CENTEX HOMES LIMITED WARRANTY COVERAGE

I. Policy

Your home comes with limited warranty coverage administered under the guidelines established within the Residential Warranty Corporation booklet provided to you. You will also receive limited warranties from the manufacturers of products and appliances in your Home.

This Homeowner Care and Warranty Manual should be read carefully in order for you to understand the necessary new home maintenance.

- a. What is covered by the Centex Homes limited warranty.
- b. Extent of the coverage.
- c. Period of coverage.
- d. Builder's responsibility
- e. Homeowner's responsibility.

During the Centex Homes warranty period, you're Field Manager or Warranty Representative at the 60-day and 8-month inspection, will handle warrantable requests. However, if it is an emergency or something you feel cannot wait until such time, contact your Field Manager or refer to the "Contacts for Service Emergencies" section within this manual. Before closing, a Centex representative will review with you the details of this warranty program.

II. Procedure

Within 60 days after you close, you will be contacted by your Field Manager to schedule an After Move In Review walk-through inspection. Prior to that walk-though, you may find it helpful to review the **Residential Warranty Company Limited Warranty Program** booklet provided to you. Your review of this document will help prevent any misunderstanding concerning warranty coverage(s). During the After Move In Review walk-through inspection, the Field Manager will record any concerns that are warrantable under the terms of the Residential Warranty Corporation's program.

The After Move In Review warranty service is scheduled according to your closing date. Sometimes adverse weather conditions, scheduling or the temporary unavailability of material or labor can cause a delay in performing the work on your list. If this happens, your Field Manager will contact you and explain the reason for the delay. Centex Homes will make every effort to complete the warrantable work within 10 business days of the walk-through inspection.

Approximately 8-months after closing on your new home, you will be contacted by the Field Manager or Warranty Representative assigned to your area to schedule another walk-through inspection.

In order for your Centex Homes Representative to schedule efficiently and to minimize the inconvenience to you, we request that you hold warrantable issues or claims for discussion at your scheduled walk-through inspection.

Any warrantable claims following your first year of ownership, must be placed in writing, and forwarded to Centex Homes in accordance to page 6 of the "Care and Maintenance" section of this manual. Upon receiving such a request for service from you, a Centex Homes representative will contact you to determine warranty coverage under the terms of the Residential Warranty Corporations standards set forth.

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III. Coverage

Centex Homes provides you with a written Limited Warranty administered by The Residential Warranty Corporation, which provides limited coverage for the following components of your home.

A. 2-Years "Fit & Finish" Warranty Coverage: (See pages 4-5 of the following pages for a description of this coverage)

Centex Homes warrants the materials and workmanship of your home within the performance standards defined in the following pages and standards set forth under the Residential Warranty Corporation, for a period of **TWO-YEARS** from the home's original closing date. Items, which WILL NOT BE CORRECTED unless noted in the pre-settlement orientation, are those defined as "cosmetic". "Cosmetic" items include, but are not limited to, nicks, scratches, scuffs, gouges, dents, and etc. on:

- Walls & Ceilings
- Counter Tops & Vanity Tops
- Tubs, Sinks, and Showers
- Appliances
- Window Sashes & Frames
- Flooring
- Doors, Cabinetry, and Woodwork

B. 2-Year Mechanical Systems

Centex Homes warrants the plumbing, heating, and electrical systems of your home for 2-years. Coverage is limited to:

Electrical: All Wiring, electrical boxes, Switches, outlet and connection to the public utility connections.

<u>Plumbing</u>: Gas and supply fittings, water supply, waste and vent piping, water, gas, & Sewer piping, and extension to the public connection,

Heating, Cooling and Ventilation: All Ductwork, refrigerant lines, registers, connections and dampers.

This does not includes any appliances, fixtures (lights, sinks, tubs, etc.), or items of equipment (furnace, water heater, humidifier, air conditioner, etc.) See manufacturers' warranty information for those items.

C. "Major Structural Defect" Warranty Coverage (10-Years)

Your home is warranted under the terms of the Residential Warranty Corporation for a period of 10 years against major structural defects. A major structural defect is defined as a failure in the homes' <u>load bearing</u> components to the extent that the home becomes unsafe, unsanitary, and/or unlivable. Load bearing components include:

- a. Foundation Systems
- b. Roof Framing System
- c. Lintels and Columns
- d. Load Bearing Walls
- e. Beams and Girders
- f. Floor Systems

IV. Emergency Service

- A. In an emergency, you should take timely action to prevent personal injury or property damage.
- B. You should contact the appropriate subcontractors directly (electrical, plumbing, heating etc.) as listed on the "Contacts for Service Emergencies" section at the front of the manual. You should also contact your Centex Homes representative.
- C. Centex Homes' number is also provided in the "Contacts for Emergency Service" section, if it is not possible to reach the onsite Field Manager or subcontractor.

