



NEW HOME LIMITED WARRANTY

Administered by:

CornerStone United, Inc.
 1020 Main Avenue, NW
 Hickory, NC 28601

For inquiries concerning this **LIMITED WARRANTY** contact CornerStone at 1-866-405-3242

DECLARATIONS PAGE

| | | | CSMHLW | | |
|---|---|---|----------------|------------------------------------|------------|
| Purchase Date of Home (mm/dd/yy) | | Purchase Date of Contract (mm/dd/yy) | | Purchase Price of Home | |
| | | | | \$ | |
| Home Owner Last Name | | First Name M.I. | | Co-Owner Last Name First Name M.I. | |
| Street Address | | | | Email Address | |
| Home Telephone () | | City | State | | Zip |
| COVERED HOME INFORMATION (Manufactured / Mobile Home) | | | | | |
| Manufacturer | | | Model | | Length |
| Serial # | | | Year | | Width |
| COVERED HOME INFORMATION (Modular Home) | | | | | |
| Builder | | | Square Footage | | Year Built |
| WARRANTY DEDUCTIBLE | TERM OF COVERAGE | | | | |
| \$50 | Extended Home Structure Coverage = 7 Years* Extended Home Systems & Appliances Coverage = 7 Years* <small>*Coverage under this Limited Warranty does not begin for one (1) year from the Purchase Date of Home listed above.</small> | | | | |
| ISSUING SELLER INFORMATION | | | | | |
| Name & Number | | | Salesperson | | |
| City | | | State | | ZIP |

THIS SECTION PERTAINS TO COVERAGE PROVIDED TO THE HOMEOWNER DURING YEARS TWO THROUGH SEVEN OF HOME OWNERSHIP. **IF YOU NEED SERVICE FOR COVERED ITEMS DURING YEARS TWO THROUGH SEVEN, PLEASE CALL 1-866-405-3242.**

DEFINITIONS

In this **Limited Warranty**, "**You**", "**Your**", and "**Yours**" refers to the person(s) who own(s) the home at the location shown in the Declarations Page. "**We**", "**Us**", and "**Our**" refers to the Issuing Seller from whom you purchased your home.

In this **Limited Warranty**, "**Administrator**" refers to CornerStone United, Inc., 1020 Main Avenue, NW, Hickory, North Carolina 28601, 1-866-405-3242

In addition, certain words and phrases are defined as follows:

Anniversary Date means the calendar month and day that corresponds to the Sale Date of Home for all subsequent calendar years during the term of this **Limited Warranty**.

Consequential Damages means any damage to an item, other than a **Covered Component**, which results from a **Mechanical Breakdown** of a **Covered Component**.

Covered Component means the specific item originally supplied by the manufacturer and/or in the original retail sales agreement between **You** and the dealer, seller or builder of the home listed on the Declarations Page of this **Limited Warranty**. The **Covered Component** must be owned by **You** and must be located in or on the **Residence**.

Incidental Damages means expenses or other losses that occur as a result of a **Mechanical Breakdown**. **Incidental Damages** include but are not limited to: loss of use of **Your Residence**; loss of time, profit, inconvenience, wages, or any other personal or commercial loss; punitive or exemplary damages; and attorneys' fees.

Limited Warranty means **Your** warranty registration, declarations, these terms and conditions, and any amendatory endorsements.

Mechanical Breakdown or **Breakdown** means the operational failure of a **Covered Component** to the degree that:

- i. *the item has stopped working completely; or*
- ii. *the item no longer meets manufacturer's/industry requirements or specifications for its intended use; or*
- iii. *continued use of the item is dangerous to the occupants; or*
- iv. *the item works so unproductively that continued use is impossible or impractical.*

Mold means any Mold, mycotoxin, fungi, organic pathogen, bacteria, virus or their spores, scent or byproducts of any type or nature, including wet or dry rot, mildew and others, that cause, threaten to cause, or are alleged to cause **Mechanical Breakdown** or damage to any **Covered Component**.

