

(iv) ONE YEAR NEW CONSTRUCTION LIMITED WARRANTY

THIS LIMITED WARRANTY IS HEREBY MADE A PART OF A CERTAIN CONTRACT BY AND BETWEEN **SIBLEY RESIDENCES LLC**, AS SELLER,

AND _____, AS BUYER(S) OF THE PROPERTY AT

(Address)_____.

SIBLEY RESIDENCES LLC., A DELAWARE LIMITED LIABILITY COMPANY, hereinafter referred to as “Contractor” or “Builder”, warrants to the original owner of the home and only the original owner of the home, the dwelling constructed at the above-referenced address (the “Dwelling” or “Home”), against defects in the original material and workmanship for a period of one (1) year from the date of the closing of the purchase of the Dwelling or the date of occupancy by the Buyer, whichever occurs first (the “Warranty Period”), subject to the terms and provisions of the Warranty. This Limited Warranty and any rights under the Limited Warranty are not assignable and Builder will not honor any claim under this Limited Warranty from any party, except the original owner of the home.

Purchaser(s) acknowledges that on or prior to the date of this Agreement, Purchaser has received a sample of both the Builder's (a) One Year New Construction Limited Warranty and (b) Home Warranty Manual (the “Limited Warranty”). A copy of the warranty is available online at _____ or for inspection at Builder's office, and will be provided at closing. Buyer agrees that prior to closing/settlement on the home to which this Agreement relates, Purchaser will read the sample Builder's Limited Warranty in its entirety and will contact the builder with any questions Buyer may have about the Builder's duties, rights and obligations under the Builder's Limited Warranty or the limits or exclusions contained therein. Purchaser should consult the performance standards contained within the Home Warranty Manual so as to be informed of those warranty items covered under this Limited Warranty.

Warranty Disputes: Any and all claims or disputes of any kind arising from or relating to warrantable issues shall be decided before an arbitration panel agreed upon by both parties, in accordance with the appropriate construction industry rules and standards; or in an arbitration proceeding before the Northern Illinois Home Builders Association if Builder is then a member, or the American Arbitration Association. The cost of the arbitration shall be paid by the party requesting same. It is expressly agreed that the rights of the parties, and the power of any arbitration panel to grant relief in any arbitration proceeding, shall be limited and governed by the provisions of this Warranty and the contract to which it pertains.

At closing, and upon performance by the Purchaser of its obligations under contract, the Builder will execute and deliver to the Buyer a Builder's Limited Warranty application form and assign to Purchaser all warranties that it receives from manufacturers of consumer products located in the residence.

The parties hereto agree that Contractor's sole liability hereunder shall be to provide the necessary labor and materials to correct defects in workmanship and materials originally furnished by or through the Contractor hereunder, resulting in defects occurring within the limitations of the Builder's One Year New Construction Limited Warranty from the date of closing (“Limited Warranty”). Ordinary wear and tear or the results of the inherent characteristics of materials or products used including, but not limited to, cracks in concrete, tile, and marble, wood shrinkage and freezing of sillcocks and water lines shall not be covered under the Limited Warranty. The Limited Warranty shall not include any superficial defect which would be obvious upon a reasonable inspection of the improvement, unless the same is expressly set forth on the Walk Through List. Contractor shall not in any event be liable to Buyer(s) for injury or death to persons or damage to personal property of Buyer(s), Buyer(s)' representatives, agency,

employees, family members or guests stored or maintained on the Premises, or damage to fixtures or other improvements furnished by contractor or incidental or consequential damages related thereto. Contractor shall not be liable or responsible for natural or inherent conditions in the Land, such as the existence of radon gas, and the cost of any radon mitigation system added to the Improvements by Change Order shall be added to the Purchase Price.

Warranty items arising during the initial thirty (30) days following the closing date shall be identified by written notice to Contractor using Contractor's provided warranty forms following said 30-day period ("Initial Warranty Notice"). Warranty items arising after said 30-day period up to the expiration date of the warranty period applicable to the warranty item shall be identified by written notice to Contractor using Contractor's provided warranty forms not later than thirty (30) days following expiration of the warranty period applicable to the warranty item ("Final Warranty Notice"). In the event of any occurrence of a warranty item of an emergency nature, or in the event of the occurrence of any warranty item which, if left unattended, will cause material injury to the Improvements, or increase in magnitude, Purchaser(s) shall provide immediate written notice to Contractor. In such event, Purchaser(s) shall be guided by the Limited Warranty provision regarding an Emergency Condition. Purchaser(s) agrees that failure to provide "Emergency Warranty Notice" as required in the Limited Warranty shall relieve Contractor from any further obligation with respect to the item or items which are the subject of the Emergency Warranty Notice. Any item not listed on the Initial Warranty Notice, Final Warranty Notice or an Emergency Warranty Notice shall be deemed waived by Purchaser(s) and Contractor shall have no liability or responsibility with respect thereto. Any item arising following said one-year warranty period shall not be included under the Limited Warranty. Anything contained herein to the contrary notwithstanding, the Limited Warranty shall not be binding upon Contractor until the entirety of the Purchase Price has been paid to Contractor.

