



**EXHIBIT E**

**GRAND PARK HOMES LLC  
LIMITED WARRANTY AGREEMENT**

**ARTICLE I--DEFINITIONS.**

- 1.1. **Company Granting the Warranty.** Grand Park Homes LLC, a Colorado limited liability company, is hereinafter referred to as the “Company.”
- 1.2. **Party Receiving Warranty from the Company.** The undersigned Purchaser is hereinafter referred to as the “Owner.” This warranty is only granted to Owner and not to subsequent owners of the Home.
- 1.3. **Property Warranted.** The address noted on the signature page of this Limited Warranty Agreement hereinafter referred to as the “Home.”
- 1.4. **The Term of the Warranty.** The “Term of the Warranty” shall commence on the first to occur of the date the Owner occupies the Home or the date of the closing of the sale of the Home (hereinafter referred to as the “Commencement Date”) and shall terminate on the first anniversary of the Commencement Date (hereinafter referred to as the “Termination Date”).

**ARTICLE II--WHAT IS COVERED BY THE WARRANTY?**

- 2.1. The Company warrants that all construction related to the Home substantially conforms with the plans and specifications and change orders for the Home. The Company warrants that during the first 30 days after the Commencement Date, the Company will adjust or correct minor defects, omissions, or malfunctions, such as missing equipment or hardware; sticking doors, drawers, and windows; dripping faucets; and other minor malfunctions reported by the Owner upon inspection of the Home. During the Term of the Warranty, the Company will repair or replace, at the Company’s option, any latent defects in material or workmanship. A latent defect is defined as one which was not apparent or ascertainable on the Commencement Date. The Owner agrees to accept a reasonable match in any repair or replacement in the event the original item is no longer available.

**ARTICLE III--OWNER’S RIGHTS.**

- 3.1. **Notice of Owner’s Rights.** This Limited Warranty gives the Owner specific legal rights. Owner may also have other rights under Colorado law.
- 3.2. **Limitations of Owner’s Rights.**

The Owner understands that the sole remedies under this Limited Warranty Agreement are repair and replacement as set forth herein. With respect to any claim whatsoever asserted by the Owner against the Company, the Owner understands that the Owner will have no right to recover or request compensation for, and Company shall not be liable for.

- (a) Incidental, consequential, secondary, or punitive damages;
- (b) Damages for aggravation, mental anguish, emotional distress, or pain and suffering; or



(c) Attorney’s fees or costs.

The provisions of this Section 3.2 apply if loss or damage results directly or indirectly to persons or property from the performance of, or failure to perform, obligations imposed by the Purchase Agreement or from negligence, active or otherwise, of the Company, the Company’s agents, or employees.

This warranty is personal to the original Owner and does not run with the title of the Home or the items contained in the Home. The Owner may not assign, transfer, or convey this warranty without the prior written consent of the Company.

**ARTICLE IV--WAIVER OF IMPLIED WARRANTY.**

4.1. Owner agrees and understands that by signing the Purchase Agreement for the purchase of the Home, Owner waived any claim or cause of action under the theory of implied warranty of good and workmanlike construction and that any such implied warranty is expressly replaced by the terms of this Limited Warranty. Owner acknowledges that the terms of this Limited Warranty are clear, specific and sufficiently detailed to establish the only standards of construction which the company is obligated to meet.

**ARTICLE V--DISPUTE RESOLUTION.**

5.1. The Company and Owner hereby contractually agree to a method of resolving construction defects, claims and disputes in accordance with the provisions of Colo. Rev. Stat. § 13-20-803.5. The Owner acknowledges that by signing the Purchase Agreement for the Home, Owner and subsequent Owners are required to abide by the mediation sections contained therein.

**ARTICLE VI--EXCLUSIONS; WHAT IS NOT COVERED BY THIS EXPRESS LIMITED WARRANTY.**

6.1. **Consumer Products.** This warranty excludes any appliance, piece of equipment, or other item in the Home that is a “Consumer Product” for the purposes of the Magnuson-Moss Warranty Act. All manufacturer warranties on equipment and consumer products (as defined in 15 U.S.C 2301-2312) incorporated into the Home are hereby assigned to Owner. The Company makes no warranties of any kind, express or implied, concerning the equipment or consumer products and expressly disclaims all implied warranties of merchantability, fitness of use for a particular purpose, and other warranties to the fullest extent permitted by state or federal law. The only warranties of such consumer products, such as those items listed below, are those that the manufacturer provides to the Owner. Owner makes no warranty or representations that any of the following items are included in the Home, and the following items are for illustration purposes:

**Appliances**

Clothes dryer	Range	Trash compactor
Kitchen center	Stove	Oven & hood
Refrigerator	Cook top	Garbage disposer
Dishwasher	Freezer	Icemaker
Clothes washer	Microwave	Other appliances

**Heating and Ventilation**

Air conditioner	Thermostat	Other heating and
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# GRAND PARK

Exhaust fan  
Space heater  
Boiler  
Furnace

Electronic air  
cleaner  
Heat pump  
Humidifier

ventilation  
equipment

## Mechanical and/or Electrical

Burglar alarm  
Intercom  
Fire extinguisher  
Fire alarm  
Smoke Detector  
Water meter

Central vacuum  
system  
Gas meter  
Garage door  
opener  
Water pump

Chimes  
Gas or electric BBQ  
grill  
Other mechanical  
equipment

## Plumbing

Garbage disposal  
Water heater  
Whirlpool bath

Sump pump  
Other plumbing  
equipment

Water softener

The following items are not consumer products under the Magnuson-Moss Warranty Act when sold as a part of new Home.

## Heating and Ventilation

Duct

Register

Radiator

## Mechanical and/or Electrical

Circuit breaker  
Electrical switch  
Electrical outlet

Electrical panel  
Fuses  
Garage door

Light fixture  
Wiring



### Plumbing

Bidet	Laundry tray	Sprinkler head
Bathtub	Sink	Toilet
Medicine cabinet	Shower stall	Vanity
Plumbing fixtures (showerhead, Faucet, trap and drain)		

### Miscellaneous Items

Cabinet	Ceiling	Chimney and fireplace door
Fencing	Gutter	Wall or wall covering
Shelving	Shingles	
Window	Floor covering (includes carpet, vinyl, linoleum, tile, parquet, wood)	

The Company has made any such warranties on Consumer Products available to the Owner for the Owner's inspection and the Owner acknowledges receipt of copies of any warranties requested.

The Company hereby assigns (to the extent they are assignable) and conveys to the Owner all Consumer Product warranties provided to the Company on any manufactured items that have been installed or included in the Home. The Owner accepts this assignment and acknowledges that the Company's only responsibility relating to such items is to lend assistance to the Owner in settling any claim resulting from the installation of these products.

- 6.2. **Improper Care or Maintenance.** This warranty excludes damage caused by improper care or maintenance or careless acts of Owner or permitted by Owner or Owner's successors or assigns. Owner's failure to properly maintain and care for the Home in accordance with (i) the Your New Home and How to Take Care of It, published by the National Association of Homebuilders (the "New Home Handbook"), a copy of which the Company will deliver to Owner at Closing, and (ii) manufacturer's recommendations shall void all warranties set forth in this Limited Warranty.
- 6.3. **"AS IS" State.** Owner has purchased the Home in its "AS IS" state of repair and physical condition. Any and all implied warranties of habitability, merchantability and fitness for a particular purpose created by state or federal law are hereby specifically disclaimed by the Company and waived by Owner.
- 6.4. **Casualties.** This warranty excludes damage resulting from fires, floods, storms, electrical malfunctions, accidents, war, terrorism or acts of God.
- 6.5. **Utilities.** This warranty excludes damage resulting from a malfunction of equipment or lines of the telephone, gas, electric, cable television, water, sewer, or drainage providers.
- 6.6. **Alterations, Misuse or Abuse.** This warranty excludes damage resulting from alterations, misuse or abuse of the covered items by any person.
- 6.7. **Installations by Owner.** This warranty excludes items furnished, installed, or modified by the Owner.



6.8. **Consequential Damages.** This warranty excludes consequential or incidental damages, which damages shall be the responsibility of the Owner.

6.9. **Mold.** Fungi, mold, toxic mold, mycotoxins, microbial volatile organic compounds and other micro-organisms (collectively "Mold") naturally occur in the soil, water, plants and air that may be present on the materials used on the Home. Mold is a known allergen which can cause respiratory problems in some people and aggravate asthma symptoms. According to the EPA, other health effects may be linked to toxic mold, including immune system suppression, acute or chronic liver or central nervous system damage, endocrine effects, and cancer, based on some case reports and occupational studies.

Owner is advised that it can take positive steps to reduce or eliminate the occurrence of Mold growth in the Home, and thereby minimize any possible adverse effects that may be caused by Mold. These steps include the following.