Pre-existing Condition means the **Mechanical Breakdown** of a **Covered Component** prior to the effective date of this **Limited Warranty**.

Remediation means to test for, monitor, clean up, treat, eliminate, prevent, detoxify, neutralize, contain, remove, dispose or in any way respond to or assess the effects of Mold.

Repair means to pay for the labor and parts to fix a **Covered Component**.

Replace or **Replacement** means to provide a **Covered Component** of like kind and quality, including installation.

Residence means the premises owned and occupied by **You** and described in the Declarations page. It is defined as the entire structure, any attached garage, and any area directly adjacent to the structure in which a heat pump or central air conditioner is located.

Term of Coverage means the length of this **Limited Warranty**. The **Term of Coverage** is listed on the Declarations Page. **Term of Coverage** begins on the Purchase Date of Home shown on the Declarations page. Coverage under this **Limited Warranty** begins one (1) year from the Purchase Date of Home shown on the Declarations page. The expiration date for **Limited Warranty** is calculated by adding the **Term of Coverage** to the Purchase Date of Home as shown on the Declarations. This **Limited Warranty** is not renewable.

COVERED COMPONENTS

We will pay or reimburse **You** for reasonable costs necessary to **Repair** or **Replace** any **Mechanical Breakdown** of the **Covered Components** listed in the Schedule of Coverages, excluding those parts, components, maintenance services, and conditions listed under Exclusions, less any Deductible as shown on the Declarations Page, and in accordance with all the provisions of this **Limited Warranty**.

SCHEDULE OF COVERAGES

COVERAGE SECTION – HOME STRUCTURE COVERAGE

HOME STRUCTURE

COVERED COMPONENTS: Steel frame, Tie-down straps and anchors; Sub-floor structure; Doors; Windows; Sliding doors; Load bearing and non-load bearing framing members; Interior walls; Exterior siding; Roof structure; and Ceiling.

EXCLUSIONS: Exterior siding and interior walls, ceilings and the roof structure are covered only for defects in material or workmanship to the extent of performing the structural function for which they are intended. Peeling, chipping, discoloration, fading or other cosmetic loss or damage to the surface material of these items is not covered. Each exterior siding and interior wall, roof structure or ceiling panel is a separate covered item. If one or more panels are defective and coverage applies, **Our** obligation is **Repair** or **Replacement** of only the defective item(s). Only one deductible will apply to any one loss involving more than one of the same kind of panel.

COVERAGE SECTION – SYSTEMS COVERAGE AND APPLIANCE COVERAGE

ELECTRICAL SYSTEM

COVERED COMPONENTS: All components and parts, including ceiling fans, except those listed under Exclusions.

EXCLUSIONS: Fixtures, other than ceiling fans; door bells; alarms; intercom or speaker systems; central vacuum systems; audio/video/computer wiring or cable; telephone wiring; inadequate wiring capacity; power failure or surge; garage door openers; direct current (D.C.) wiring and/or low voltage systems including wiring and relays; and circuit overload.

PLUMBING SYSTEM

COVERED COMPONENTS: Leaks and ruptures of water, drain, gas, waste or vent lines; toilet tanks, bowls and related mechanisms; toilet wax ring seals; valves for shower, tub and diverter, angle stops, risers and gate valves; built-in bathtub whirlpool motor and pump assemblies.

EXCLUSIONS: collapse or damage to water, drain, gas, waste or vent lines caused by freezing or roots; faucets and fixtures; bathtubs and showers; shower enclosures and case pans; sinks; toilet lids and seats; caulking or grouting; septic tanks; water softeners; pressure regulators; inadequate or excessive water pressure; flow restrictions in fresh water lines caused by rust, corrosion or chemical deposits; sewage ejector pumps; holding or storage tanks; saunas or steam rooms; hose bibs; and whirlpool jets.

REFRIGERATOR

COVERED COMPONENTS: All components and parts, except those listed under Exclusions.

