correction**: Repair or replace thermostat as required.

"INSULATION"

Insulation Coverage

Standard: Insulation will be installed in accordance with approved building plans, specifications, and in accordance with all applicable energy and/or building codes. If inadequate insulation is suspected by the homeowner and inspection shows this is not the case, the cost of the inspection and any consequential repairs will be the homeowner's responsibility (i.e. custom paint or other wall coverings). GMC Construction of NC, Inc.'s warranty does not cover noise attenuation claims under any circumstances.

- Deficiency: Insulation coverage's do not meet requirements or conditions of approved building plans, specifications, and applicable energy and/or building codes.
- **Builder Correction**: Install insulation as required to meet standards. Make all necessary consequential repairs to drywall and paint. However, the homeowner is fully responsible for the cost of restoring custom paint and/or other wall coverings.

"IRONWORK"

Exterior Ironwork Rusts

- Standard: Ironwork exposed to the elements should not exhibit rust or other deterioration during the warranty period. GMC Construction of NC, Inc. is not responsible for homeowner misuse or neglect, i.e., sprinkler water directed at iron, chipping or scratching of the protective finish, etc.
- **Deficiency**: Excessive rust occurs during the warranty period due to failure of the protective finish on the iron, or problem is directly attributable to defective materials or an incorrect method of installation.
- **Builder Correction**: Repair as necessary.

"IRRIGATION AND LANDSCAPING"

Broken, Clogged or Malfunctioning Sprinkler Heads

- Standard: Heads should spray evenly in intended pattern (i.e., 90°, 180°, 360°, etc.). Homeowner should regularly check, maintain, and repair irrigation system components. GMC Construction of NC, Inc. is not responsible for broken, dogged or malfunctioning sprinkler heads beyond 30 days from walk-through or close of escrow, whichever occurs first. Problems attributable to installation that are identified no later than 30 days after the walk-through will be corrected.
- **Deficiency**: Not applicable. Exceptions apply if the problem is directly attributable to improper installation or defective parts used by the builder.
- **Builder Correction**: No action will be taken, unless exceptions apply, to which problem will be repaired or replaced. GMC Construction of NC, Inc. will repair during the first 30 days as a courtesy unless caused by misuse, neglect or failure of homeowner maintenance or by other Warranty exclusions.

Coverage of Sprinklers

• Standard: Coverage should be complete and thorough, supplying full coverage of intended area without encroaching on neighboring property. The homeowner should regularly check, maintain and repair irrigation system components; GMC Construction of NC, Inc. is not responsible for problems with sprinkler coverage occurring after the walk-through. Homeowner is reminded that sprinkler coverage should not spray on the home walls and fences. GMC Construction of NC, Inc. has no control over the yard landscaping and/or watering practices of the homeowner.

- **Deficiency**: Not applicable. Exceptions apply if the problem is directly attributable to improper installation or defective parts used by the builder.
- Builder Correction: No action will be taken, unless exception applies to which problem will be repaired or replaced.

Dead Trees or Plants

- Standard: After the homeowner walk-through, the growth and stability of trees and plants is beyond the control of GMC Construction of NC, Inc. The builder will not warrant landscaping beyond close of escrow or move-in, whichever occurs first. Grass, trees, plantings, etc. are not covered by the Warranty.
- **Deficiency**: Not applicable.
- **Builder Correction**: No action will be taken.

Freeze Damage

- **Standard**: The homeowner is responsible to take precautionary measures to prevent freeze damage. GMC Construction of NC, Inc. is not responsible for damage due to freezing.
- Deficiency: Not applicable.
- **Builder Correction**: No action will be taken.

Rock Efflorescence or Deterioration

- Standard: Landscape rock or related materials are natural substances and subject to deterioration. Some rock types break down faster than others do. The rate of deterioration can be affected by the mineral content of the soil and water. Soils that have high salt (alkali) content can further accelerate the deterioration of the rock. As such, GMC Construction of NC, Inc. does not warrant effects of efflorescence or deterioration.
- **Deficiency:** Not applicable.
- **Builder Correction**: No action will be taken.