- (a) Before bringing items into the Home, check for signs of Mold. Potted plants (roots and soil), furnishings, or stored clothing and bedding material, as well as many other household goods, could already contain Mold growth. Once Mold is brought into the Homes, its spores can spread to other areas of the Home.
- (b) Regular vacuuming and cleaning will help reduce Mold levels. Mild bleach solutions and most tile cleaners are effective in eliminating or preventing Mold growth.
  - Keep the humidity in the Home low. Ventilate kitchens and bathrooms by opening the windows, using exhaust fans, or running the air conditioning to remove excess moisture in the air. Promptly clean up and dry spills, condensation and other sources of moisture. Promptly replace any materials that cannot be thoroughly dried, such as drywall or insulation.
  - Inspect for leaks on a regular basis. Look for discolorations or wet spots. Repair any leaks promptly. Inspect condensation pans (refrigerators and air conditioners) for Mold growth. Take notice of musty odors, and any visible signs of Mold.
  - Should Mold develop, thoroughly clean the affected area with a mild solution of bleach. First, test to see if the affected material or surface is color safe. Porous materials, such as fabric, upholstery or carpet should be discarded. Should the Mold growth be severe, call on the services of a qualified professional.
  - Do not modify the grading or drainage pattern of the lot without consulting a licensed civil engineer and obtaining local building department approval so as to assure that the drainage pattern on the property will be maintained.

The occurrence of Mold growth in the Home depends primarily on how the Owner manages, inspects and maintains the Home. This warranty excludes damages caused by mold, including those that are alleged to be associated with defects in construction or materials. This warranty also excludes property damage, loss of use, loss of value, loss of income, emotional distress, personal injury or any adverse health effects, death, or any other effects, damages, expenses or losses. The Company disclaims and the Owner waives all implied warranties, including but not limited to the implied warranties of workmanlike construction, habitability, and fitness of purpose, or any other warranties that could be construed to cover the presence or effects of Mold in the Home.

6.10. **Radon.** Radon is a naturally occurring gas that is caused by the radioactive decay of uranium found in soil and rock. Radon can be found almost everywhere in varying concentrations. The Surgeon General states that prolonged indoor exposure to high levels of radon gas may cause lung cancer. This notice serves to advise the



Owner that above average levels of radon gas may accumulate in any Home, regardless of the type of Home or who constructed it. Specific radon levels depend on an array of factors, including.

- (a) Site specific variables such as soil type, wind, climate conditions, geology and groundwater.
- (b) Building specific variables such as construction materials and techniques used; the age of the structure; the type of heating, ventilating, and air conditioning systems; and the Owner's upkeep and living habits. Indoor radon levels can fluctuate on a yearly, seasonal, or even on a daily basis. The Company disclaims and the Owner waives all implied warranties, including but not limited to the implied warranties of workmanlike construction, habitability, and fitness of purpose, or any other warranties that could be construed to cover the presence or effects of radon in the Home.

6.11. **Soils.** Owner hereby acknowledges that Owner has been advised by Company and understands that the soils within the State of Colorado consist of both expansive soils and low-density soils which may result in shifting or other movement of the foundation or may otherwise result in damage to the structural or other parts of the Home if the Home and the Home upon which it sits are not properly maintained. Owner further acknowledges receipt of a "Summary Report" of the soils analysis and site recommendations, in addition to a copy of a publication detailing the problems associated with expansive soils and the building methods to address problems associated with construction on such soils and suggestions for care and maintenance as required by Colorado Revised Statutes § 6-6.5-101. Soils investigations and tests have been made in the subdivision in which the Home is located by an independent soils engineer. Owner is cautioned not to modify the grading pattern at the property without consulting a licensed civil engineer to insure that the proposed modification will have no adverse impact upon the stability of the soils.

The Company disclaims and the Owner waives all implied warranties, including but not limited to the implied warranties of workmanlike construction, habitability, and fitness of purpose, or any other warranties that could be construed to result from Owner's

- (a) Failure to maintain the grading and drainage patterns on the lot at the time of closing including filling areas of soil settlement,
- (b) Irrigation within five feet of the foundation,
- (c) Compliance with the publication required by Colorado Revised Statutes § 6-6.5-101.

6.12. **Pressure Treated Wood.** Some lumber used in the construction of the Home is pressure treated wood which may have been treated with the CCA compound (chromated copper arsenate) as a wood preservative and pesticide. This type of treated wood has been commonly used in residential construction for more than 65 years with no discernible adverse health effects, and the Company has no knowledge that the wood is harmful in any sense. CCA's contain the elements arsenic and chromium, which are both naturally occurring and have no adverse health affects at normally encountered low levels of exposure. Very high levels are toxic and can cause a number of illnesses. The Environmental Protection Agency has, as a precaution, recommended that physical contact with unpainted or unsealed CCA lumber should be limited.