EXCLUSIONS: Racks; shelves; drawers; ice makers, ice crushers, beverage/water dispensers and their respective equipment; interior thermal shells; food spoilage; freezers which are not an integral part of the refrigerator; and multi-media center.

OVEN / RANGE/ COOKTOP

COVERED COMPONENTS: All components and parts, except those listed under Exclusions.

EXCLUSIONS: Clocks (unless they affect the function of the oven); meat probe assemblies; rotisseries; racks; handles; knobs.

DISHWASHER

COVERED COMPONENTS: All components and parts, except those listed under Exclusions.

EXCLUSIONS: Racks; baskets; rollers.

GARBAGE DISPOSAL

COVERED COMPONENTS: All components and parts; except those listed under Exclusions.

EXCLUSIONS: Flanges; rings; components relating to installation/mounting; failure due to jams caused by glass, bones or foreign objects other than food; failure caused by corrosion or rust.

BUILT-IN MICROWAVE OVEN

COVERED COMPONENTS: All components and parts, except those listed under Exclusions.

EXCLUSIONS: Interior linings; door glass; shelves; portable or counter top microwave ovens; meat probe assemblies; rotisseries; and clocks.

CENTRAL AIR CONDITIONING SYSTEM

COVERED COMPONENTS: Electric wall air conditioning systems. Water evaporative cooler systems. Costs related to FREON recapture. Electric central air conditioning systems including: condenser; metering devices (i.e. thermal expansion valves); furnace transition; evaporator coils and drain lines; air handling Unit; air handling transition; secondary drain pan and lines; and refrigerant lines.

EXCLUSIONS: Gas air conditioning systems; condenser casings; registers and grills; filters' electronic air cleaners; window units; water towers; humidifiers; roof jacks or stands; evaporative cooler pads; flues; vents; chillers and chiller components. Improperly sized air conditioning units. Systems with improperly matched condensing unit and evaporative coil per manufacturer's specifications. Improper use of metering devices (i.e. thermal expansion valves).

HEATING SYSTEM OR BUILT-IN WALL HEATING UNIT

COVERED COMPONENTS: Heating systems including: heat pump-metering devices (i.e. thermal expansion valves); furnace transition; evaporator coils and drain lines; air handling unit, air handling transition; secondary drain pan, and refrigerant lines.

EXCLUSIONS: All components and parts relating to geothermal, water source heat pumps including: outside or underground piping; components for geothermal and/or water source heat pumps, re-drilling of wells Tor geothermal and/or water source heat pumps; baseboard casings; fuel storage tanks; portable units; solar heating systems; fireplaces and key valves; filters; registers; grills; clocks; timers; heat lamps; humidifiers; flues and vents; improperly sized heating systems; chimneys; pellet stoves; cable heat (in ceiling); wood stoves (even if only source of heating); systems with improperly matched condensing unit and evaporative coil according to the manufacturer's specifications; improper use of metering devices (i.e. thermal expansion valves).

WATER HEATER

COVERED COMPONENTS: All components and parts, except those listed under Exclusions.

EXCLUSIONS: Solar water heaters; solar components; ancillary holding or storage tanks; fuel storage tank and energy conservation unit; flues and vents; thermal expansion tanks; any noise without a related mechanical failure; and instant hot water dispenser.

CLOTHES WASHER AND DRYER

COVERED COMPONENTS: All components and parts, except those listed under Exclusions.

EXCLUSIONS: Plastic mini-tubs; soap dispensers; filter screens; knobs and dials; drawers; venting; lint screens; dryer cabinet fragrance/humidity center; hangers; shelves, rods, hooks, and cabinet liner; racks; and drawers.

LIMITS OF LIABILITY

Our annual aggregate limit of liability for all claims under this Limited Warranty is limited to \$10,000. Specific annual aggregate limits of liability for each Covered Component are as follows:

| | |
|--|---------|
| Electrical System | \$2,000 |
| Plumbing System | \$2,000 |
| Central Air Conditioning System | \$4,000 |
| Heating System or Built-In Wall Heating Unit | \$4,000 |

Annual means the time between **Anniversary Dates** during the term of this **Limited Warranty**. The above limits refer to the annual aggregate cost for access, diagnosis, and **Repair** or **Replacement** of the **Covered Component** listed. Walls and/or flooring will be returned to a rough finish condition, and no **Repair** or **Replacement** shall include painting or refinishing of the accessed areas.