"MANUFACTURED PRODUCTS"

Defects

- Standard: Manufacturer related defects attributable to the materials used, the manufacturing process, or failure to perform as defined by the manufacturer's warranty, are the responsibility of the manufacturer. In such event, specific coverage is determined by the manufacturer's warranty. GMC Construction of NC, Inc. does not warrant in any manner those items covered by their respective manufacturer's warranty.
- **Deficiency**: Does not meet manufacturer's warranty standard.
- Builder Correction: Action will be taken by manufacturer or manufacturer's representative. No action will be taken by GMC Construction of NC, Inc. Manufacturer defects are the responsibility of the manufacturer and not GMC Construction of NC, Inc. certain manufacturer's warranties apply after the one year warranty period to which the homeowner is entitled under the Warranty

Agreement. Careful review of these warranties for terms and periods of coverage is advised.

Lack of Response or Service

- **Standard**: Manufacturer or manufacturer's representative should respond in a reasonable amount of time and provide competent service.
- **Deficiency**: Manufacturer or representative does not respond reasonably or provide competent service.
- Builder Correction: GMC Construction of NC, Inc. will assist the homeowner and act as liaison to expedite warrantable service requests. Any action by GMC Construction of NC, Inc. to assist the homeowner is done strictly as a courtesy. GMC Construction of NC, Inc. does not warrant in any manner or assume any responsibility by assisting the homeowner for those items covered by the homeowner's respective manufacturer's warranties.

"MASONRY"

Broken or Loose Blocks & Bricks

- Standard: Blocks or bricks should not be broken or loose. Brick walls should be examined at the time of the walk- through for looseness or damage. GMC Construction of NC, Inc. is not responsible for damage reported after the walk-through.
- **Deficiency**: No action will be taken after the walk-through. Exceptions apply if problem is directly attributable to improper design, defective materials, or an incorrect method of installation.
- Builder Correction: Repair or replace as necessary.

Color, Shading, Size and Shape Variation

- Standard: Masonry blocks and bricks will have slight variations in color, size and shape. Some materials vary more than others do. Certain variations are often intentional to add to the character of the material.
- **Deficiency**: In the determination of the builder's representative, block or brick size, shape or color variations detract from the intended finish appearance of the wall or veneer.
- Builder Correction: Repair as needed.

Efflorescence

• Standard: Occasionally, a white, powdery, crystalline build-up called efflorescence will appear on masonry walls, which is caused by water soluble salts in the soil being carried by moisture passing through concrete. Depending on the soils in the area, the occurrence of efflorescence can be minimized, not avoided, with regular cleaning by the homeowner. Unless the structural integrity of the masonry is materially impaired during the one-year warranty period by excessive efflorescence, GMC Construction of NC, Inc. will not be responsible for efflorescence, since it is caused by naturally occurring elements in the soils and moisture from natural or homeowner sources.

• **Deficiency**: Not applicable.

Builder Correction: No action will be taken.

Moisture Penetration

• Standard: Moisture seepage is caused by rain, irrigation water, offsite drainage or underground sources, percolating through the soils and passing though the porosity of the masonry block and grout. Seepage is a normal characteristic of masonry walls and cannot be completely prevented. Soil-exposed sides of retaining walls should be properly treated with an approved water-resistant (not waterproof) coating. Where retaining walls are installed, weep holes should be placed in the lowest course to allow seepage to pass through and thereby prevent water from building up behind the wall. Homeowner should avoid blocking weep holes, which prevents them from functioning properly. GMC Construction of NC, Inc. is not responsible for seepage.

• **Deficiency**: Not applicable.

Builder Correction: No action will be taken.

Weep Holes

 Standard: Weep holes are installed periodically along brick veneers to allow moisture to escape. These weep holes should be kept clear and free from dirt and debris.

• **Deficiency**: Not applicable.

• **Builder Correction**: No action will be taken.

"MIRRORS AND SHOWER DOORS"

Installation

- Standard: Mirrors should not become loose or lose adherence to the wall surface.
 Clips should not fail or become loose. Shower door components (towel bars, door handles) should be secure.
- **Deficiency**: Problem is directly attributable to improper design, defective materials, or an incorrect method of installation, such as mirrors lose adherence to the wall or clips become loose.
- Builder Correction: Repair as needed.

