

Exhibit A

Home Owners Limited Warranty



Original Owner(s) Name(s): _____
(hereinafter collectively called "Owner")



Builder's Name: _____
(hereinafter called "Builder")

Commencement Date: _____



Witnesseth:

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 residence during the coverage period. This warranty is extended to the original Owner only and is not transferable to subsequent owners.

TERMS

The term of the various coverages of this Limited Warranty shall begin on the commencement date and shall terminate 12 months after the commencement date, unless otherwise stated herein; PROVIDED, HOWEVER, the Limited Warranty shall be void and of no effect unless and until Owner has paid to Builder the full purchase price for the house and lot, including any and all current payments due under any promissory note or other indebtedness to Builder in connection with the purchase of the house and lot. Builder's performance under the Limited Warranty is conditioned upon payment of the purchase price being made by Owner when due; and Builder shall have no obligation under the Limited Warranty if Owner has not made all payments when due, regardless of the reasons for Owner's failure to make such payment(s). The failure to pay any portion of the purchase price when due shall be deemed a material failure by Owner under its Agreement with Builder. The commencement date, for purposes of this Limited Warranty, shall be defined as the earlier of two dates: (a) The settlement date, otherwise known as date of closing; or (b) the initial date of occupancy.

The termination date of the Limited Warranty shall not be extended because of any period of time during which the Limited Warranty is void and of no effect because of Owner's failure to pay the full purchase price as described above.

NOTE TO OWNER:

All new 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 considered normal. It will be helpful to the Owner's home maintenance program to keep a color chart of the different materials used on the home and a small supply of corresponding colored paint, stain, grout, etc., for easy touch up.

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

MANUFACTURER'S WARRANTIES:

Builder assigns and passes through to Owner the Manufacturer's warranties on all "consumer products" as defined in the Magnuson-Moss Warranty 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 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.
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.

EXCLUSIONS

The following are not covered by the Limited Warranty:

1. Any appliance, equipment, or other item in the house which is a "consumer product" as defined above under manufacturer warranties.
2. Damage due to the abuse or neglect of the Owner or the Owner's failure to provide proper maintenance.
3. Defect in swimming pools, patios, walkways, driveways, retaining walls, fences, or any other improvements not a part of the house itself.
4. Any natural trees, grasses, sodding or other landscaping.
5. Defects or damage caused by someone other than Builder.
6. Defects or damage resulting from any changes made by someone other than Builder including, but not limited to, changes in the structure of the house, mechanical or electrical systems, and exterior grading.
7. Injury to any person, bodily or otherwise, whether or not caused by any defect in the construction of the house and whether or not resulting from the negligence of the Builder.
8. Defects in or damage to any real or personal property which was not a part of the house or real property included in the original purchase.

9. Normal wear and tear, normal deterioration, normal discoloration, warpage or shrinkage of materials or other normal changes which are the result of characteristics common to the materials used.

10. Loss or damage not caused by a defect in the construction of the house by the Builder.

11. Accidental loss or damage including, but not limited to: fire, explosion, smoke, insect damage, soil erosion, water escape, changes not reasonably foreseeable in the level of the underground water table, glass breakage, windstorm, hail or lightning, extremes in temperature, falling trees, aircraft and vehicles, flood, earthquake (exclusive of soil movement from causes other than flood or earthquake), except when such loss or damage is caused by our failure to comply with acceptable standards and practices.

12. Minor defects including chips, scratches and mars in tile, woodwork, walls, painting, porcelain, brick, counter tops, mirrors, carpeting, marble, glass and plumbing fixtures which are not recognized and brought to our attention at the time of final inspection.

13. Incidental or consequential damages.

14. Section 4-5-23 of the Residential Construction Performance Guidelines is not applicable in our area. Our local Performance Guideline for Section 4-5-23 is as follows: No point along the top of any course shall be more than 1/4 inch higher or lower than any other point within 10 feet along the top of the same course, or 1/2 inch in any length, except that the owner and the contractor may agree to match or otherwise compensate for pre-existing conditions. Discussion: Some brick, including tumbled and distressed brick, may have dimensional tolerances that result in exceeding this performance guideline.

CLAIMS PROCEDURES:

Upon detecting the existence of a defect, the Owner shall follow the procedures set forth below:

1. If the defect is covered by this Limited Warranty, written notice with a thorough and complete explanation of the defect, shall be sent to Builder no later than thirty (30) days following the expiration of the twelve (12) month warranty period. Only emergency reports will be taken by telephone. Following the receipt of your requests, we will make an inspection of your home within thirty (30) days after receipt of such notice. If such inspection reveals that repairs or adjustments covered by the Limited Warranty are required, we will make the necessary repairs or adjustments within ninety (90) days at no cost to you, weather and labor conditions permitting and emergencies excepted. Inspection, service and repairs will only be performed during normal working hours, 8:00 a.m. to 5:00 p.m., Monday through Friday.