EXCLUSIONS

We do not cover the following. Such loss is excluded regardless of any other direct or indirect cause or event contributing concurrently or in any sequence to the loss.

1. Any **Mechanical Breakdown** related to a **Pre-existing Condition**.
2. Any **Covered Component** that has not experienced a **Mechanical Breakdown**.
3. Any **Breakdown** of a non-covered part when the **Breakdown** is caused directly by a covered part.
4. Any **Breakdown** of a covered part when the **Breakdown** is caused directly by a non-covered part.
5. Any item that has not received proper periodic maintenance as recommended by the manufacturer or builder, or has been subject to neglect or abuse.
6. Any **Covered Component** that has been fixed, modified or altered from its original condition; unless such was done or authorized by **Us**, the manufacturer, builder or by its authorized representative.
7. Any **Mechanical Breakdown** when the responsibility for the **Repair** or **Replacement** is covered by any warranty from the manufacturer, any valid and collectible insurance policy, or any **Repairer's** guarantee or warranty.
8. Any **Mechanical Breakdown** if the manufacturer has announced its responsibility through any means; including public mandatory or voluntary recall and factory service bulletin.
9. Waste or soil stoppages, or backups of the plumbing, central air conditioning or heating systems.
10. Any damage from water that backs up through sewers, drains, overflows from a sump, or from below the surface of the ground.
11. Portable heating or cooling units, window air conditioning units, portable appliances, or solar energy equipment, antennae or satellite dishes, hot tubs or spas.
12. Any **Mechanical Breakdown** or damage which results from use of the **Home** primarily for commercial, business or professional purposes.
13. Any **Mechanical Breakdown** or damage which results from aircraft, vehicles, war, riots, nuclear action, and civil commotion.
14. Any **Mechanical Breakdown** resulting from an outside force; including, but not limited to: accident; collision; fire or smoke; theft; vandalism; riot; explosion; lightning; earth movement, earthquake, or volcanic eruption; freezing or frost; condensation rust or corrosion; windstorm; hail; water damage or flood; Acts of God; salt; environmental damage; pollution; introduction of foreign objects; contamination of fluids, fuels, coolants or lubricants.
15. Any paint, cosmetic damage or deterioration.
16. Any damage to or **Mechanical Breakdown** of a **Covered Component** resulting from improper transportation relocation, or installation, or caused by the "setup" of the **Home**. "Setup" means the construction of the foundation system; whether temporary or permanent, and the placement, erection and leveling of a manufactured **Home** or its **Covered**

Components. This may include supporting, blocking, leveling, securing, anchoring and connection of such **Home**, or of multiple or expandable sections or components, and the installation of air conditioning and minor adjustments to the **Home** or its **Covered Components**.

17. Any **Mechanical Breakdown** caused by insects, vermin, birds, bats, rodents, reptiles, or domestic animals.
18. Bodily injury liability; meaning bodily harm, sickness or disease; including required care, loss of services, and death that results.
19. Property damage liability; meaning physical injury to, destruction of, or loss of use of tangible property.
20. Any incidental damage resulting from the **Mechanical Breakdown** of a covered or non-covered part(s).
21. Any consequential damage resulting from the **Mechanical Breakdown** of a covered or non-covered part(s).
22. Any failure or damage to a **Covered Component** which results from or is associated in any way with **Mold** or its **Remediation**.
23. Equipment in common areas when the covered **Home** is a condominium, co-op apartment, or multi-family **Home**.
24. Ordinance or Law; which means any ordinance or law:
 - i. Requiring or regulating the construction, demolition, remodeling, renovation or **Repair** of property; including removal of any resulting debris;
 - ii. The requirements of which result in a loss in value to property; or
 - iii. Requiring **You** or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of pollutants

This exclusion applies whether or not a **Mechanical Breakdown** has occurred or is covered.