Scratches, Chips or Other Damage

- Standard: Scratches, chips or other damage may occur during the manufacturing, shipping, installation, or construction process. GMC Construction of NC, Inc. is not responsible for scratches, chips or other damage occurring after the walk-through. Damage that is reported to the builder no later than the walk-through will be repaired or glass and/or parts replaced.
- **Deficiency**: Not applicable.
- Builder Correction: No action will be taken.

Shower Door Leaks

- Standard: Shower doors should be installed and sealed so as not to leak.
- **Deficiency**: Shower door leaks.
- **Builder Correction**: Repair or replace as needed.

"PAINT AND STAIN"

Caulking Deterioration or Cracking

- Standard: Caulking is commonly used throughout the interior and exterior of the home as a sealant or cosmetic filler. GMC Construction of NC, Inc. has a responsibility to provide properly installed caulking where it is required and customary for these purposes. Even properly installed caulking will deteriorate, shrink and crack with normal exposure, wear, aging, or from the movement of the materials to which it is adhered. Caulk, therefore, must be maintained as needed by the homeowner over the life of the home.
- **Deficiency**: Not applicable, unless caulking was originally installed or applied improperly. Caulking must be regularly maintained by the homeowner, since it deteriorates and cracks with normal exposure, wear and aging.
- **Builder Correction**: No action will be taken, unless caulking was originally installed or applied improperly.

Color, Shading and Sheen Variations

- Standard: In the event that touch-up painting is needed, the sheen (luster) of the finish may vary from the sheen of the other areas of the walls. This is normal during the time that the touch-up coat is curing to its final sheen. The homeowner should exercise proper care and use to avoid using incorrect paint, or improperly storing or applying touch-up paint. If the homeowner changes paint color, the builder has no obligation to repaint in any color other than the original paint.
- **Deficiency**: Paint manufacturer determines paint product was defective or installed improperly (per manufacturer's standards).
- **Builder Correction**: Repaint affected area, to include squaring up wall from corner to corner.

Coverage

- Standard: Paint should cover all intended surfaces, completely. No light or inadequately covered areas should exist. Coverage should be per paint manufacturer's recommendations.
- **Deficiency**: Paint coverage does not meet manufacturer's specifications on coverage and/or required application thickness.
- **Builder Correction**: Reapply paint as necessary to meet manufacturer's specifications.

Deterioration of Exterior Paint

• Standard: The exterior wood areas (fascia, casings, trim, etc.) have been finished with an exterior paint or stain. Due to environmental factors such as cold, heat, moisture, wind and sun exposure, painted or stained materials expand, contract,

weather and age at varying rates. This is a normal occurrence and requires periodic homeowner maintenance, unless it can be determined that the problem is related to the preparation of the surfaces, method of application or the material used.

- **Deficiency**: Problem is related to preparation, application or material used, and not to normal aging.
- **Builder Correction**: Prepare and reapply as needed to correct.

"PLUMBING"

Chips, Cracks or Scratches of Fixture Surfaces

- Standard: These will occur when surfaces are impacted by sharp or heavy objects. Care should be taken to protect these surfaces and use caution when doing anything over them. Chips; cracks, or scratches are not covered under any performance standard, unless condition indicates a manufacturing defect.
- **Deficiency**: Not applicable. GMC Construction of NC, Inc. is not responsible for any damage noted after the homeowner walk- through.
- Builder Correction: No action will be taken, unless condition indicates a manufacturing defect. Any damage reported at or before the homeowner walkthrough will be repaired/refinished in accordance with industry and/or manufacturer guidelines.

Clogged or Stopped-up Sewers, Drains or Fixtures

- Standard: Occasionally, the drainage of toilets, lavatories, garbage disposals, sinks, washing machine drains, bathtubs or showers will get clogged or stopped up. This can occur when the plumbing system is new, due to debris that gets into the lines during construction of the home. Homeowner's can also cause stoppages by overloading the drainage capacity, or by putting improper objects or materials in the lines.
- **Deficiency**: Stoppage occurs within the first 30 days from move-in and is directly attributable to improper design, defective materials or an incorrect method of installation. (30 days allows ample time for any stoppages to occur that are caused by installation or construction debris in the line.)
- **Builder Correction**: Repair as needed within the first 30 days from move-in.

Continuously Running Toilets

- Standard: Toilets should not run continuously.
- **Deficiency**: Problem is directly attributable to improper design, defective materials or an incorrect method of installation.
- Builder Correction: Adjust as necessary.

