

The following important information will inform you of the warranty coverage that is offered with your new home, and outline how to follow the process to avail yourself of warranty coverage and service. The reporting of items requiring warranty service is in accordance with a formal process established by <u>Tarion New Home</u> <u>Warranty Corporation</u> that is strictly followed by our company. Communicating of routine warranty matters must be done on the prescribed forms and submitted at the prescribed times as per Tarion's process and policies.

Only in cases of emergency situations that are clearly covered by warranty, should a warranty issue be communicated to us directly at time of occurrence. This would be done by a phone call to our office (613 -392-7839). If the issue is of such a nature that it cannot wait until the next business day, the office has 24-hour answering service to ensure prompt reply and response.

The following information will also inform you as to the extent of coverage and ensure that there is no misconception of what is/is not covered by the new home warranty. Please refer to this information when completing your warranty forms for submission.

Tarion New Home Warranty

Klemencic Homes as the builder is responsible to offer service as required to warranted items in accordance with the provincially-mandated new home warranty, and Tarion acts to administer the warranty coverage and to ensure that the builder acts as required to correct any legitimate warranted defects.

Pre-Delivery Inspection (PDI)

The Pre-Delivery Inspection is an opportunity to view your home's condition prior to taking possession and to learn of the mechanics and maintenance of the home. All issues/concerns, items that are damaged, and/or missing items must be noted during the PDI in order for them to be repaired.

<u>Homeowners are requested to set up an online account with Tarion</u>. Once an account has been set up, Tarion will prompt the homeowner at the appropriate time to fill out and submit to Tarion and to Klemencic Homes the required form to inform of defective items covered by warranty requiring service. Tarion will inform the builder and homeowner of the time-frames within which the items are to be attended to. Warranty coverage consists of:

The One Year Warranty

For one year from date of possession the home:

- Is free from defects in work and materials
- Is fit to live in
- Meets Ontario Building Code requirements

The Two-Year Warranty

For two years from date of possession the home is free from:

- Water penetration the basement or foundation walls
- Defects in materials or work that result in water penetration into the building envelope

- Defects in material and work in the electrical, plumbing and heating systems
- Defects in material and work which results in the detachment, displacement or deterioration of exterior cladding such as brickwork, vinyl siding
- Violations of the Ontario Building Code affecting health and safety
- Major structural defects (see definition below)

The Seven-Year Major Structural Defect Coverage

In addition to the builder's two-year coverage against major structural defects, Tarion provides coverage for major structural defects in years three through seven.

Major structural defect is defined as any defect in work and materials:

- That results in failure of a load-bearing element of a building
- That materially and adversely affects the ability of a structural load-bearing element of the building to carry, bear, and resists applicable structural loads for the usual and ordinary service life of the element
- That materially and adversely affects the use of a significant portion of the building for usual and ordinary purposes of a residential dwelling

Conditions Not Covered Under Warranty

Note that the following are <u>not</u> covered by Tarion New Home Warranty:

- Defects in materials, design and work supplied by the homeowner
- Secondary damage caused by defects under warranty, such as property damage and personal injury
- Normal wear and tear
- Normal shrinkage of materials that dry out after construction *(resulting in nail pops, minor drywall cracks, gaps between countertops and walls, minor cracks in concrete walls and floors, etc.*)
- Damage caused by dampness or condensation due to failure by homeowner to maintain adequate ventilation and moisture levels (*which can cause mold, mildew, staining, etc.*)
- Damage caused by homeowners or visitors
- Alterations, deletions or additions made by the homeowner
- Settling of land around the building or along underground utility lines (*which can cause foundation wall leaks and settlement of sidewalk slabs or paving bricks*)
- Damage resulting from acts of God (*ice storms, torrential rain, tornado-force winds, etc.*)
- Damage caused by insects or rodents (unless resulting from an Ontario Building Code violation)
- Damage caused by municipal services or other utilities (*electrical voltage surge, water pressure surge, blocked municipal sewage lines, etc.*)

Tarion New Home Warranty <u>specifically covers</u> *defects* in materials and/or workmanship in your new home. Not every unfavourable situation that occurs in your home is a warranted defect that qualifies for warranty service. Please ensure that the items on your warranty repair request do indeed qualify for warranty coverage. Items appearing on a warranty form that are not warranted items will not receive warranty service. It is suggested that you may also wish to refer to Tarion's Construction Performance Guidelines (<u>https://www.tarion.com/sites/default/files/inline-files/CPG-3rd-Edition-Jan-1.pdf</u>) for more detailed information on specific items to assist in determining whether it falls under warranty coverage.