

Midgard Construction, Inc. Limited Warranty

Issued to: _____ (Owner) Date: _____

For work performed at: _____

WARRANTY

Note: CONSEQUENTIAL AND INCIDENTAL DAMAGES ARE EXCLUDED AND THERE ARE LIMITATIONS IN THE DURATION OF IMPLIED WARRANTIES.

The limited warranty is extended to the above named Owner or Owners (referred to collectively as "Owner"), while occupying the house as a resident during the above coverage period. This warranty is extended to the original Owner only, and is not transferable to subsequent owners.

Note to Owner:

All homes go through a period of settlement and as the seasons change, periods of expansion or contraction will occur. As a result, the home will experience minor material changes which are unavoidable and are considered normal. The Owner should also be aware that he/she is responsible for proper home maintenance such as maintaining contractor grades around the house. Damage caused by homeowner negligence, improper maintenance or changes, alterations or additions performed by anyone other than the Contractor, his/her employees, or subcontractors directed by Midgard Construction is excluded from the warranty. Damage caused by a failure of any materials, equipment, or fixtures provided by the Homeowner is not covered under this warranty. It will be helpful to the Owner's home maintenance program to keep a color chart or the different materials used on the home and a small supply of corresponding colored paint, stain, grout, etc. for easy touch up.

Midgard Construction, Inc. hereby warrants that the construction work performed at the above location is free from defects due to noncompliance with the Performance Standards referenced to and incorporated into this Limited Warranty for a period of **ONE-YEAR** from the date of substantial completion, date of commencement of use, or date of notice of completion, whichever occurs first.

This limited warranty is subject to the following conditions:

- This warranty covers the property above for as long as the said property remains in the possession of the Owner named above.

- The construction work has not been subject to misuse, abuse, accident, or neglect.
- The construction work has not been modified, altered, defaced, worked on, or repaired, in any way by others.
- The Owner will notify contractor of any defect within 10 days of discovery of that defect.

The Owner shall give the contractor the first opportunity to:

- 1) inspect the defect claimed, and
- 2) to effect the repair, replacement, or payment of reasonable sums to effect those repairs.

Under no circumstances shall Midgard Construction be held liable by virtue of this warranty or otherwise, for damage to a person or property for whatever reason, whether direct, indirect, special, secondary, arising from the use or inability to use the property because of a construction defect.

Consequential Damages

Consequential damages are not covered by this Limited Warranty.

Examples:

- Loss or damage which arises while the home is being used primarily for nonresidential purposes;
- Failure of Midgard Construction to complete the work;
- Any condition which does not result in actual physical damage to the remodeled portion of the property including, but not limited to: un-inhabitability or health risk due to the presence or consequence of unacceptable levels of radon gas, formaldehyde or other pollutants and contaminants: or the presence of hazardous or toxic on-site materials;
- Bodily injury or damage to personal property.

Manufacturer's Warranty

Midgard Construction assigns and passes through to Owner the Manufacturer's warranties on all "consumer products" as in the Magnuson-Moss Act (15 U.S.C. SS 2301- 2311). The following items are classified as "consumer- products" when sold as part of a house and are covered by the Magnuson-Moss Warranty Act:

1. Heating and ventilation - Furnace, air conditioning, coils and compressor, humidifier, electronic air cleaner, heat pump, exhaust fan, thermostat.

2. Mechanical/ Electrical - intercom, central vacuum system, security system, fire and smoke alarm, fire extinguisher, garage door opener, door chimes, electric meter, gas meter, barbecue grill, light bulbs.
3. Plumbing - Water heater, water pump, water meter, sump pumps, water softener, whirlpool.
4. Appliances - Oven, surface unit, range, trash compactor, freezer, refrigerator, dishwasher, oven hood, disposal, ice maker, food center, clothes washer, clothes dryer, hot water dispensers.

Contractor's Warranty

Limited one-year warranty shall apply to all materials and labor supplied by **Midgard Construction, Inc.**

Arbitration

Any controversy or claim arising out of or relating to this contract or the breach thereof shall be settled by binding arbitration in accordance with the Rules and Procedures of Construction Arbitration Administration Associates, Ltd. Notice of demand for arbitration shall be filed within a reasonable time after the dispute has arisen and judgment upon the award rendered by the arbitrators) may be entered in any court having jurisdiction thereof. The required fee to bring about said arbitration shall be evenly shared by contractor and owner. Should CAA, Ltd. be unavailable to arbitrate the controversy, then another professional arbitration service, which is mutually to the contractor and owner shall be utilized.

THIS LIMITED WARRANTY IS THE ONLY EXPRESS WARRANTY EXTENDED TO OWNER BY MIDGARD CONSTRUCTION, INC.. ANY ITEM AND CONDITIONS NOT SPECIFICALLY COVERED BY THIS WARRANTY ARE EXCLUDED FROM COVERAGE AND IS THE RESPONSIBILITY OF OWNER. IT IS EXPRESSLY UNDERSTOOD THAT THIS LIMITED WARRANTY IS IN LIEU OF ANY AND ALL OTHER WARRANTIES, EXPRESSED OR IMPLIED, INCLUDING BUT NOT LIMITED TO ANY WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, AND HABITABILITY IN NO EVENT SHALL CONTRACTOR BE LIABLE FOR ANY DAMAGES (CONSEQUENTIAL OR OTHERWISE) ARISING FROM ANY DEFECT IN ANY ITEM COVERED HEREUNDER. THIS WARRANTY GIVES YOU SPECIFIC LEGAL RIGHTS, AND YOU MAY ALSO HAVE OTHER RIGHTS SPECIFIED BY THE STATE OF TEXAS.