The Company disclaims and the Owner waives all implied warranties, including but not limited to the implied warranties of workmanlike construction, habitability, and fitness of purpose, or any other warranties that could be construed to cover the presence or effects of pressure treated lumber in the Home.

6.13. **Concrete.** Concrete foundations, steps, walks, drives, and patios can develop cracks that do not affect the structural integrity of the Home. These cracks are caused by characteristics of concrete itself. No reasonable method of eliminating these cracks exists. This condition does not affect the strength of the Home and is not considered a construction defect. It is the Owner's responsibility to caulk cracks on a timely basis to prevent moisture infiltration.





- 6.14. **Masonry and Mortar.** Masonry and mortar can develop cracks from shrinkage of either the mortar or the brick. This condition is normal and should not be considered a defect. It is the Owner's responsibility to caulk cracks on a timely basis to prevent moisture infiltration.
- 6.15. **Wood.** Wood will sometimes check or crack, or the fibers will spread apart because of the drying out process. This condition is most often caused by the heat inside the Home or by exposure to the sun on the outside of the Home. This condition is considered normal, and the Owner is responsible for any maintenance or repairs resulting from it.
- 6.16. **Sheetrock and Drywall.** Sheetrock or drywall will sometimes develop nail pops or settlement cracks, which are a normal part of the drying out process.
- 6.17. **Floor Squeaks.** Technical experts have concluded that much has been tried and little can be done about floor squeaks. Generally floor squeaks will appear and disappear over time with changes in weather and other phenomena.
- 6.18. **Caulking.** Exterior caulking and interior caulking in counter tops, bathtub enclosures and walls, shower stalls, and ceramic tile will crack or bleed somewhat in the months after installation. These conditions are normal. It is the Owner's responsibility to re-caulk on a timely basis to prevent moisture infiltration.
- 6.19. **Floors.** Floors are not warranted for damage caused by neglect or the incidents of use. Wood, tile, vinyl, linoleum and carpet all require maintenance. Floor casters are recommended to prevent scratching or chipping. Stains should be cleaned from carpets, wood, tile or grout immediately to prevent discoloration. Carpet has a tendency to loosen in damp weather and will stretch tight again in drier weather.
- 6.20. **Brick Discoloration.** Bricks may discolor because of the elements, rain runoff, weathering, or bleaching. Efflorescence—the formation of salts on the surface of brick walls—may occur because of the passage of moisture through the wall. Efflorescence is a common occurrence, and the Owner can clean these areas as the phenomenon occurs.
- 6.21. **Broken Glass.** Any broken glass or mirrors not noted by the Owner on the [Final Inspection Form] are the responsibility of the Owner.
- 6.22. **Frozen Pipes.** The Owner must take precautions to prevent freezing of pipes and sillcocks (outdoor water faucets) during cold weather, such as removing outside hoses from sillcocks, draining and blowing out irrigation systems, leaving faucets with a slight drip, and turning off the water system if the Home is to be left for extended periods during cold weather.
- 6.23. **Stained Wood.** All items that are stained wood will normally have a variation of colors because of the different textures, grains, and density of the woods. Because of changes in weather, doors that have panels sometimes dry out and leave a small space of bare wood which the Owner can easily touch up. These normal conditions should not be considered defects.
- 6.24. **Paint.** In general lighter colors need repainting less often than darker colors. Even though quality paint has been used internally and externally on the Home paint can sometimes fade, flash, crack, or check. The source of these problems is most often something other than the paint. Exposure to sunlight and water are the chief determinates of the effective life of paint. Owner should avoid allowing lawn sprinklers to hit painted areas, washing down painted areas, and so on. The Owner should not scrub latex painted inside walls and should be careful of newly painted walls as furniture is moved. Any defects in painting that are not noted on the [Final Inspection Form] are the Owner's responsibility.