25. Freight and/or shipping charges.

GENERAL PROVISIONS

SETTLEMENT METHODS

The amount **We** pay for the **Repair** or **Replacement** of a **Covered Component** is limited, at **Our** option, to:

- **Our** cost to **Repair** the **Mechanical Breakdown**, less the deductible; or
- **Our** cost to **Replace** the defective item, including installation, less the deductible.

Replacement parts may be new, remanufactured or **Replacement** parts of like and quality that meet the manufacturer's specifications and are provided by non-original equipment manufacturers.

DEDUCTIBLE

We will pay only that part of the total of all loss payable that exceeds the deductible amount shown in the Declarations. If a **Mechanical Breakdown** takes more than one service call to **Repair** or **Replace**, only one deductible will apply for that **Breakdown**. If more than one **Mechanical Breakdown** is **Repaired** or **Replaced** in the same **Covered Component** during the same service call, only one deductible will apply.

AUTOMATIC REINSTATEMENT

Upon completion of the **Repair** or **Replacement** of a **Covered Component**, coverage for that item is automatically reinstated for the balance of the **Term of Coverage** and subject to the Limits of Liability.

RELOCATION

If **You** move **Your** home, **You** may continue this **Limited Warranty** for the remainder of the **Term of Coverage** If:

- **You** *have professional home movers move Your home; and*
- **You** *tell Us in writing the location where You have moved; and*
- **You** *permit Us to inspect Your home, if We request it. You are responsible for the cost of this inspection.*

CHANGES

If any provision of this **Limited Warranty** is in conflict with or in violation of any applicable governmental regulations at the time **Your Limited Warranty** is written, it is automatically changed to conform to such regulations. This **Limited Warranty** may only

be modified or changed if **We** and **You** agree to such change in writing. Such writing must be signed by **You** and **Us**. No other person has authority to change this **Limited Warranty**.

TRANSFER

Your Limited Warranty may be transferred to someone to whom **You** sell or otherwise transfer **Your Residence** while this **Limited Warranty** is still in force. This **Limited Warranty** can only be transferred in a private sale directly to the new owner. This **Limited Warranty** cannot be transferred if **Your Residence** is sold or traded to a dealership, leasing agency, brokerage, or any other entity or individual in the business of selling homes.

How To Transfer Your Limited Warranty: To transfer this **Limited Warranty**, the following must be submitted to **Us** within thirty (30) days of the sale & real estate closing of **Your Residence**:

- *the original Declarations Page and Contract;*
- *name and mailing address of the new owner, and date of sale to new owner, and*
- *a transfer fee of fifty dollars (\$50.00).*

INSPECTION

We reserve the right to inspect **Your** home.

OUR RIGHT TO RECOVER PAYMENT

If **You** have a right to recover payment against another party for anything **We** have paid under this **Limited Warranty**, **Your** rights shall become **Our** rights. **You** shall do whatever is necessary to enable **Us** to enforce these rights. **We** shall recover only the excess after **You** are fully compensated for **Your** loss.

CONTRACT HOLDERS RESPONSIBILITIES - MAINTENANCE REQUIREMENTS

You must maintain **Your Residence** in accordance with the builders' or manufacturers' recommendations. Failure to follow the maintenance and service recommendations may result in the denial of coverage under this **Limited Warranty**. **You** must retain verifiable receipts for maintenance and service work. Or, if **You** perform **Your** own maintenance and service work, **You** must retain verifiable receipts for purchases of all required parts and materials necessary to perform the required maintenance and service, and show the dates when the services were performed.

