

Twin Peaks Village

LIMITED WARRANTY

This Limited Warranty is given by Echo Lake Investments, LLC, a New Hampshire limited liability company of 12 Wheeler Road, Lexington, Massachusetts 02470 hereafter referred to as "Seller", and is given to

_____, &
_____, both of

_____, hereafter referred to as "Buyer", for Lot #1 as shown on Coos County Registry of Deeds "CCRD") Subdivision Plan No. 4619 entitled "Echo Lake Investments, LLC, Echo Lake Subdivision, 233 Route 3 South, Carroll, New Hampshire" hereafter referred to as the "Lot". This Limited Warranty extends to the "Buyer" only and is not transferable or enforceable by any succeeding transferees or purchasers and is the only express warrant, the Seller is giving to the Buyer relative to improvements on the Lot.

TERM OF COVERAGES:

The "duration of coverage" under this Limited Warranty shall commence on the date the deed for the Lot is delivered to the Buyer or on the date the Buyer first moves into the Lot, whichever occurs first and shall terminate one year thereafter, as measured by the day after the commencement date being the first day of the warranty year. The first of such dates is hereafter referred to as the "date of possession." The coverage under this Limited Warranty is set forth under the following section entitled "Coverage's."

COVERAGES:

CONCRETE FOUNDATION WALLS AND FLOORS:

The Seller warrants that the concrete foundation walls and floors will be free from seepage and leakage of surface for a period of one (1) year from the date of possession. However, because new concrete contains water and takes an extended period of time to cure as well as the depth of the basement within the ground, it is impossible to insure that condensation or dampness will not occur. Therefore, condensation and dampness are expressly accepted and not covered under the terms of this Limited Warranty. (The use of a dehumidifier, especially in the summer months, is recommended). Any damage to personal items due to dampness in the

basement is not covered under the terms of this Limited Warranty. In addition, seepage, and leakage due to unusual flooding or rains greater than two (2) inches per (24) hours are expressly excepted and not covered under the terms of this Limited Warranty. Furthermore, it is not possible to prevent concrete foundation walls and/or floors from minor cracking since this is the nature of the material. Therefore, minor cracking of foundation walls and/or floors are expressly accepted and not covered under the terms of this Limited Warranty. All major cracks (to be defined as cracks greater than one-half inch wide) and cracks which emit water (condensation and dampness not included) will be repaired by the seller for a period of one (1) year from the date of possession.

ROOF, VENTS, LOUVERS, AND GUTTERS:

The seller warrants that the roof has been properly installed and will be free from defects in material and workmanship for a period of one (1) year from the date of possession. However, leaks caused by ice and snow backup in gutters or downspouts and leaks caused by windblown rain or snow through gables end and/or soffit vents or Louvers are expressly excepted and not covered under the terms of this Limited Warranty. Because gutters and downspouts may collect debris such as leaves and branches, the Seller recommends that they be checked and cleaned at least twice annually.

WATER:

Water is provided by Town of Carroll Water Department. Seller warrants will be potable water at time of purchase of the improved lot.

EXTERIOR MATERIALS (VINYL, ALUMINUM, WOOD):

The Seller warrants that the exterior siding materials, including the soffits and trim, as well as the deck products, have been properly installed, and will be free from defects in material and workmanship for a period of one (1) year from the date of possession (excluded are such inherent material qualities such as, but not limited to, shrinkage, warping, knots, grain finish, and fading).

EXTERIOR MATERIALS FINISH:

The Seller warrants that any exterior materials that are finished on-site by the Seller, such as the exterior doors, have been properly prepared for paint and will be free from defects in material and workmanship for a period of one (1) year from the date of possession. Since new wood contains an abundant amount of moisture, and because such moisture may cause the

stain and/or paint to bubble and/or peel, the Seller will scrape and re-stain and/or repaint the bubbled or peeled area for a period of one (1) year from the date of possession. In addition, since the pressure treated materials for the deck and front porch/stairs are left natural and untreated by the Seller, exposure to weather may cause the boards to darken, mildew, split, crack, and/or twist. Therefore, darkening, mildewing, splitting, cracking, and/or twisting of the pressure treated materials are not covered under this Limited Warranty. Finally, since the exterior wood thresholds are factory finished by the manufacturer with polyurethane type seal and are left natural and untreated by the Seller, damage due to normal wear and tear, such as peeling and worn finish, is not covered by this Limited Warranty.