SOMETHING EXTRA FROM CENTEX HOMES

AN EXTRA YEAR OF FIT AND FINISH WARRANTY

- 1. <u>Basic Coverage</u>. When you buy a home from us, Centex Homes gives you a written Limited Warranty administered by Residential Warranty Corporation. We call this the "RWC Warranty." It provides three types of protection, including a one-year warranty on the general workmanship of the home and a 10-year warranty on designated structural elements. For ease of reference, we call the general workmanship warranty a "fit and finish" warranty, and we call the warranty on designated structural elements a "structural" warranty.
- 2. An Extra Year of Coverage. If you signed your home purchase contract on or after April 1, 2004, Centex Homes will provide you with an additional year's worth of the warranty on fit and finish items, covering your second year of home ownership.
- 3. <u>Combined Coverage</u>. Putting these two warranties together, you get a warranty on fit and finish items for two full years as well as a 10-year structural warranty, all described in the chart below.

CHART SHOWING COMBINED WARRANTY COVERAGE

Type of Warranty	Duration	Formal Description in RWC Warranty	Warrantor	Backed By	Whom to Contact for Service
Fit and Finish (Workmanship)	First Year	"Year 1 Coverage"	Centex Homes	Western Pacific*	Centex Homes
Fit and Finish (Workmanship)	Second Year	"Year 1 Coverage"	Centex Homes	Centex Homes only, Not Western Pacific*	Centex Homes
Certain Systems	First and Second Years	"Year 1 and 2 Coverage"	Centex Homes	Western Pacific*	Centex Homes
Structural	10 years	"DSE Coverage"	Western Pacific*	Western Pacific*	RWC, Administrator

- * Western Pacific Mutual Insurance Company, a Risk Retention Group
 - 4. Terms and Conditions; Important Document. Requests for service under the second year of the "fit and finish" warranty must be written and must be postmarked no later than 30 days after the second anniversary of the Effective Date. Please see the back of this document for other important terms and conditions, and put this document in a safe place with your other important paperwork.

TERMS AND CONDITIONS

- 1. Basic Coverage from Residential Warranty Corporation including "Year 1 Coverage". Centex Homes participates in the Limited Warranty Program of the Residential Warranty Corporation and has obtained for you a written Limited Warranty (the "RWC Warranty") that you will receive soon after you move into your home. The RWC Warranty gives you "Year 1 Coverage" and "Years 1 and 2 Coverage" for which Centex Homes is responsible, backed by Western Pacific Mutual Insurance Company, a Risk Retention Group ("Western Pacific"). The RWC Warranty also gives you 10 years of structural coverage coming directly from Western Pacific. "Year 1 Coverage" is much broader than "Years 1 and 2 Coverage," which warrants only the performance of certain systems in your home. This means that the RWC Warranty offers reduced coverage in the second year of ownership (which we address with the additional coverage that we provide during the second year).
- 2. What is "Fit and Finish" Coverage? The RWC Warranty does not use the expression "fit and finish," but we use the expression as a convenient way to describe the "Year 1 Coverage" of the RWC Warranty. So "fit and finish" coverage is the "Year 1 Coverage" described in the RWC Warranty.
- 3. An Additional Year of "Year 1 Coverage" from Centex Homes. Centex Homes now gives you an additional year of "Year 1 Coverage," taking you through your second year of home ownership. Specifically, and using the words defined in the RWC Warranty, Centex Homes warrants that for the second year after the Effective Date of the RWC Warranty, warranted items will function and operate as presented in the Warranty Standards of Year 1, Section III.A of the RWC Warranty. This additional coverage comes solely from Centex Homes and is not backed by the RWC or by Western Pacific.
- 4. You Still Get the Other Basic Coverage. Because Centex Homes still gives you the RWC Warranty, you get the benefit of all of the coverage in the RWC Warranty, including the "Years 1 and 2 Coverage" and the 10-year warranty on designated structural elements. But the extra coverage from Centex Homes ensures that you get the same overall coverage for the first two years, offsetting the reduced scope of the RWC Warranty in the second year of ownership.
- 5. No Greater Role for RWC or Western Pacific. Neither RWC nor Western Pacific has any role to play in the extra year of fit and finish coverage provided by Centex Homes. If you have any comment, question or complaint about the additional "Year 1 Coverage" that you get from Centex Homes during your second year of home ownership, please direct it to your local Centex Homes warranty department.
- 6. <u>Conditions</u>; <u>Disagreements</u>. The extra warranty coverage from Centex Homes is subject to the same definitions, exclusions and other terms as the "Year 1 Coverage" in the RWC Warranty, except that Section IV ("Requesting Warranty Performance") does not apply, nor does Section II.D.4. Instead of following the provisions of Section IV, you should contact only your Centex Homes warranty department for service. <u>Also</u>, any disagreements you have with Centex Homes about the extra warranty coverage from Centex Homes will be resolved in accordance with the provisions of the home purchase contract between you and Centex Homes.
- 7. <u>Transferable</u>. The extra warranty coverage from Centex Homes transfers automatically to anyone who buys the home at any time up to the second anniversary of the Effective Date.