REPRESENTATION

YOU ACKNOWLEDGE THAT **WE** HAVE NOT MADE ANY REPRESENTATIONS EITHER EXPRESS OR IMPLIED AS TO THE MERCHANTABILITY OR FITNESS OF **YOUR** HOME AND THAT THERE ARE NO COVERAGES THAT EXTEND BEYOND THE DESCRIPTION ON THE DECLARATIONS OF THIS CONTRACT. TERMS AND CONDITIONS OF **YOUR** HOME **LIMITED WARRANTY** ARE CLEARLY STATED AND **WE** ASSUME NO OBLIGATION BEYOND THAT.

HOW TO FILE A CLAIM DURING YEARS 2 THROUGH 7 OF YOUR LIMITED WARRANTY

All claims for **Mechanical Breakdowns** must be reported to the **Administrator** within 72 hours after **You** discover such **Mechanical Breakdowns**. When **You** need service, immediately discontinue using the **Covered Component** or related system and protect it from further damage, be prepared to provide the **Administrator** with the following information (the **Administrator** reserves the right to request such information in writing):

- A. **Your Limited Warranty** number shown in the "**CSMHLW**" box on the Declarations page;
- B. The **Covered Component** that has experienced a **Mechanical Breakdown**;
- C. A description of the **Repair** needed; and
- D. The date in which **You** discovered the **Mechanical Breakdown**.

Call the **Administrator's** claims service center with this information toll-free at 1-866-405-3242. Once the **Administrator** has received **Your** call, a "Claim Reference Number" will be assigned and communicated to **You**. Each problem reported by **You** to the **Administrator** will be entered and assigned its own "Claim Reference Number". **You** should keep a record of this reference number in order to facilitate any future contact with the **Administrator** concerning the specific **Mechanical Breakdown** it references.

You are solely responsible for arranging for any **Repairs**. Once **You** have obtained a **Repair** estimate, **You** must contact the **ADMINISTRATOR** in order to get an authorization for the **Repairs**. DO NOT BEGIN ANY **REPAIRS** OR **REPLACEMENTS** WITHOUT PRIOR AUTHORIZATION FROM THE **ADMINISTRATOR**. Written estimates should be faxed to 828-449-2052 or emailed to mhinfo@cornerstoneunited.com and include:

- A. **Your** Claim Reference Number
- B. **Your** Name
- C. **Your** Address
- D. Failed Component Brand Name, Model Number, Serial Number
- E. Detailed Cause of Failure
- F. Description of **Repair** includes Part(s) Numbers, Part(s) Description, Labor, Sales Tax, Total

Once the authorized **Repair** or **Replacement** has been completed, the **Administrator** will reimburse **You** or the **Repair** facility for the reasonable and customary charges of making such **Repair** or **Replacement**; including parts, labor, and sales tax paid by **You** for each **Mechanical Breakdown** of a **Covered Component**; subject to the LIMITS OF LIABILITY under this **Limited Warranty**. However, the **Administrator** may, at the their discretion, offer to adjust **Your** claim by means of a lump sum cash payment directly to **You** in lieu of a reimbursement payment to **You** or the **Repair** facility. If **You** should accept such lump sum cash payment, the **Administrator** shall not have any further liability under this **Limited Warranty** to provide any party any reimbursement payments for this or any future **Mechanical Breakdowns** related to that **Covered Component**.

Eligible reimbursement to **You** for authorized **Repairs** or **Replacements** in which **You** paid the **Repair** facility directly will be processed within thirty (30) days after the **Administrator** has received:

- A. A copy of the original invoice(s);
- B. Proof of payment by **You** to the **Repair** facility; and
- C. Payment of any Deductible amount owed by **You** to the **Repair** facility.

You will be required to cooperate with the **Administrator** in their effort to investigate a need for claim service. If **You** fail to cooperate, the **Administrator** has the right to deny **Your** request for service. Once **Your** request for service has been completed, **You** may be asked to acknowledge such by signing a "Certificate of Services Rendered". In the event a **Repair** or **Replacement** of any Covered Company, the **Administrator**, at their option, may take the defective part or time, or may leave such item with **You**. **You** shall not have the option of abandoning such part or item to the **Administrator**.