Dripping Faucets

Standard: This problem can be caused by debris in the water lines that prevents washers and other types of seals in the faucets from working properly, allowing minor seepage. It will also occur from regular use over time as the seals wear out.

The homeowner will periodically have to replace worn out washers and seals as regular expected maintenance.

- **Deficiency**: Drips in faucet that occurs when faucet is turned OFF.
- **Builder Correction**: Clean or replace washer or seal as needed.

Freezing Pipes

- Standard: GMC Construction of NC, Inc. makes all reasonable efforts to protect water pipes from freezing. The homeowner is responsible to take prudent precautions to avoid freezing of pipes in extended periods of below freezing temperatures.
- **Deficiency**: Not applicable.
- **Builder Correction**: No action will be taken.

Leaks

- **Standard**: The components of the plumbing system should completely contain and/or transport water, waste and gases as designed without leaking.
- Deficiency: Leak is detected and not caused by homeowner misuse or neglect. Leaks must be reported in a timely manner, or additional damage may occur. GMC Construction of NC, Inc. is not responsible under any circumstances for consequential damage resulting from homeowner misuse, neglect or delay in reporting damage.
- Builder Correction: Repair as needed.

"ROOFING"

Color or Shading Pattern Variations

- Standard: Variations in color or shading patterns of shingles or tile roofing are normal characteristics of roofing materials.
- **Deficiency**: Not applicable.
- **Builder Correction**: No action will be taken.

Cracked/Chipped Roof

- Standard: Cracked or chipped roof tiles should be noted at the time of the homeowner walk-through. GMC Construction of NC, Inc. does not warrant damaged shingles caused after move-in by walking on the tile while cleaning windows, servicing equipment, mounting antennas, installing solar heaters, etc.
- **Deficiency**: Not applicable after walk-through.
- Builder Correction: No action will be taken.

Cracked or Curling Shingles

- Standard: Shingles should not crack or curl during the warranty period.
- **Deficiency**: Shingles crack, curl or in any way fail to perform as intended.
- Builder Correction: Repair as needed.

Leaks

- Standard: The roof system should not incur any roof or flashing leaks under normal weather conditions. Hurricanes, tornadoes, or other "acts of nature in weather" are not considered normal and therefore damage occurring from such events is not covered by this warranty performance standard. Leaks due to buildup of debris, such as leaves, bird nests or bird droppings, are not the responsibility of GMC Construction of NC, Inc. Periodic maintenance by the homeowner is required if these conditions exist. Leaks that are caused by the buildup of snow and ice are not covered. Prevention of snow and ice buildup is the homeowner's responsibility. Homeowner actions that caused or contributed to the leak problem are also not covered by this warranty performance standard.
- Deficiency: Leak is detected.
- **Builder Correction**: Repair as needed to prevent leak from recurring. No action will be taken if the cause of the leak was beyond the builder's control, such as gross differences in weather, lack of maintenance or other actions on the part of the homeowner.

"TILE AND MARBLE"

Broken or Loose Tile

- Standard: Tile should not crack or loosen. Care should be taken not to drop large heavy objects on the tile that can break or dislodge tile pieces. GMC Construction of NC, Inc. is not responsible for damage caused by the homeowner's actions or neglect.
- **Deficiency**: A tile is found cracked or loosened and is not the result of homeowner damage or neglect.
- Builder Correction: Re-secure or replace each piece of tile affected. GMC Construction, Inc. is not responsible for color variations in replacement tile and grout. All reasonable efforts will be made to match the tile and grout colors as closely as practical, but because of dye lot differences, GMC Construction of NC, Inc. cannot guarantee an exact match. In the event the tile selection/pattern is discontinued the homeowner will need to make a new tile selection. In this case, GMC Construction of NC, Inc. will determine replacement area. The builder does not endorse or apply any grout sealer. This is the homeowner's responsibility, even if grout was previously sealed by the homeowner before the repair.

Cracking or Deterioration of Grout and Caulking

• Standard: Grout and caulking are the fillers between the tile joints or at junctions with other materials such as bathtubs, shower pans, baseboards or thresholds. Cracking is a normal characteristic that will occur periodically throughout the life of the home as a result of shrinkage, movement or everyday use. This is a regular homeowner maintenance responsibility. This applies unless the cracking is caused by a detectable problem with the surface it is adhered to (also known as the "substrate").

