

One-Year Limited Warranty Agreement

Stenwood Development, Ltd., hereafter called the "Company," whose office is located at 6930 County Road 672, Millersburg, OH 44654, extends the following one-year limited warranty to _____ hereafter referred to as "Owner," who has purchased the home located at _____, Unit _____, in _____ County, state of Ohio, for the purchase price of \$ _____.

The commencement date of the warranty is _____ and extends for a period of one year.

1. Workmanship, Materials and Systems Warranty Coverage

- A. Workmanship and Materials – Commencing on the Warranty Start Date listed above, Company warrants Your Home will be free from defects in workmanship and materials as such defects are defined and set forth herein.
- B. Electrical, Plumbing, and Mechanical Systems – Commencing on the Warranty Start Date, Company warrants Your Home will be free from defects in the electrical, plumbing, and mechanical systems of Your Home (referred herein collectively as "Systems") including the wiring, piping and ductwork portions of the Systems.
- C. Appliances, fixtures or pieces of equipment that are covered by a manufacturer's warranty ARE NOT covered by this warranty. Defects in any of the systems resulting from failures in an appliance, fixture or piece of equipment covered by a manufacturer's warranty ARE NOT covered by this warranty.

3. Company's Obligations

If a covered defect occurs during the one-year warranty period, the Company agrees to repair, replace, or pay the Owner the reasonable cost of repairing or replacing the defective item. The Company's total liability under this warranty is limited to the purchase price of the home stated above. The choice among repair, replacement, or payment is the Company's. Any steps taken by the Company to correct defects shall not act to extend the term of this warranty. All repairs by the Company shall be at no charge to the Owner and shall be performed within a reasonable length of time, defined as 30 days from the date on any warranty work order issued by the Company unless other scheduling is arranged with the Owner.

4. Owner's Obligation

Owner must provide normal maintenance and proper care of the home according to this warranty, the warranties of manufacturers of consumer products, and generally accepted standards of the State of Ohio. The Company must be notified in writing, by the Owner, of the existence of any defect before the Company is responsible for the correction of that defect. Written notice of a defect must be received by the Company prior to the expiration of the warranty on that defect and no action at law or in equity may be brought by the Owner against the Company for failure to remedy or repair any defect about which the Company has not received timely notice in writing. The Owner must provide the Company with access to the home during normal business hours, Monday through Friday, 8:00 a.m. to 5:00 p.m., to inspect the defect reported and, if necessary, to take corrective action.

5. Insurance

In the event the Company repairs or replaces or pays the cost of repairing or replacing any defect covered by this warranty for which the Owner is covered by insurance or a warranty provided by another

party, Owner must, upon request of the Company, assign the proceeds of such insurance or other warranty to the Company to the extent of the cost to the Company of such repair or replacement.

6. Other Exclusions

The following additional items are excluded from the limited warranty:

- a. Defects in any item that was not part of the original home as constructed by the Company.
- b. Any defect caused by or worsened by negligence, improper maintenance, lack of maintenance, improper action or inaction, or willful or malicious acts by any party other than the Company, its employees, agents, or trade contractors.
- c. Normal wear and tear of the home or consumer products in the home.
- d. Loss or damage caused by acts of God, including but not limited to fire, explosion, smoke, water escape, changes that are not reasonably foreseeable in the level of underground water table, glass breakage, windstorm, hail, lightning, falling trees, aircraft, vehicles, flood, and earthquakes.
- e. Any defect or damage caused by changes in the grading or drainage patterns or by excessive watering of the ground of the Owner's property or adjacent property by any party other than the Company, its employees, agents, or trade contractors.
- f. Any loss or damage that arises while the home is being used primarily for nonresidential purposes.
- g. Any damage to the extent it is caused or made worse by the failure of anyone other than the Company or its employees, agents, or trade contractors to comply with the requirements of this warranty or the requirements of warranties of manufacturers of appliances, equipment, or fixtures.
- h. Any defect or damage that is covered by a manufacturer's warranty that has been assigned to Owner under paragraph 2 of this Limited Warranty.
- i. Failure of Owner to take timely action to minimize loss or damage or failure of Owner to give the Company timely notice of the defect.
- j. Insect or animal damage.

8. Arbitration of Dispute

Purchaser's Initials _____ Purchaser's Initials _____

The Owner shall promptly contact the Company's warranty department regarding any disputes involving this Agreement. If discussions between the parties do not resolve such dispute, either party may, upon written notice to the other party, submit such dispute to arbitration. The arbitrator shall proceed under the construction industry rules of the American Arbitration Association. The award of the arbitrator shall be final, conclusive, and binding upon the parties. The expenses of the arbitrators shall be shared equally, but each party shall bear its own fees and costs.

9. Exclusive Warranty

Purchaser Initials _____ Purchaser Initials _____

The Company and the Owner agree that this limited warranty on the home is in lieu of all warranties of habitability or workmanlike construction, or any other warranties, express or implied, to which owner might be entitled, except as to consumer products. No employee, trade contractor, or agent of the Company has the authority to change the terms of this one-year limited warranty.

Dated the _____ day of _____,

Owner _____ Builder _____

Owner _____