- 6.25. **Cosmetic Items.** The Owner has not contracted with the Company to cover ordinary wear and tear or other occurrences subsequent to construction that affect the condition of features in the Home. Chips, scratches, or mars in tile, woodwork, walls, porcelain, brick, mirrors, plumbing fixtures, countertops, lighting fixtures, kitchen and other appliances, doors, paneling, siding, screens, windows, carpet, vinyl floors, cabinets, and the like that are not recognized and noted by the Owner on the Final Inspection Form are not covered by this warranty and the upkeep of any cosmetic aspect of the Home is the Owner's responsibility.
- 6.26. **Plumbing.** Dripping faucets, toilet adjustments, and toilet seats are not covered by this warranty and are the Owner's maintenance responsibility. If the plumbing is stopped up during the warranty period, this warranty only covers such an event if and only if a defect in the plugged line or foreign construction material is found in the line. If such a construction defect is not found, the Owner will be responsible for the costs of cleaning the line.
- 6.27. **Alterations to Grading and Subsequent Landscape Improvements.** The Owner's lot has been graded to ensure proper drainage away from the Home, its foundation, and its window wells and to ensure that drainage from the Owner's lot does not adversely affect adjoining lots. Settlement of the soil around the Home and over utility trenches is normal. It is the Owner's responsibility to maintain the grading and drainage patterns of the lot. The Company will not be responsible for damage resulting from flooding, siltation, or the formation of stagnant pools if the Owner fails to maintain or alters the grading and drainage patterns shown on the Improvement Location Certificate. In addition the Owner is advised to avoid the installation of structural landscape improvements including but not limited to slabs, patios, sidewalks and patio covers for a period of 12 months after closing to allow settlement to occur. If Owner installs such improvements, it is Owner's responsibility to perform adequate subgrade preparation including engineered soil compaction, the addition of moisture to subgrade, and the testing of compaction underneath subsequently installed improvements. **OWNER IS HEREBY NOTIFIED THAT THE COMPANY HAS NOT COMPACTED THE SOILS IN YARD AREAS SUFFICIENTLY TO SUPPORT ADDITIONAL STRUCTURAL IMPROVEMENTS TO THE YARD AREA.**
- 6.28. **Landscaping and Irrigation.** The Company accepts no responsibility for the growth of grass or shrubs. Once the Company has graded, seeded, sodded or otherwise planted landscaping that is provided for in the Purchase Agreement of the Home, the Owner must adequately water and otherwise maintain the landscaping. The Company will not re-grade a yard nor remove or replace any grass, shrubs or trees except for those noted as diseased or deficient on the [Final Inspection Form]. In addition it shall be the Owner's responsibility to prevent irrigation from occurring closer than five feet to the foundation of the Home. Such irrigation is a serious matter that may result in flooding, structural damage to the foundation, settlement of the soil, damage to porches and slabs or other problems. The Company accepts no responsibility for such damage if the Owner irrigates within five feet of the foundation.
- 6.29. **Roof.** During the Term of the Warranty, the warranty for the roof is for workmanship and materials. After that the warranty on the roof is for materials only and is prorated over the period of the lifetime use of the roof. Warranty claims for defects in materials will be handled by the Owner directly with the manufacturer. The Company will not be responsible for damages caused by walking on the roof or by installing antennae or other equipment on the roof.
- 6.30. **Heating.** The Owner's source of heating is covered by a manufacturer's warranty. The Owner is responsible for cleaning and/or changing filters every 30 days. Failure to do so may void the warranty. It is the Owner's responsibility to have the equipment serviced or checked at least annually.
- 6.31. **Indoor Air Quality.** Indoor air quality is the result of many factors beyond the control of the Company. The Company disclaims and the Owner waives all implied warranties, including but not limited to the implied warranties of workmanlike construction, habitability, and fitness of purpose, or any other warranties that could be construed to cover indoor air quality.





**ARTICLE VII--ADDITIONAL PROVISIONS.**

- 7.1. **How to Obtain Service.** If a problem develops during the Term of the Warranty, the Owner should notify the Company in writing using the procedures outlined in the New Home Handbook. The Company will begin performing the obligations under this warranty within a reasonable time from the Company's receipt of a request for service and will diligently pursue these obligations. Repair work will be done during the Company's normal working hours except where delay will cause additional damage. The Owner agrees to provide the Company or Company's representatives access to the Home. The Owner also agrees to provide the presence during the work of a responsible adult with the authority to approve the repair and sign an acceptance of repair form upon completion of the repair.
- 7.2. **No Further Warranties.** The Owner acknowledges that:
  - (a) the Owner has received the New Home Handbook and agrees to abide by its terms;
  - (b) The Owner has thoroughly examined the Home;
  - (c) The Owner has completed a Final Inspection Form outlining the Company's obligations required to complete the Home;
  - (d) the Owner has read and understands this Limited Warranty Agreement; and
  - (e) the Company has made no guarantees, warranties, understandings, nor representations (nor have any been made by any representatives of the Company) that are not set forth in this document.

**I (we) acknowledge having read, understood, and agreed to the terms of this Limited Warranty Agreement.**

**Owner: \_\_\_\_\_ Date:**

**Owner: \_\_\_\_\_ Date:**

**Home address subject to this Limited Warranty Agreement.**

**Cozens Meadow Subdivision: Lot**

**Also known as:**

*Company Acknowledgement:*

**GRAND PARK HOMES LLC**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_