- **Deficiency**: Not applicable. Unless caused by a detectable problem with the substrate, cracks in grout and caulking are a common characteristic of the material and are a regular homeowner maintenance responsibility.
- **Builder Correction**: In the event of excessive cracking, GMC Construction of NC, Inc. will demonstrate a repair one time during the one-year warranty period to show regular maintenance procedures for the homeowner. If the cracking is due to a problem with the substrate, GMC Construction of NC, Inc. will repair as needed. The builder is not responsible for color variations in replacement grout or caulking. All reasonable efforts will be made to match the grout or caulking color as closely as practical, but GMC Construction of NC, Inc. does not guarantee an exact match. GMC Construction of NC, Inc. does not endorse or apply any grout sealer. This is the homeowner's responsibility, even if grout was previously sealed the homeowner before the repair.

Shade Changes or Discoloration in Grout

- Standard: Grout shade variations or discolorations may occur due to exposure to soaps and detergents. In some areas, common tap water may contain sufficient concentrations of various particulates that will affect grout shading and coloration. Additionally, shading will vary depending on moisture content, which changes based on frequency of water use in the area and the subsequent drying conditions of the room.
- **Deficiency**: Not applicable. Significant shade variations or discoloration should be noted at time of walk-through. Exceptions apply if it is determined that a problem is caused by improper mixing or installation of the grout, or by defective grout material.
- **Builder Correction**: No action will be taken. Significant shade variations or discoloration should be noted at the time of the walk-through. If exceptions apply, the grout will be replaced in the affected areas only. GMC Construction of NC, Inc. is not responsible for color variations in replacement grout. All reasonable efforts will be made to match the grout color as closely as practical, but the builder does not guarantee an exact match.

"TRIM-EXTERIOR"

Protruding Nails

- Standard: Nails that missed the intended nailer and are left exposed, or that completely penetrate finished surfaces and are exposed on the other side (known as "shiners" at soffit areas) should be removed. This does not include roofing nails that are required to penetrate roof-sheathing material.
- **Deficiency**: Nails are left exposed because they missed or penetrated material of lesser thickness than the length of the nail.
- **Builder Correction**: Remove exposed nails.

Separation at Joints

• Standard: Minor separation or cracking of trim joints or at joints between trim and adjacent surfaces will occur due to movement from shrinkage, temperature

changes and the normal settling of the home. The performance standard tolerance allows only minor normal separation. In all cases, the materials must perform the function for which they were installed, such as providing protection from the elements.

- **Deficiency**: Separation exceeds 1/4 inch in width.
- **Builder Correction**: Repair and/or replace as needed to meet the warranty performance standard. Caulking and/or the use of metal fasteners is acceptable at the builder's discretion.

Warping, Cupping, Cracking and Splitting of Exterior Trim

- Standard: Exterior wood trim is a natural product and, as such, is susceptible to warping, cupping, cracking and splitting as it is continuously exposed to the environment.
- **Deficiency**: Exterior wood is not properly prepared with primer and top coat of paint; or if properly prepared, warping exceeds 1/2 inch in 8 feet, cupping exceeds 1/4 inch in 6 feet, and/or cracks or splits exceed an average of 1/4 inch width.
- **Builder Correction**: Repair or replace as necessary to eliminate condition. Note: Caulking of cracks and splits is an acceptable repair.

"TRIM-INTERIOR"

Operation of Doors

- Standard: Doors should operate as intended, easily and smoothly opening and closing. Although during periods of heavy moisture or humidity, doors may swell enough to bind slightly, as moisture diminishes, operation should return to normal.
- **Deficiency**: Doors bind (not attributable to temporary swelling).
- Builder Correction: Adjust, repair or replace as necessary.

Separation at Joints

- Standard: Minor separation or cracking of trim joints, or at joints between trim and adjacent surfaces, will occur due to movement from shrinkage, temperature changes, and the normal settling of the home. The performance standard tolerance allows minor normal separation. Homeowner maintenance should be performed periodically.
- **Deficiency**: Separation exceeds 1/16 inch in width.
- **Builder Correction**: No action will be taken, unless the builder's representative determines replacement is justified.