2. If the defect is covered by a manufacturer's warranty, follow the instructions provided with such warranty. In the absence of a written manufacturer's warranty, contact Builder's office for information and assistance in filing the claim.

BUILDER'S PERFORMANCE:

The attached Residential Construction Performance Guidelines prepared by the National Association of Home Builders are incorporated herein and are intended to be used by Owner and Builder as guidelines in the determination of acceptable performance criteria in construction of the house.

If a defect is an item which is covered by this Limited Warranty, the Builder will repair or replace, or pay Owner the reasonable costs of repairing or replacing the defective item. The choice among repair, replacement or payment is the Builder's. Action taken by the Builder to correct defects shall not extend any term of this warranty. Corrective work shall be performed by Builder only during normal working hours, 8:00 a.m. to 5:00 p.m., Monday through Friday. No corrective work will be performed on Saturday, Sunday or company holidays. Builder shall not be required to enter the premises to perform corrective work unless Owner has provided Builder with key, written permission to enter and a complete written release of liability.

Corrective work performed by Builder to repair a defect covered by this Limited Warranty shall be at no charge to Owner.

CONCILIATION/ARBITRATION:

If defects are claimed by Owner, Owner and Builder shall comply with the claim procedures in the Limited Warranty, including but not limited to the notice requirements. If Builder fails to comply with the claim procedures in the Limited Warranty or if the parties are unable to mutually resolve any question with respect to the performance of this Agreement, Owner must contact the Building Industry Association of

Greater Louisville (the "Association") no later than 180 days following expiration of the twelve (12) month warranty period which shall not be deemed to be an extension of the twelve (12) month warranty period and request conciliation, unless Builder in writing waives the conciliation procedure. Owner will submit \$50 for administrative costs along with complaint forms and any other documentation reasonably requested by the Association to evidence Owner's compliance with the claims procedures set forth herein. Builder will be billed \$200 when a team is assigned for conciliation. Any money being withheld from Builder by Owner must first be placed in the Association's escrow account before the conciliation meeting will be held. At the conciliation meeting, which shall be held in the Commonwealth of Kentucky, only Owner, Builder, Builder's supervisory personnel at Builder's discretion, and the conciliators appointed by the Registered Builder Committee of the Association shall be present. If a conciliation agreement is not signed by Builder and Owner, the Association may refund the escrowed funds. Following completion by Builder of the remedial steps contained in any Conciliation Agreement signed by Owner and Builder within the time periods indicated, if any, the Association may distribute funds held in escrow to Builder; provided, however, if, in the sole opinion of the Association, Builder has not performed the remedial steps set forth in the Conciliation Agreement as intended by Owner, Builder and the Conciliators, the Association may refund escrowed funds to Buyer. The Association provides the conciliation procedure only as a service to its members and home buyers and does not undertake or guarantee, expressly or impliedly, to perform any obligation of Builder resulting from such procedure. The provisions of this paragraph shall not apply unless Builder is at all times during the conciliation procedure a member of the Association.

If parties are unable to mutually resolve any controversy or claim through the conciliation procedure, or if parties agree to waive the conciliation procedure or if the conciliation procedure is not otherwise available to the parties for any reason, then any controversy or claim arising out of or relating to this Limited Warranty or any breach of this Limited Warranty, shall unless waived in writing by both parties be settled by binding arbitration held in the Commonwealth of Kentucky and submitted to a professional arbitration service under its rules relating to the construction industry and the Kentucky Arbitration Act; provided, however, if the dispute between the parties involves a claimed construction defect, then prior to commencement of arbitration Owner shall give written notice to Builder of the claimed defect, and Builder shall have the right to offer to cure the claimed defect, all as more particularly set forth in the agreement between Owner and Builder and as set forth in the Notice and Opportunity to Repair Act (KRS 411.250 to 411.266) the arbitrator's decision shall be final and legally binding and judgment on the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof. Each party shall be responsible for its share of the arbitration fees in accordance with the applicable rules of the arbitration service selected. In the event a party fails to proceed with arbitration, unsuccessfully challenges the arbitrator's award or fails to comply with the arbitrator's award, the other party is entitled to recover its costs, including a reasonable attorney fee, for having to compel arbitration or defend or enforce the award. Notwithstanding any other provision of this Limited Warranty, Owner shall give Builder an adequate opportunity to repair, replace or pay for any defective construction.

Date of Closing or Occupancy

This acknowledges the receipt of the "Home Owner's Limited Warranty"

Address

Owner's Signature

Owner's Signature

(Builder)

By _____ Title _____