

**BUILDER LIMITED WARRANTY
ADDENDUM TO CONTRACT
BETWEEN BUILDER AND PURCHASER**

Incident to and as an integral part of the attached Contract between builder and purchaser, the undersigned hereby acknowledge and agree as follows:

1. The Purchaser has received a copy of the ACES Builder Limited Warranty and the accompanying Performance Standards (the "Limited Warranty"). Builder will provide warranty coverage on the Improvements to Owners pursuant to the attached ACES Builder Limited Warranty. BUILDER AGREES TO COMPLY WITH THE ACES BUILDER LIMITED WARRANTY AS ITS EXPRESS CONTRACTUAL WARRANTY. BUILDER AND OWNER AGREE THAT THE ACES BUILDER LIMITED WARRANTY CONSTITUTES THE EXCLUSIVE WARRANTY TO BE MADE AVAILABLE BY BUILDER AND IS IN PLACE OF ALL OTHER GUARANTIES OR WARRANTIES, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO WARRANTIES OF WORKMANSHIP, MERCHANTABILITY, SUITABILITY AND FITNESS, WHICH ARE ALL HEREBY DISCLAIMED BY BUILDER AND WAIVED BY OWNERS. THE PARTIES AGREE THAT THE ACES BUILDER LIMITED WARRANTY ADEQUATELY SETS FORTH THE MANNER, PERFORMANCE, AND QUALITY OF THE CONSTRUCTION OF THE HOME AND IMPROVEMENTS. The Parties agree that this ACES Builder Limited Warranty will control any warranty, workmanship, material, or any other defect claims regarding the Improvements. In the event that the ACES Builder Limited Warranty does not specify a building or performance standard for the identified item, the usual and customary industry standards for similar improvements in the geographic region shall govern. In short, the ACES Builder Limited Warranty provides warranty coverage on the Improvements for one (1) year for workmanship and materials, two (2) years for plumbing, electrical, heating, and air-conditioning delivery systems, and ten (10) years for major structural components of the Improvements. Owner acknowledges, understands, and agrees that the terms of the ACES Builder Limited Warranty is clear, specific, and sufficiently detailed to establish the only standards of construction performance that Builder is obligated to meet. Any warranties on Manufactured Products will be assigned, without recourse, to Owners upon payment of the Total Contract Price. Owners understand and agree that proper maintenance of the Improvements is required to ensure (i) the ACES Builder Limited Warranty remains in effect, and (ii) the proper performance of the Improvements.

2. The undersigned parties also acknowledge that the Limited Warranty provides for an alternative dispute resolution procedure for any disagreements or misunderstandings that may arise between the Purchaser and the Seller which relate to or otherwise involve the Limited Warranty (referred to as "Disputes"). As provided in the Limited Warranty, the Disputes will be submitted to the American Construction & Education Services, Inc. ("ACES") for administration and resolution. ACES has agreed to administer, on a non-partisan basis, the Disputes in part due to the Seller's certification that (i) the residence has been built in accordance with standard construction practices and examined by independent inspectors, (ii) the Seller's construction personnel are meeting continuing education requirements, (iii) the Seller has met or exceeded guidelines for general liability insurance coverage, and (iv) the Seller's agreement to participate in good faith in the alternative dispute resolution process. ACES can not and will not interpose its own decision regarding the settlement of a dispute between the parties, but rather will rely on the consensual resolution through discussions with the Seller and Purchaser and the assistance of independent inspectors and third party neutrals (as mediators) to forge an agreement. The undersigned parties further acknowledge that **THE ALTERNATIVE DISPUTE RESOLUTION PROCEDURES SET FORTH IN THE LIMITED WARRANTY CONTEMPLATE AMICABLE, GOOD FAITH EFFORTS TO RESOLVE ANY DISPUTE, BUT THAT ANY DISPUTE NOT SO SETTLED WILL BE DECIDED PURSUANT TO BINDING ARBITRATION BEFORE THE AMERICAN ARBITRATION ASSOCIATION.**

Executed this _____ day of _____, 200__.

Purchaser(s):

Seller:

BUYER

By: _____

RUSSELL EPPRIGHT HOMES

BUYER