INTERIOR WALLS AND TRIM:

The Seller warrants that the interior drywall, trim, doors, and windows have been properly installed and will be free from defects in material and workmanship for a period of one (1) year from date of possession. Since there is an abundant amount of moisture in a house, and wood will shrink and swell in accordance with climatic changes, hairline cracks in the drywall may occur around doors, windows, and in corners. The Seller will repair all hairline cracks greater than 1/8" in width in the drywall compound for a period of one (1) year from date of possession, at the conclusion of the first year. However, since certain areas of the walls and ceilings will require repainting, the Seller expressly does not guarantee that there will be exact color match. Furthermore, gaps caused by the normal expansion and contraction of the interior wood trim or caulking, such as around doorways, baseboards, and skirt boards, are expressly excepted and not covered under the terms of this Limited Warranty. In addition, sticking or binding doors and windows may also develop due to climatic changes. The Seller agrees to repair any sticking and binding doors or windows for a period of one (1) year from the date of possession. However, to make all doors and windows completely free from sticking or binding may cause them to become loose or ill-fitting in the future. Therefore, loose- or ill-fitting doors due to adjustment are not covered by this Limited Warranty.

INTERIOR PAINT:

The Seller warrants that the interior walls and trim have been properly prepared for paint, and such paint will be free from defects in material and workmanship for a period of one (1) year from the date of possession. Since the Seller does not use eggshell paints, defects in walls or trim, which are not visible under the normal application of standard paints (flat or semi-

gloss), but which may be visible due to the application of eggshell paints, are not covered by this Limited Warranty. In addition, defects in walls or trim, which are not visible under the normal application of Seller's standard paint color (white/off white), but which may be visible under direct sunlight or under specific types of lighting, but are qualities inherent to drywall, are expressly excepted and not covered under the term of this Limited Warranty. Finally, shrinkage of caulking and/or filler materials, due to the normal expansion and contraction of materials, is expressly accepted and not covered under the term of this Limited Warranty.

APPLIANCES:

Although the Seller may supply the appliances in the house, no guarantee and/or warranty is made or intended by the Seller for the appliances. The Buyer should consult the supplier or the manufacturer of the appliances for the items covered under the manufacturer's warranty and the duration of such coverage. However, since some appliances may be installed by the Seller, and they will be free from defects in material and workmanship for a period of one (1) year from the date of possession.

PLUMBING:

The Seller warrants that the plumbing and sewerage disposal system has been properly installed and will be free from defects in material and workmanship for a period of one (1) year from the date of possession. The Seller agrees to repair any leaking or dripping faucets and/or perform adjustments to the fixtures for the first ninety (90) days from the date of possession only. If a stoppage occurs within the first year of possession, should any foreign objects be found in the course of correcting the stoppage, then the Buyer will pay for the entire cost of the correction. The Seller encourages the Buyer to turn off and drain all exterior faucets before the advent of winter. Frozen exterior faucets and/or pipes, leaks, and damage, which may be caused by same, are never the responsibility of the Seller and are expressly accepted and not covered under the terms of this Limited Warranty.

HEATING, VENTILATION, AND AIR-CONDITIONING:

The furnace and/or air conditioning equipment, if any, supplied by the Seller, are guaranteed, and/or warranted by the manufacturer for a period of time designated by the manufacturer from the date of installation, and no guarantee or warranty is made or intended by the Seller. The Buyer should consult the original installer and/or manufacturer regarding the items

covered under the manufacturer's warranty and the duration of such coverage. The Seller agrees to make adjustments to the heating system and/or air conditioning systems for the first ninety (90) days from the date of occupancy or the commencement of the heating or cooling season, except in the event that the thermostat fails to reach a temperature of seventy (70) degrees Fahrenheit with an outside temperature of zero (0) degrees Fahrenheit, and a wind speed of five (5) miles per hour, in which case that one (1) year Limited Warranty applies. The Buyer should consult the original installer and/or manufacturer for the proper maintenance procedures for the heating system and/or air conditioning system.

VINYL FLOORING:

The Seller warrants that the vinyl flooring has been properly installed and is free from defects in material and workmanship at the date of possession. Prior to the date of possession, Seller has given the buyer the opportunity to examine the vinyl, and the buyer has reported any defects in material and workmanship to the Seller at that time. The Buyer understands and acknowledges that the vinyl is seamed together in certain places. The Seller agrees to repair any lifting seams for a period of one (1) year from the date of possession. Further damage to the floor or underlayment caused by the Buyer's failure to notify the Seller, should any lifting occur, is expressly excepted and not covered under this Limited Warranty. The Buyer understands and acknowledges that the vinyl is installed over underlayment. As a result of movement or minor settling of the house, the underlayment seams and floor joist seams may become noticeable, and squeaking may occur. This is accepted and not covered under the terms of this Limited Warranty. The Buyer understands and acknowledges that the edges of the vinyl are caulked to the cabinets, vanities, and baseboards. As a result, the caulking may shrink or discolor as this is the nature of the material. Therefore, shrunk and/or discolored caulking is/are expressly excepted and not covered by the terms of this Limited Warranty. The Buyer is encouraged to avoid wearing "high heeled" shoes, as same may cause permanent dents to the vinyl and underlayment, which are not covered under the terms of this Limited Warranty.