HOW TO OBTAIN WARRANTY SERVICE

Listed below are the 4 different types of warranty service requests. A Centex Homes representative will contact you to initiate maintenance and warranty reviews for you at two different times; you may initiate the other warranty service requests. Listed below are the four types of warranty service requests:

Emergency Service Request

An Emergency Service Request is considered to be a request based on a problem that places you or your home in immediate danger of harm. This type of service could be one of the following; no heat in the winter, no A/C in the summer, and severe water leak. For this type of service refer to your Homeowner Manual under the "Helpful Information" section "Contacts for Service Emergencies.

After Move-in Review

Centex will contact you in writing to schedule an "after move-in review". This contact happens approximately two months after you have closed on your home. The after movein review is optional, but if you have any items that need adjustment or repair and fall within the warranty service policies (described below), we will schedule such repairs during this review.

8-Month Warranty Service Review

Centex will contact you in writing approximately 8 months after your closing date to initiate the "8-month review". Items within the warranty terms of the Residential Warranty Corporation, shown to require adjustment or repair by reason of defect in fit and finish will be repaired or adjusted without cost to you.

1-Year to 10-Year Warranty Service

If you believe that repairs to your home are warranted, please refer to the following pages of item specific warranty information, or refer to the RWC warranty booklet for each item in question.

- Is the required item covered by warranty?
- Does it fall within the performance standards and warranty period?
- What is the acceptable correction method?

If service problems exist in your home after your first year of ownership of the home, these items must be submitted in writing to:

Centex Homes - Minnesota Division

12400 Whitewater Drive, Suite 120 Minnetonka, MN 55343 Attn: Warranty Service Department

OR: centexhomes.com

For us to provide warranty service, you will need to provide access to your home during normal working hours, 7:00 a.m. to 4:00 p.m. Monday through Friday, excluding holidays. Under no circumstances will Centex accept house keys or garage codes. Please schedule service when you will be home or make other arrangements with your Centex Homes representative.

CENTEX HOMES

Warranty Service Requests with Centex Homes

Emergency Service Request

Review your manual for emergency contact and directions.

After-Move-In Review Request

Contact your Field Manager for your neighborhood. During the time between your After-Move-In-Review and your 8-month Warranty Service please contact your Centex Homes Field Manager directly or contact us at:

Centex Homes

12400 Whitewater Drive, Suite 120 Minnetonka, MN 55343 Attn: Warranty Service OR: centexhomes.com

8-month Warranty Service Requests

Contact your Field Manager or Warranty Field Manager assigned to your neighborhood.

1 Year to 10-Year Warranty Service Request

All Warranty Service Request after 1 year must be submitted in writing to:

Centex Homes

12400 Whitewater Drive, Suite 120 Minnetonka, MN 55343 Attn: Warranty Service OR: centexhomes.com

Community				
Lot #				

Centex Homes

10 Most Common Maintenance Items in A New Home that are Not Covered By most Homebuilder's Warranty.

A homeowner has a responsibility to maintain his or her home in order to preserve the homes beauty and functionality. Please take a few moments to read the Centex Homes Homeowners Manual and Residential Warranty Corporation Limited Warranty in order to understand what items are warranted and what items are homeowner maintenance. Also, listed below are the 10 most common issues that arise that are actually homeowner maintenance issues.

Remember these items are the homeowner's responsibility and are not warranted.

- 1. Drywall nail pops or cracks less than 1/8" in width.
- 2. Concrete cracks less than 1/4" in width or vertical displacement.
- 3. Stucco cracks less than 1/8" in width.
- 4. Erosion of any landscaping.
- 5. Maintenance of all caulking inside and outside of your home.
- 6. Maintenance of all tile grout.
- 7. Windows sticking due to fresh paint or weather.
- 8. Cosmetic repairs to any hardwood floor.
- 9. Cosmetic repairs to drywall, cabinetry or trim etc.
- 10. Replacement of any landscape plant material after closing. Please refer to your Centex Homes Homeowners Manual.

The Centex Homes Homeowners Manual, or the Residential Warranty Corporation Manual are excellent reference tools to answer any questions you may have concerning the warranty on your new home. Your Field Manager at your orientations will answer any specific questions you may have.

Date Received	
Customer Signature	

INSERT YOUR CUSTOMER REQUEST FOR SERVICE FORM HERE!