APPLIANCES, EQUIPMENT AND FIXTURES which are consumer products under PL NO. 93-637 including, without limitation, oven, range, dishwasher, disposal, furnace, air conditioner, whirlpool motors, refrigerator, microwave, garage door opener, firebox, central vacuum, attic fan, whole house fan, humidifier, air cleaner, air exchanger, water heater, water softener, sound and security systems, and television and telephone wiring and outlets, and any other similar fixture or improvements furnished by Contractor are not warranted by Contractor either expressed or implied and no warranty, whether expressed or implied, is made by Contractor with regard to such products. However, Contractor agrees to assign and deliver to Purchaser at closing the manufacturer's specific warranty, if any, pertaining to such consumer products.

NO WARRANTY, GUARANTEES, OR UNDERTAKING, WHETHER EXPRESSED OR IMPLIED, WITH RESPECT TO THE HOUSE, AND THE CONSTRUCTION THEREOF, EXCEPT AS EXPRESSLY SET FORTH IN THE TERMS AND PROVISIONS OF THE LIMITED WARRANTY HEREINABOVE SHALL BIND OR OBLIGATE THE CONTRACTOR. ALL OTHER WARRANTIES, GUARANTEES, AND UNDERTAKINGS, ARE HEREBY EXPRESSLY DISCLAIMED, SPECIFICALLY BUT WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, CONTRACTOR HEREBY EXPRESSLY DISCLAIMS THE IMPLIED WARRANTY OF HABITABILITY CREATED BY THE ILLINOIS CASE OF PETERSON V. HUBSCHMAN CONSTRUCTION COMPANY, INC., AND ANY OTHER STATUTORY OR COMMON LAW IMPLIED WARRANTY OF HABITABILITY. The consequence of such disclaimer by Contractor is that Contractor's sole and exclusive warranty given to Purchaser in connection with this Agreement is the warranty contained hereinabove. Purchasers' initials adjacent to this paragraph are intended as and shall be evidence of Purchasers' acknowledgment of Contractor's disclaimer of such implied warranty of habitability and of Purchasers' acceptance of the limited warranty hereinabove as the sole and exclusive warranty offered by Contractor in connection with the sale of the house.

If the residence to be constructed includes Dryvit or similar exterior material, Purchaser acknowledges that Contractor has explained certain potential problems with the use of Dryvit cement board or similar material which may arise after closing, including the infiltration of water, dampness, mold, or product disintegration and related problems and all problems related thereto, Purchasers acknowledge that, notwithstanding anything to the contrary contained in the Limited Warranty, the Limited Warranty shall not cover Dryvit cement board or similar exterior materials or similar material, or the infiltration of water, dampness, or mold, which may result from the use thereof, and releases Contractor, as of the closing date, from any and all liability of any type, nature or variety related to the use of Dryvit or resulting problems including mold, product disintegration and any injury or damage resulting therefrom. Purchaser(s) also acknowledges that Purchaser(s) is fully aware of manufacturer's installation instructions and cautions regarding all potential problems which may result from the use of the product, and releases Contractor from any liability related thereto. Purchaser(s) acknowledge Contractor's recommendations against use of products of this type.

The parties acknowledge that Mold and Fungi (defined as any type or form of fungus, including mold or mildew and any mycotoxins, spores, scents or byproducts, produced or released by fungi) are naturally occurring substances which exist in the air, and in all construction materials, and cannot be completely eliminated or removed from any new or existing home by any means. The parties specifically agree that Contractor's sole obligation in this regard shall be to make reasonable efforts to clean, prior to closing, any such substances which are readily apparent upon visual inspection at the time of Purchaser(s)' final inspections of the Property prior to closing and that Contractor shall have no further obligation for the testing, abatement, monitoring, cleanup, removal, containment, treatment, detoxification, neutralization, remediation, or disposal of fungi, either before or after closing, or any losses, costs, or expenses related thereto. Further, because the amount of moisture within the air in the home, and otherwise present in the home after closing is within the sole control of Purchaser(s), Contractor shall have no post-closing obligations regarding fungi. Purchaser(s) specifically and hereby release Contractor from any and all claims for property damage or personal injury related to fungi, either before or after closing and this release shall for all purposes constitute a general release. Because the amount of moisture within the air in the home after closing is within the sole control of Purchaser(s), Purchaser(s) specifically acknowledges that Contractor's warranty with respect to hardwood floors shall not cover shrinkage or buckling of hardwood flooring.

CONTRACTOR'S POST-CLOSING WORK: Contractor's post-closing work pursuant to this warranty requires good faith cooperation on the part of Purchaser(s) and may involve more than one item for which work by Contractor is required. Purchaser(s) specifically agrees that where Contractor completes warranty work, and honors a warranty obligation, they will acknowledge, in writing, completion of warranty work by Contractor, notwithstanding the fact that other warranty work may remain to be finished. Purchaser(s) specifically agree that their refusal to acknowledge completed warranty work in writing, when completed, shall relieve Contractor of any and all further obligations pursuant to this warranty. Purchaser(s) further agree that they shall be responsible for payment to any and all subcontractors or vendors to whom money is owed, if applicable, and that Purchaser(s)' failure to make any payment when due shall relieve Contractor of any further obligations pursuant to this warranty. The performance of any work, alteration, or modification upon any improvement, fixture, or system provided by Contractor by Purchaser(s) or Purchaser(s)' agents shall void and cancel Contractor's warranty obligations with respect thereto, as of the date such work modification or alteration occurs.

CONTROLLING TERMS: If there is any conflict in the terms of this Limited Warranty and the terms of the Contract to which it is made a part, the language of this Limited Warranty shall control.