CERAMIC TILE:

The Seller warrants that the ceramic tile has been properly installed and is free from defects in material and workmanship at the date of possession. As a result of movement and/or minor settling which is the nature of a new house, the ceramic tile and/or the grout between the ceramic tiles may

crack. This is especially evident around baseboards and at the edge of the bathtub and shower Lots. Therefore, cracking of the ceramic tile and/or grout are expressly accepted and not covered by the terms of this Limited Warranty. The Seller will fix any loose tiles for a period of one (1) year from the date of possession.

CARPETING:

The Seller warrants that the carpeting, *if any*, has been properly installed and is free from defects in material and workmanship at the date of possession. As a result of climate changes, the carpeting may shrink and expand causing bubbles. The Seller agrees to repair all bubbles for a period of one (1) year from the date of possession. In addition, the Seller agrees to repair any loose seams for a period of one (1) year from date of possession. The Buyer is encouraged to cut with manicure scissors any loose yarns and/or threads, avoid pulling them, as pulling may cause permanent defects to the carpeting which are never covered under the terms of this Limited Warranty. In addition, since "Berber" type carpets generally have tighter and/or looped piles, Berber seams are generally more visible than standard cut pile or plush carpets. Therefore, Berber carpet seams that in the opinion of the Seller are standard to the industry, but may be more visible to the eye, are expressly accepted under the terms of this Limited Warranty.

HARDWOOD FLOORING:

The Seller warrants that the hardwood flooring, *if any*, has been properly installed and is free from defects in material and workmanship at the date of possession. It must be understood that the hardwood flooring consists of separate strip boards, which may shrink, cup or expand as the result of movement caused by climate changes such as temperature, moisture and humidity as well as minor settling of the house. Therefore shrinkage, cupping and/or expansion of boards is/are expressly excepted and not covered by the terms of this Limited Warranty, in addition, the Seller will not warranty stain, warped, shrunk, or cupped hardwood as a result of the installation of same in areas susceptible to water damage such as in front of kitchen sinks and at all exterior doors, unless such water damage is a result of Seller's negligent construction.

LANDSCAPING:

The Seller warrants that the shrubbery has been properly installed and is alive and healthy at the date of possession. Seller shall warrant the shrubbery for a period of thirty (30) days from the date of possession. In

addition, the Seller warrants that the Hydro-seed has been properly installed. Seller encourages the Buyer to properly protect the shrubbery to insure against seasonal weather damage and to properly fertilize and water all shrubbery and Hydro seed. It is the Buyer's responsibility to ensure that the Hydro seed is properly cared for, including watering, and fertilizer as needed. The seller provides no warranty that the grass will grow. No warranty is provided for acts of nature such as washouts due to heavy rain or storms. In addition, the future health of existing trees and landscaping left by the Seller are expressly excepted and not covered by the terms of this Limited Warranty.

DRIVEWAY:

The Seller warrants that the driveway has been properly installed and is free from defects in material and workmanship at the date of possession. However, it is the nature of asphalt to crack. In addition, the driveway may have minor settling as a result of the movement of the ground and automobiles, which may result in settling in some puddling of water. Therefore, cracking and/or minor settling of the asphalt and roller marks in the asphalt is expressly accepted and not covered by the terms of this Limited Warranty. Marks left by machinery on the asphalt are also not covered.

WALKWAY/PATIOS:

The Seller warrants that the walkways and any patio have been properly installed and are free from any defects in material and workmanship at the date of possession. However, it must be understood that since the walkway consists of concrete and/or paving, it is impossible to ensure that minor settling or movement will not occur as a result of frost heaves and/or rains in excess of two (2) inches in a twenty-four (24) hour period. Therefore, minor settling and/or movement are expressly accepted and not covered by the terms of this Limited Warranty. Any major settling and/or movement of the walkway will be dealt with on an individual basis, depending on the cause of such major settling. Shrinkage cracks are inherent in concrete walkways and patios and are not covered by the terms of this Limited Warranty. Damage caused to the walkway, driveway, patio, and cement board siding by Owner's use of chemicals that harm concrete to de-ice or melt snow is expressly excepted and not covered under this limited warranty.