Surface Damage

- Standard: Surface damage such as scratches, chips, dents, gouges, etc., should be noted at time of walk-through. GMC Construction of NC, Inc. cannot be responsible for damage occurring during or after move-in.
- **Deficiency**: Not applicable.
- **Builder Correction**: No action will be taken.

"VINYL FLOORING"

Discoloration

- Standard: Discoloration is usually caused by moisture under the vinyl as a result of plumbing leaks or bad toilet seals and should not occur. Moisture under vinyl due to water spillage from baths and/or showers, or other factors caused by homeowner misuse or lack of maintenance, is beyond the control of the builder and not covered. Other homeowner- related causes, such as rubber backing on floor mats, are not the responsibility of the builder. (Also see "Manufacturer's Defects" in this section.)
- **Deficiency**: Source of moisture causing discoloration is due to plumbing system leak or other original construction defect or failure. Discoloration due to manufacturer's defect is the responsibility of the manufacturer (see "Manufacturer Defects" in this section).
- **Builder Correction**: Repair as needed to correct condition.

Gouges, Cuts or Tears

- Standard: Gouges, cuts and/or tears may occur during the installation of the flooring, or after installation during construction. All gouges, cuts and/or tears should be repaired prior to the walk-through. Any damage noted after the walk-through will not be covered by the warranty.
- **Deficiency**: Not applicable. Gouges, cuts and/or tears in vinyl flooring should be detected and repaired as part of the walk-through. GMC Construction of NC, Inc. is not responsible for damage from homeowner use or error.
- **Builder Correction**: No action will be taken. If action is taken on an item noted during the walk-through, gouges, cuts, or tears can be repaired by patching, and carry the same warranty as the rest of the floor. Decision to repair or replace is at the sole discretion of GMC Construction of NC, Inc.

Particles, Debris or Nail Pops Visible

- **Standard**: The flooring surface should be properly prepared before vinyl flooring installation to prevent particles, debris, sub-floor seams, or nail/screw heads from visibly showing through the finished surface.
- Deficiency: Particles, debris, sub-floor seams, or nail/screw heads can be visibly detected through the surface of the vinyl.
- **Builder Correction**: Repair as needed. Area may be patched or replaced at Builder's discretion.

Seams Separating

- **Standard**: Depending on the dimensions of the room and the vinyl chosen, each room will typically have one or more vinyl seams. Seams should not separate.
- Deficiency: Separation of a seam is detected.
- Builder Correction: Repair or replace as necessary.

"YARD AND GRADING"

Improper Drainage

- Standard: The drainage design of the yard areas is approved by the local jurisdictional agency. It is the builder's responsibility to grade your yard areas so that it meets these criteria at the time of your walk-through. After the close of escrow or move-in, whichever occurs first, it is the responsibility of the homeowner to preserve the drainage design pattern and protect the grading contours from erosion, blockage, over-saturation, or any other changes that adversely affect the intent of the drainage design. Accordingly, because these homeowner responsibilities begin as the warranty period commences, there is no warranty performance standard covering this item. GMC Construction of NC, Inc. is only responsible to provide finish yard grading that meets the drainage design criteria at the time of the walk-through.
- Deficiency: Not applicable. It is the sole responsibility of the homeowner to preserve, maintain and protect the drainage- design criteria after the walk-through. This applies unless it is determined that the design, installation and/or materials used were defective. NOTE: After heavy rains, some water may remain for up to 48 hours (or even 72 hours in drainage swales). This is typical and not considered a grading defect.
- **Builder Correction**: No action will be taken. Deliberate attention should be given by the homeowner to prevent erosion, maintain the grading contours, avoid blocking the drainage patterns, and incorporate the original drainage design patterns and contours (slopes and swales) into any improvements the homeowner adds.

Settling or Sink Holes

- Standard: Certain components of your home are installed below the finish-grade level of your yard areas, such as footings, utility lines and piping installation. The area excavated to install them should be back-filled with enough compaction (density) to prevent any settling or sinking in the future. Minor settling is acceptable.
- **Deficiency**: Settling or sinking around underground installations or other filled areas interferes with the drainage design patterns of the lot, or exceeds a vertical depths of 3 inches.
- Builder Correction: Fill affected area as necessary and contour to meet applicable drainage design pattern. This will be done one time only during the warranty period.