KEY ESTATES
CERTIFIED WARRANTY

An Affiliate of Residential Warranty Company, LLC

ENHANCED WARRANTY

This Enhanced Warranty provides coverage in addition to the coverage provided in the Residential Warranty Company, LLC (RWC) new home warranty that your builder purchased for you.

This Key Estates Enhanced Warranty is applied and should be read in conjunction with that RWC warranty, and except as directly provided in this Key Estates Enhanced Warranty, all limitations and exclusions of the RWC warranty apply.

COVERAGE:

FOR ONE YEAR after the effective date of this Key Estates Enhanced Warranty, the following losses are covered:

A. Consequential damage to real property from a major structural defect (MSD) or a designated structural element defect (DSE). The exclusion section of the limited warranty "Consequential Damages" is amended as follows: Any covered defect except covered defect to real property from a covered MSD or DSE, as defined in the limited warranty. All other exclusions apply.

B. A covered MSD or DSE caused by subsurface water, moisture, rot, mildew, rust, drought, or intrusion of water into crawl spaces.

C. An MSD or DSE of balconies, decks, porches, stoops, and patios that are not structurally attached to your home, that exceeds 1 in. of settlement, heaving or movement. Provided that the loss or damage is caused by improper construction or installation caused by your builder or your builder's employees, agents or subcontractors.

D. Up to $5,000 for the repair or replacement of appliances and items of equipment, (that came new to the home) including water heaters, pumps, stoves, refrigerators, compactors, garbage disposals, ranges, dishwashers, washers and dryers, bathtubs, sinks, commodes, faucets, light fixtures, switches, outlets, thermostats, furnaces and oil tanks, humidifiers, oil purifiers, air conditioning units and equipment, and in-house sprinkler systems. This coverage is in excess of any and all manufacturer's warranties that apply to the appliance or equipment. You must register and exhaust your claim under the manufacturer's warranty and provide proof of such denial, before the Insurer will pay to repair or replace your appliance or equipment.

E. Up to $5,000 for the reasonable costs of shelter, transportation, food, moving, storage or other incidental expenses necessitated by having to relocate during repairs of a major structural defect or designated structural element.

F. Up to $5,000 for loss or damage to wiring that fails to carry specified load to and between communication devices from the source of power, whether or not connected to the interior wiring system of the Home. Provided that the loss or damage is caused by improper construction or installation caused by your builder or your builder's employees, agents or subcontractors. Such devices include intercom systems, computer systems and security systems.

G. Up to $5,000 for loss or damage to bulkheads, fences, and boundary and/or retaining walls. Provided that the loss or damage is caused by improper construction or installation caused by your builder or your builder's employees, agents or subcontractors.

H. Up to $5,000 for loss or damage to recreational facilities, driveways, and walkways. Provided that the loss or damage is caused by improper construction or installation caused by your builder or your builder's employees, agents or subcontractors. Warrantor will correct cracks which exceed 3/4 in. in width or vertical displacement. Such repairs shall be made only to the crack and not the entire recreational facilities, driveways and walkways. Damage up to one foot of the outer perimeter of an asphalt/macadam driveway is excluded from coverage.

I. Up to $5,000 for loss or damage to lawn sprinkler systems and to your sewer and water lines from the exterior of your dwelling to the edge of your property line or the connection to the water or sewer provider/utility company's line, whichever is shorter. Provided that the loss or damage is caused by improper construction or installation caused by your builder or your builder's employees, agents or subcontractors.

J. Up to $5,000 for a covered MSD or DSE defect in detached garages and outbuildings. Provided that the loss or damage is caused by improper construction or installation caused by your builder or your builder's employees, agents or subcontractors.

TERMS AND CONDITIONS:

1. For all coverage provided under this enhanced warranty, Key Estates is the Warrantor, and Western Pacific Mutual Insurance Company, a Risk Retention Group, is the Insurer.

2. This enhanced warranty applies only to material or work supplied by your builder or its employees, agents, or subcontractors.

3. All terms, conditions, exclusions, limitations, and definitions of the RWC limited warranty provided to you by your builder apply to this enhanced warranty, except to the extent that this enhanced warranty extends the time when a defect is covered or includes a defect for coverage that is not included in the RWC limited warranty. All notice and dispute resolution terms of your RWC limited warranty apply to this enhanced warranty. In the event there is a discrepancy between the RWC limited warranty and this enhanced warranty, the terms of this enhanced warranty shall govern.

4. You must notify RWC in writing, as provided in your RWC limited warranty, if you believe a condition exists that would be covered by this enhanced warranty. Your notice must be postmarked (if sent by U.S. mail) or received (if sent by email) no later than thirty (30) days after the expiration date for the coverage under which the claim is made.

5. Mold, any damage caused by mold, and any claim for mold remediation are excluded from coverage under this enhanced warranty.

6. For balconies, decks, porches, stoops, and patios that are not structurally attached to your home, if a component of this nature fails to perform its intended function because of a construction defect, the Insurer will correct the failed component so that it will perform its intended function. Some minor movement and cracking are common, are not covered, and should be expected.

7. If an MSD or DSE is caused directly by subsurface water, moisture, rot, mildew, rust, drought, or intrusion of water into crawl spaces, the Insurer will correct load-bearing components, limited to such actions as are necessary to restore the load-bearing capability of the components affected by a MSD or DSE defect. This coverage is limited to MSDs or DSEs as defined in the definitions section of your RWC limited warranty. Repair of the cause of the MSD or DSE defect is not the Insurer's responsibility.

8. If an MSD or DSE is caused directly by tree roots, ground settlement, or negative drainage, the Insurer will correct load-bearing components to the extent necessary to restore the load-bearing capability of the components that are affected by the MSD or DSE. This coverage is limited to MSDs or DSEs as defined in the definitions section of your RWC limited warranty. Repair of the cause of the MSD or DSE is not the Insurer's responsibility.

9. The Administrator will process the request for warranty performance provided you pay a warranty service fee of $250 for each request prior to repair, replacement, or monetary settlement.

10. If there is consequential damage to real property caused directly by an MSD or DSE as defined in the definitions section of your RWC limited warranty, the Insurer will correct that consequential damage to real property.

11. The total combined limit of liability for your RWC limited warranty and this enhanced limited warranty is the limit of liability described in your RWC limited new home warranty.

12. Whether the coverage in this enhanced warranty applies to MSDs or DSEs is determined by your RWC limited warranty. If your RWC limited warranty covers MSDs, then the coverages in this enhanced warranty apply to MSDs. If your RWC limited warranty covers DSEs, then the coverage in this enhanced warranty applies to DSEs.