STRUCTURE:

The seller warrants the structural integrity of the home for 5 years against settling that affects the structural integrity of the foundation or house, or failure of the roof system, exterior walls, or foundation, which are directly attributable to faulty materials or workmanship used during construction.

EXCLUSIONS FROM COVERAGE:

The Seller expressly disclaims responsibility for any of the following items, each of which is expressly excluded from this Limited Warranty:

Defects of any nature in any appliance or piece of equipment, which are covered by any manufacturer's warranty. Whereas each Manufacturer's Warranty has been assigned directly to the Buyer, each such Manufacturer's Warranty claim procedure must be followed where a defect of any nature appears in a warranted item.

Damage due to ordinary wear and tear, abusive use, misuse, or lack of proper maintenance of the house or its components, parts or systems.

Defects which are the result of characteristics common to materials used such as, but not limited to, cracks due to drying and curing of concrete, drywall, plaster, bricks, masonry, and asphalt, and the drying, shrinkage and cracking of caulking and weather stripping.

Defects in items ordered directly by or installed by the Buyer or anyone other than the Seller or Subcontractors at Seller's order.

Work done directly by the Buyer or anyone other than the Seller or Subcontractors at Seller's order.

Defects in items supplied by the Buyer.

Loss or injury due to the elements.

Conditions resulting from condensation on, expansion, or contraction of materials.

Mold

IMPLIED WARRANTIES:

All implied warranties including, but not limited to warranties of merchantability, fitness for a particular use, and habitability with respect to the real estate, is limited to the warranty periods set forth in the section entitled "Coverages" in this Limited Warranty.

MANUFACTURERS' WARRANTIES:

The Seller hereby passes through and assigns directly to the Buyer any and all manufacturers' Warranties on all equipment supplied by the Seller in the house. Such warranties may include, for example, the following appliances and equipment, although not every house includes all of these items, and the house may include appliances or equipment not on the list: Range, Microwave Oven, Refrigerator, Dishwasher, Garbage Disposal, Ventilating Fan, Air Conditioner, Furnace, Electric Garage Door Opener, Windows, and Garage Doors.

As part of the pass through of these or any other Manufacturers' Warranties on the appliances and equipment included in the purchase of the house, the Seller wishes to advise the Buyer that each such warranty may include as specific procedure, which must be followed to make the warranty effective. The procedure may require notification or registration by the Buyer to the manufacturer or mailing by the Buyer of said warranty or registration cards to the manufacturer.

The Buyer's failure to register or to mail such warranty or registration cards according to any manufacturer's requirement shall not create any liability on the part of the Seller for any expressed or implied warranty on such appliance and/or equipment.

The forwarding of such material to any manufacturer is the Buyer's sole responsibility.

NO OTHER WARRANTIES:

This Limited Warranty is the only express warranty that the Seller gives to the Buyer.

CLAIMS/PUNCH LIST PROCEDURE:

If a defect should appear, which the Buyer believes is covered under this Limited Warranty, the Buyer should notify the Seller in dated writing or by facsimile at the address appearing at the bottom of this Limited Warranty by no later than the 365th day of the warranty coverage year. The Buyer should describe the defect briefly and advise the Seller when the Buyer will be at the Lot so that the Seller can schedule an inspection of the defect. Upon inspection by the Seller, if this Limited Warranty covers the defect, the Seller will repair or replace the defect at no charge to the Buyer within sixty (60) days (longer if weather conditions, labor problems or material shortages cause delays). The Seller or Subcontractors chosen by the Seller will do the work. The choice between repair or replacement is Seller's. If Buyer gives notice after the warranty year, Seller is not responsible for correction of the complained of item.

NO WAIVER:

In the event that the Seller waives any of the provisions of this Limited Warranty, the remainder of the provisions of this Limited Warranty shall remain in full force and effect.

SEVERABILITY:

In the event that any of the provisions of this Limited Warranty shall be held to be invalid, the remainder of the provisions of this limited Warranty shall remain in full force and effect.

LIST OF SUBCONTRACTORS:

DATE OF POSSESSION: _____

SELLER: ECHO LAKE INVESTMENTS, LLC

Syed Nuruzzaman, Manager

Date

We have read all nine (9) pages of this Limited Warranty we understand and accept the contents herein.

THE BUYER (S):

Date

Date