

19.WARRANTY: Warranties and Disclaimers of Warranties: Seller hereby provides the following warranties, subject to certain disclaimers and limitations, as set forth or referenced herein:

A. Subject to the limitations hereinafter set forth, Seller expressly warrants (such warranty to survive settlement), in lieu of any other warranties or representations expressed or implied, that it will correct any structural defect(s) in the Dwelling or other improvements conveyed for a period of two (2) years from the date of settlement, provided such defects are called to the attention of Seller no later than five (5) business days from the end of the two (2) year warranty period and provided that the defects are not otherwise excluded below.

As used herein, the term “Structural Defect” shall have the meaning given to it by § 5103 of the Uniform Planned Community Act, codified at 68 Pa.C.S.A. § 5102, et seq., which definition is as follows: “defects in any structure which is a component of (1) any unit or common element or (2) any other portion of a unit or common element constructed, modified, altered or improved by or on behalf of a declarant; any of which reduce the stability or safety of the structure below accepted standards or restrict the normal intended use of the structure and require repair, renovation, restoration or replacement.” As used in this definition, the word “Declarant” means Seller.

B. Seller also warrants, subject to the exclusions and limitations set forth below, that

(1) for a period of one year after settlement, the Dwelling and Improvements conveyed will meet the Performance Guidelines of the National Association of Homebuilders in effect at the time the Agreement of Sale is signed and
(2) it will correct any material defect(s) in the improvements erected by Seller for a period of one (1) year from the date of settlement, provided such defects are called to the attention of Seller no later than five (5) business days from the end of the one (1) year warranty period and provided that the defects are not otherwise excluded below. A defect under this one year warranty shall be considered a condition that would be considered in the residential construction industry for the area the home is built to result from improper workmanship or material(s).

C. Exclusions from both Two Year Structural and One Year Building Warranty: The following are excluded from both the Two Year Structural Warranty and the One Year Building Warranty, unless required by law to be covered under the Uniform Planned Community Act, codified at 68 Pa.C.S.A. § 5102, et seq.:

(1) Damage caused by Acts of God or casualty loss;
(2) Damage caused by the owner or other third parties;

- (3) Damage to the House or improvements sold under this Agreement of Sale that result from reasons other than Seller's use of defective building materials or products, and/or Seller's improper workmanship;**
- (4) Damage or resultant damage to any property or possessions of Buyer or any item or thing not delivered by Seller as part of this Agreement of Sale; and**
- (5) Re-painting of any drywall repaired pursuant to Performance Guidelines 9-6-2 and 9-6-7 of the National Association of Homebuilders, including repainting of any area where drywall cracks or nail pops are repaired.**

- D. Limitation on Liability for Breach of Warranty: The sole liability of Seller for a violation of any warranty provided by Seller is hereby limited to the replacement or correction of the defect(s), and no other claims or demands shall be made by Buyer or required of Seller**
- E. Transferability of Warranty: Except for the Two Year Warranty on structural defects, Seller's warranty is not assignable or transferable and is intended to benefit Buyer named in the Agreement of Sale and no one else**
- F. Disclaimer of Implied Warranties: The law of Pennsylvania normally implies, in the sale of a newly constructed house, that a Seller gives the home purchaser a warranty of habitability, that is, that the property will be functional and habitable in accordance with contemporary community standards and that the house will be a suitable living unit. The law also implies a warranty of reasonable workmanship, that is, that a home has been constructed in a reasonable manner and is free of both observable and unobservable (latent) defects.**

Within this Agreement of Sale, there is a grant of a Two (2) Year/One (1) Year Express written warranty, which is provided in lieu of, and in substitution for, all other warranties, whether express or implied. Therefore, Seller disclaims, and Buyer waives any and all implied warranty of habitability (including potential or actual latent defects), reasonable workmanship, and/or fitness for a particular purpose. Latent Defects are defects which would not be apparent to an ordinary purchaser as a result of a reasonable inspection. As such, Buyer understands that any defects not covered by the Express written warranties contained in this Agreement of Sale are Buyer's responsibility, even if such defects exist in the Property or improvements to the Property at the date of settlement and are not observable or known to Buyer.

Buyer represents this disclaimer and waiver of all implied warranties is a voluntary and free act on the part of Buyer and Buyer understand that this Disclaimer means that Buyer is waiving any implied warranty protections that Buyer may have. This disclaimer of implied warranties shall survive settlement.

By initialing the space immediately located below, Buyer acknowledges it has read and understood this section of the Agreement of Sale and hereby acknowledges Seller's disclaimer and waives any and all implied and/or expressed warranties apart from those express warranties set forth in this Agreement of Sale and agrees that except as set forth above, the Property (which includes all improvements erected by Seller) and conveyed are sold "AS IS", without warranty or representation of any kind, expressed or implied, including without limitation, any warranty or merchantability, fitness for a particular purpose or habitability.

_____ (Initials)

- 20. CONSUMER PRODUCTS: SELLER'S LIMITED WARRANTY DOES NOT APPLY TO ANY "CONSUMER PRODUCT" AS DEFINED IN THE MAGNUSON MOSS WARRANTY ACT, REGARDLESS OF WHETHER OR NOT ANY CONSUMER PRODUCT IS A PART OF THE PREMISES. NO WARRANTY IS PROVIDED BY SELLER ON ANY CONSUMER PRODUCT. THE SELLER HEREBY ASSIGNS, EFFECTIVE AT SETTLEMENT, ALL WARRANTIES IT HAS RECEIVED FROM THE MANUFACTURER OF CONSUMER PRODUCTS.**